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## NOTIFICATION

No.H-12018/23/91-LJD, the 9th April, 1997. The following Ordinance is hereby published for general information.

**THE MIZORAM TRADING (REGULATION)  
ORDINANCE, 1995.**

**ORDINANCE NO. 1 OF 1997.**

Promulgated by the Governor on the Forty-Eighth Year of the Republic of India.

### An Ordinance

to regulate trading in the State of Mizoram with a view to promote economic growth in the interest of the people of Mizoram and for matters connected therewith.

Whereas the Assembly is not in session and the Governor is satisfied that circumstances exist which render it necessary for him to take immediate action.

Now, therefore, in exercise of the powers conferred by clause (1) of Article 213 of the Constitution of India, the Governor of Mizoram is pleased to promulgate the following Ordinance, namely :—

## PART—I

## (Preliminary)

Short title,  
extent and com-  
mencement

1. (1) ~~This~~ Ordinance may be called the Mizoram Trading (Regulation) Ordinance 1995.

- (2) It shall extend to the whole of the State of Mizoram except the three Autonomous Districts of Chakma, Mara and Lai as defined in Sub-paragraph (1) of paragraph 1 of the Sixth Schedule to the Constitution.

- (3) It shall come into force on such date as the Government may, by notification in the Official Gazette, notify and different dates may be notified for different areas.

Definition

2. In this Ordinance unless the context otherwise requires-

- (a) "Agent" means a person who on behalf of another person and in consideration of commission makes or offers to do anything necessary for completing and carrying out such trade;
- (b) "Appellate Authority" means a Board consisting of not less than three members constituted by the Government and notified in the Official Gazette;
- (c) "Form" means a form as may be prescribed under this Ordinance from time to time;
- (d) "Government" means the State Government of Mizoram;
- (e) "Licence" means a licence granted under this Ordinance to a person or society, association, firms or a company;
- (f) "Temporary Licence" means a licence granted for a specified period;
- (g) "Licence Holder" means a person or society, association, firm or company holding a licence under this Ordinance;
- (h) "Licencing Authority" means the State Government of Mizoram or any Officer(s) authorised by the Government on its behalf;
- (i) "List of Price and Stock" means the list maintained from time to time by a licence holder in prescribed form indicating the sale prices and stock of the trade articles in which the licence holder carries on business;

- (j) "Official Gazette" means the Mizoram Gazette;
- (k) "Permit" means a permit issued by the Licencing Authority;
- (l) "Place of Business" means any place where a licence holder sells any of the goods held by him in stock and include a place where the books of accounts, licence holder of business are kept and where orders or offers involving purchase or sale of any trade articles are received and where the licence holder stores any trade articles;
- (m) "Person" includes joint family, association or body of individuals whether incorporated or not;
- (n) "Rules" means the rules made under this Ordinance for carrying out the purpose of this Ordinance;
- (o) "Trade" means any trade, business, industry, transportation, profession or the like nature, occupation relating to production, manufacturing, supply and distribution of goods other than those essential commodities regulated by the Mizoram Trade Articles (Licensing and Control) Order, 1987 and includes the wholesale or retail sale of any commodity purchased for sale.

## PART—II

### PROCEDURE FOR GRANTING AND ISSUE OF LICENCE

#### Regulation of Trading

3. No person shall, after the commencement of this Ordinance carry on any trade in Mizoram except in accordance with the terms and conditions of licence issued under this Ordinance by the Licensing Authority under the provisions of this Ordinance and the rules made thereunder;

Provided that such a licence shall not be refused to any person who has been carrying on trades within the erstwhile Mizo District (now Mizoram) since before the commencement of this Ordinance unless disqualified under this Ordinance;

Provided further that if such a licence is to be refused the Licence holder shall be given an opportunity of being heard and the ground (s) of refusal shall be recorded in writing by the authority.

- Application for licence 4. Any person or firm who de  
make an application for grant of licence to the Licensing  
Authority in prescribed form along with the prescribed fee.
- Verification of the Application 5. On receipt of an application for the grant of licence under  
section 4, the Licensing Authority shall hold inquiry having  
regards to necessary qualifications as may be prescribed in  
the rules made under this Ordinance.
- Grant of Licence 6. The Licensing Authority may, after holding necessary inquiry  
under section 5, issue a licence or temporary licence on  
payment of such fees as may be prescribed for a specified  
period or periods as prescribed in the rules made under  
this Ordinance:
- Provided that no licence shall be refused to a person  
or persons who has been carrying on trade within the  
erstwhile Mizo District (now Mizoram) under a permanent  
Licence issued by the erstwhile Mizo District Council as the  
case may be till immediately before the commencement of  
this Ordinance unless disqualified under this Ordinance;
- Provided further that if such a licence is to be refused,  
the licence holder shall be given an opportunity of being  
heard and the ground or grounds of refusal shall be re-  
corded in writing by the Licensing Authority.
- Renewal of Licence 7. An application for renewal of licence shall be made, along  
with the prescribed fees to the Licensing Authority in  
prescribed form. The Licence may be renewed for a period  
not exceeding 3 (three) years at a time. In case the licence  
holder fails to furnish the application along with the fee  
before the expiry of the licence, the Licensing Authority  
may entertain an application for renewal upto one month  
on payment of the late fee as may be prescribed by the rule.
- Refusal of Issue of Licence 8. The Licensing Authority may refuse to grant licence if in  
his opinion, the applicant does not fulfill the required quali-  
fications as may be prescribed in the rules or on any other  
sufficient and reasonable ground or grounds.
- Addition and Alteration 9. The Licensing Authority may make necessary additions,  
deletions or alterations in the entries made in the licence  
relating to godown, place of business, names of partners,  
names of employees, items of trade articles, etc. either on  
the application of the licence or on suo motu.
- Decision of Government to be final 10. The decision of the Government in granting, rejecting or  
cancellation or suspension of licence to any person, society,  
association, firm or company for dealing in any item of  
trade shall be final.

Licence not transferable

11. Licence granted under this Ordinance shall not be transferable;

Provided that where a licence holder dies or disqualifies himself, under the provisions of, or otherwise unable to continue, the licence shall stand cancelled and the Licensing Authority may consider granting of licence to his legal heir or his next of kin to continue the business.

### PART-III

#### MISCELLANEOUS PROVISIONS

12. In the event of cancellation of licence, the Licensing Authority may, on application made to it in this behalf and for good and sufficient reasons, suspend the licence for a period not exceeding two months.

13. The Licensing Authority may require any licence holder to display the price and stocks of trade articles, call for returns from the licence holder in respect of the stock in trade and to maintain accounts in the manner as may be prescribed.

14. Any licence holder aggrieved by an order made under this Ordinance may prefer an appeal within 60 (sixty) days from the date of receipt of the order to the Appellate Authority on payment of such fees as may be prescribed.

Provided that no such appeal shall be entertained if not preferred within a specified period. The decision of the Appellate Authority shall be final.

The Appellate Authority may direct the order against which the appeal is made to take effect.

15. The State Government may, by general or special order, and subject to such conditions or restrictions as may be specified in such order, exempt any person or class of persons, or firm or association of persons or any co-operative society from the operation of all or any of the provisions of this Ordinance and may at any time suspend or rescind such exemption.

(2) Nothing in this Ordinance shall apply to any trading by or on behalf of...

- (i) the Central Government, or
- (ii) the State Government, or
- (iii) the Offices, Departments, institutions or other organisations of the State Government or such agencies as may be so declared by the State Government.

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| Sanction for prosecution               | 16. No prosecution in respect of alleged contravention of any provisions of this Ordinance shall be instituted without the sanction of the Licensing Authority in writing.   |
| Suspension and Cancellation of Licence | 17. If any licence holder or his agent or servant or any other person acting on his behalf contravene any terms and conditions of the licence, his licence may be cancelled or suspended by an order in writing of the Licensing Authority and an entry will be made in his licence relating to such suspension or cancellation. |
| Penalty                                | 18. Without prejudice to any other penalties under this Ordinance if any licence holder violates any of provisions of this Ordinance or rules made thereunder, he shall be punishable with imprisonment which may extend to one year or a fine not exceeding two thousand rupees or with both.                                   |

And whoever commits an offence under section 3 shall on conviction by a Magistrate be punishable with imprisonment for a term not exceeding one year or a fine not exceeding two thousand rupees or with both and all the stock of trade articles available at the shop will be liable to be confiscated to the State whoever wilfully refuses or fails to comply with any direction :

Provided that if any person, after having been previously convicted of an offence punishable under this Ordinance subsequently commits and is convicted of an offence punishable under any of those sections of this Ordinance shall be liable to twice the punishment which might be imposed on a first conviction under this Ordinance;

Provided further that the Court may, for reasons to be recorded the judgement impose a fine exceeding Rs 2,000/-.

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| Offence to be non-cognizable | 19. An offence under this Ordinance shall be non-cognizable.   |
| Offence by companies         | 20. (1) If any person committing an offence under this Ordinance is a company, every individual, who at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly: |

Provided that nothing contained in this sub-section shall render any person liable to punishment if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

- (2) Notwithstanding anything contained in sub-section (1), where any offence under this Ordinance has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer, he shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

**EXPLANATION :—** For the purposes of this section —

- (a) "Company" means any body corporate and includes a firm or other association of individuals, and  
(b) "director" in relation to a firm, means a partner in the firm.

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| Protection of Officers acting in good faith | 21. No suit, prosecution or other legal proceedings shall be instituted against any officer of the Government for anything done or intended to be done in good faith under the provisions of this Ordinance or rules made thereunder.   |
| Delegation of power                         | 22. Subject to such restriction as may be specified, the Government may, by notification in the Official Gazette, delegate any of the power under this Ordinance to any Officers and such officers shall thereupon exercise such power or powers.   |
| Power to make rules                         | <p>23. (1) The Government may, by notification in the Official Gazette, make rules for the purpose of carrying out the provisions of this Ordinance and</p> <p>(2) without prejudice to the generality of the foregoing power, such rules may, in particular, prescribe :—</p> <p>(a) The form and particulars of application for the grant of licence under section 4;</p> <p>(b) the form of necessary qualifications under section 5;</p> <p>(c) the amount of fee to be paid and the form or manner of declaration of commodities under section 4, 6 and 7;</p> <p>(d) the form of return under section 14;</p> |

(1) the maintenance of a book of accounts and other documents in accordance with the provisions of the Mizoram Trading (Regulation) Act, 1991 and all other laws and regulations in force in Mizoram; and

(2) any other matters expressly required by this Ordinance.

(3) Every rule made under this section shall be laid, as soon as may be after it is made, before the Legislative Assembly of Mizoram while it is in session for a total period of seven days which may be comprised in one session or in two successive sessions; and if, before the expiry of the session in which it is so laid or the sessions immediately following, the Legislative Assembly of Mizoram makes any modification in the rule or decides that the rule should not be made, the rule shall have effect only in such modified form or be of no effect, as the case may be, and any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

**Repeal and** 24. On and from the commencement of this Ordinance, saving

(1) The Mizoram Trading (Regulation) Act, 1991 and all other laws and regulations in force in Mizoram; and

(2) Notwithstanding anything contained in subsection (1), any action taken or purported to be taken under the said Act and rules made thereunder shall be deemed to have been taken for the purpose of being taken under this Ordinance.

(1) The Government may, by notification in the Official Gazette, make rules for the purpose of carrying out the provisions of this Ordinance on the 7th Day of April, 1997.

(2) Without prejudice to the generality of the foregoing power, such rules may, in particular, prescribe:—

(a) The form and particulars of application for the grant of licence under section 4;

(b) The form of necessary qualifications under section 5; and