

## **Module 3**

### **Law Relating to Registration and Approval and Bar License**

Opening a restaurant involves extensive research, consideration, and planning. The process becomes significantly more difficult if you want to create a bar and restaurant. This necessitates a great deal of documentation as well as compliance procedures like licenses and registrations. However, such businesses enable entrepreneurs to diversify their business models by generating revenue from food and alcohol. To sell liquor goods in India lawfully, business owners must obtain a bar and restaurant license.

#### **Types of Bar Business in India**

There are many different sorts of bars that can be built. The type of bar to open is determined by a variety of factors, including the amount of capital available, the owner's desired atmosphere, the talents of the personnel, and other examples. Below is the information on different types of Bar businesses in India

##### **1. Tapas Bar**

A Tapas Bar will have all the arrangements related to the snacks, appetizers, along with the drinks.

##### **2. Nightclubs**

Nightclubs, additionally offering alcohol and food, provide a variety of entertainment options, such as comedy acts, music, and dancing, and often open in the late evenings and close in the early hours of the morning.

##### **3. Lounge**

A lounge is an up-scale bar that is particularly well-appointed with comfortable seating arrangements and frequently charges a higher price for its drinks.

##### **4. Sports Bar**

A sports bar is a place where sports competitions are continuously shown and alcoholic beverages are supplied.

## 5. Pub

The term “**pub**” refers to a public house. It is a gathering area where people congregate and socialize, and where drink and food are served on occasion.

### **Documents required for Bar License Registration in India**

- Trade License
- [\*\*Business Registration\*\*](#) or Incorporation Certificate
- GST (Goods and Service Tax) Registration
- Address Proof of the Business Premises
- NOC from the State Fire Department
- Eating house License Registration from the District Commissioner Police
- [\*\*FSSAI License\*\*](#)
- Affidavit that an entity does not have any criminal history or outstanding dues
- Completion Certificate of the restaurant or bar

### **A process on Bar License Registration in India**

- First and foremost, you must establish the type of license you require.
- After that, go to the State Excise Department’s official website.
- On the website, you may download an application for a Wine Shop License.
- Complete the form thoroughly, including the type of liquor, the location of the business, the type of license, and your background information.
- Then, along with any required supporting documents, submit the form to the proper authority.
- You must also pay the required application fee at the time of submission.

- The information you supply will not be cross-checked and verified by state authorities, and you may be asked to provide further information if necessary.
- Following verification, you will get a notice at your business or personal address detailing the details of your license. Objections to the notice shown can be filed by local governments.
- You must defend your right to open a wine shop if an objection is lodged, and if no objections are raised, you will be awarded a liquor license.

### Types of Bar License in India

There are 5 types of Bar Licenses Issued by Govt. of India

- L1
- L3
- L5
- L19
- L49

### 5 Types of Bar License in India

Permission to offer Indian liquor to other licensees on a wholesale basis	Allows the holder to serve foreign liquor to guests staying in hotel rooms	Allows the holder to serve liquor at the hotel's special bars and restaurants	Clubs that are registered with the ROF or the Registrar of Co-operative Societies can serve foreign liquor to their members	License authorizes the holder to serve alcohol at any party or celebration

**1. What kinds of licenses do the State Excise Agencies issue?**

Different types of licenses are issued by the appropriate State Excise Agencies. The following licenses are issued depending on the type of license required for a certain bar or restaurant:

- Permit to Serve Beer
- Wine Permit
- Hard Drinks Permit
- A brewery license is required

**2. In India, can a restaurant or a pub operate without a Bar License?**

No, without a Bar License, a restaurant or a pub cannot serve alcoholic drinks to the consumer. The applicant must meet acquire the license and meet all the standards. It is an infraction if the applicant does not have a license and runs a bar.

**3. What is a Trade License?**

The Health and Trade License ensures that your bar and restaurant adhere to all of the health department's guidelines. It also eliminates the risk of health concerns at your location and it takes about 60 days to achieve a Trade License.

**4. Do we need an FSSAI License for starting a Bar and Restaurant Business in India?**

Yes, the food business operators in India must get an FSSAI License. The Food Safety and Standards Authority of India requires all food industry operators in India to get a food license. For any establishment dealing in food items, it is one of India's most important licenses. Furthermore, the license serves as FSSAI accreditation, certifying that the facility meets the required Food Security and Safety Standards.

**5. What are the Benefits of a Bar License in India?**

- Turnover has risen

Any restaurant with this type of license would have a higher turnover because more distilleries would bring more sales to restaurants and pubs with this type of license.

- Observance of the applicable state excise authority

Any restaurant or bar that obtains a license in this manner would be in compliance with State and Municipal Excise Rules. Excise Duty would be paid on liquor brought into the appropriate state under these schemes.

- **A company's reputation improves**

Any restaurant or bar that obtains a bar license in India will gain a reputation among the general population. Furthermore, more conformity would be maintained if the government authorities imposed such restrictions.