

**TERMS AND CONDITIONS FOR THE GRANT OF LICENCE IN FORM L-10 (RETAIL VEND OF INDIAN LIQUOR AND FOREIGN LIQUOR IN PRIVATE/PUBLIC SECTOR IN SHOPPING MALLS OR AT SHOPPING COMPLEX AT AIRPORT).**

Licences in Form L-10 for the retail sale of various brands of Indian Liquor and Foreign Liquor etc as approved or registered by the competent authority in the National Capital Territory of Delhi shall be granted in accordance with the following terms and conditions: -

**1. ELIGIBILITY TO HOLD LICENCE**

1.1 Licence shall be granted to the following: -

- (a) Companies registered under the Companies Act, 1956;
- (b) Partnership firms registered under the Partnership Act, 1932;
- (c) Co-operative Societies registered under the relevant Co-operative Societies Act;
- (d) Sole proprietors.
- (e) Delhi Tourism & Transportation Development Corporation, Delhi State Civil Supplies Corporation, Delhi State Industrial & Infrastructure Development Corporation and Delhi Consumer Corporation Wholesale Store hereinafter called the Public Sector.

**EXCEPTION**

- i) No person or his family member interested in any distillery, brewery, winery or bottling plant holding L-1 and L-9 licence for the wholesale Indian Made Foreign Liquor and Country Liquor respectively shall be eligible for this licence. For the purpose of this, a person interested in any distillery, brewery, winery or bottling plant includes every person interested in the business of such distillery or brewery or winery or bottling plant as a member of co operative society, director, partner, agent or employee.
- ii) Only one licence shall be granted to a company, partnership firm and a co-operative society. They shall not be eligible to apply and hold more than one licence in any case. For sole proprietors, one licence shall be granted for the family and no other family member shall be eligible to hold any other L-10 licence. However, this condition shall not apply to public sector.
- iii) Holder of L-10 Licence shall not be eligible for any other wholesale or retail licence. However, this condition shall not apply on public sector.

1.2

- (a) **Private Sector:** The applicant for L-10 licence should be in actual physical possession of a shop (hereinafter referred as "the proposed shop") measuring 1000 sq. ft. and above carpet area in a shopping mall situated at Commercial Plots approved by the local bodies including DDA/MCD/NDMC, etc or at shopping complex at Airport.

*(Signature)*

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- (b) **Public Sector:** The applicant for L-10 licence should be in actual physical possession of a shop (hereinafter referred as "the proposed shop") measuring 750 sq. ft. and above carpet area in a shopping mall situated at Commercial Plots approved by the local bodies including DDA/MCD/NDMC, etc or at shopping complex at Airport.

A Shopping Mall may be defined as a centrally air conditioned place where a number of shops are located in a building or a set of buildings with interconnecting walkways, on same or different floors with common passage area for the buyers/visitors including the atrium or foyer, having parking facility.

- 1.3 The proposed shop should be a pucca building.
- 1.4 The applicant, in case of sole-proprietorship and one of the partners in case of a partnership firm must be a resident of Delhi. In case of companies/firms, their offices must be registered in Delhi with any Government agency (Sales Tax/Income Tax, etc.) for more than five years. In case of cooperative societies, it must be registered with the Registrar, Cooperative Societies, Delhi for more than five years.
- 1.5 No L-10 vend shall be located within 100 meters from the following-
- (a) major educational institutions
  - (b) religious places
  - (c) hospitals with fifty beds and above.

Provided that the condition of 100 meters shall apply for the licenses granted after the commencement of Delhi Excise Rules, 2010.

Provided also that if any major educational institution, religious place or hospital with 50 beds or above comes into existence subsequent to the establishment of the retail vend of Indian Liquor and Foreign Liquor, the aforesaid distance restriction shall not apply.

Explanation I- For the purpose of clause (a) above major educational institutions would mean middle and higher secondary schools, colleges and other institutions of higher learning recognized by the Government.

Explanation II - For the purpose of clause (b) above, a religious place would imply a religious place having a pucca structure with a covered area of more than 400 square feet.

Explanation III - The measurement of distance shall be the shortest traversable distance, from the midpoint of the actual main entrance/door of the premises proposed for licence to mid point of the actual main door/entrance of the building of the places mentioned in clauses (a) (b) and (c) above.



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## 2. PROCEDURE TO APPLY

- 2.1 Applications in the prescribed form (Annexure - I) along with other relevant documents for licence shall be made to the Deputy Commissioner of Excise, Delhi (hereinafter referred as "the Deputy Commissioner").
- 2.2 Applicant will submit the following alongwith the application: -
- (a) Proof of lawful possession of the proposed shop i.e. ownership/lease/rental documents etc.
  - (b) An affidavit in the form given in Annexure -II declaring that –
    - (i) he is in actual physical possession of the shop for which he has made an application for grant of L-10 licence.
    - (ii) there is nothing adverse against the applicant as per the provisions of Rule 23 of Delhi Excise Rules, 2010.
  - (c) A lay out plan of the area in which the shop is located, clearly showing the proposed shop.
  - (d) An earnest money of Rs. 8 lacs by way of a Demand Draft in favour of the Deputy Commissioner (Excise), Delhi.
  - (e) A solvency certificate of Rs. 50 lacs issued by Sub- divisional Magistrate/a Scheduled Commercial Bank.
  - (f) Income tax clearance certificate.
  - (g) Domicile certificate/Proof of registered office being in Delhi.
- 2.3 Information as required in the application form shall be furnished with complete details & enclosures, truly and faithfully, so as to enable the processing of the application for grant of L-10 licences. The applicant shall not be entitled to any relief or compensation on account of delay in the finalization of his case for the grant of licence.
- 2.4 Order of priority will be the date of receipt of application, complete in all respect. The applicant whose application is not complete in all respect will be given 15 days time to remove the discrepancies failing which the incomplete application shall be rejected.

## 3. GRANT OF LICENCE

- 3.1 The Government of National Capital Territory of Delhi has decided to grant L-10 licence for retail trade of Indian Liquor & Foreign Liquor in Delhi in shopping malls on first come first serve basis.
- 3.2 All the applications for the grant of L-10 licence shall be subject to the acceptance by the competent authority who may accept or reject any

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application without assigning any reason. The licensing authority shall be under no obligation to grant any licence for which application has been made.

- 3.3 If on scrutiny, any application is found incomplete, vague, confusing or not as per the terms and conditions, the same shall be summarily rejected and the decision of the Commissioner Excise shall be final.
- 3.4 In case of rejected applications, the earnest money will be refunded to the applicant by registered post within a period of thirty days from the date of rejection.

#### 4. COMPLETION OF FORMALITIES/FEE STRUCTURE

- 4.1 Successful applicants shall be granted L-10 licences for their respective proposed shops subject to the completion of the following formalities within fifteen days from the date of approval of the licence:
- (a) payment of licence fee of Rs. 8,00,000/- (Rupees Eight lacs) only by way of a Demand Draft in favour of the Deputy Commissioner (Excise), Delhi.
  - (b) a security deposit of Rs. 10,00,000/- (Rupees Ten lacs) only by way of a Demand Draft in favour of the Deputy Commissioner (Excise), Delhi. However, the earnest money of Rs. 8 lacs will be adjusted in the licence fee. The amount of security deposit shall be refunded to the licence holder on termination of his L-10 licence without any interest within a period of thirty days from the date of the termination of the licence.
  - (c) after the grant of licence, if the applicant is not able to complete the formalities within a period of fifteen days from the date of the issue of offer letter or is not found in the actual physical possession of the proposed shop, the earnest money of Rs. 8 lacs shall be forfeited.
  - (d) the successful applicant shall submit a plan of interior design of the proposed shop ensuring the following points:
    - (i) The shop floor area has been designed to ensure the display of the various liquor brands along with necessary price indicators;
    - (ii) The interiors of the shop have been so designed that the shop has proper painting, lighting, flooring and hygiene.
- 4.2 The licensed premises shall be duly insured against fire and natural hazards. The licensee shall keep the premises thoroughly clean and dry and shall comply with the orders issued by the Deputy Commissioner for removal of defects in the building.

  
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**5. TRANSPORT PERMITS/RIGHT TO SELL LIQUOR**

- 5.1 On completion of the above referred formalities, the applicant shall be granted licence in Form L-10 which will entitle him to make retail sale from the proposed shop, of those brands of Indian Liquor/Foreign Liquor which have been approved/registered by the Deputy Commissioner in the National Capital Territory of Delhi.
- 5.2 The holder of L-10 licence shall be bound to procure liquor from holders of L-1/L-1F licence at the rate approved by the Department. Transport permits to procure liquor from holders of L-1/L-1F licences shall be issued to the holders of L-10 licensee subject to payment of excise duty and other levies applicable under Delhi Excise Act, 2009 and prescribed under the Rules.

**6. TIMINGS/RETAIL PRICE.**

- 6.1 Government of National Capital Territory of Delhi has approved the policy of flexi-timings for retail trade of liquor in Delhi. L-10 liquor vend will be allowed to remain open from 10.00 am to 10.00 pm.
- 6.2 Holders of L-10 licence will be bound to sell liquor only at a price fixed by the Excise Commissioner for each brand and mentioned on labels. Any undercharging or overcharging shall be considered as violation of the terms and conditions and the licence shall be liable to be cancelled.

**7. DRY DAYS**


"Dry days" as declared by the Government shall be observed as "dry days". L-10 retail vend shall remain closed on all the "dry days". The holders of L-10 licences shall not be entitled to any compensation or relief due to any increase in the number of "dry days" beyond the normal number or due to change in the working hours of the retail vends during the course of the licensing period.

**8. STOCK/BOOKS OF ACCOUNTS**

- 8.1 The holders of L-10 licence must store such number of brands of Indian Liquor/Foreign Liquor as may be approved by the Deputy Commissioner.
- 8.2 The holders of L-10 licence shall maintain the books of accounts and sales statements in the prescribed proforma. He shall maintain true accounts for day to day in ink entering all figures in international numerals and other particulars in English or Hindi.

**9. PAYMENTS**

- 9.1 The licensee shall make all the payments to the Government in connection with the operation of his licence by Demand Draft drawn in

  
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the name of the Deputy Commissioner (Excise), Delhi or as per the procedure which may be prescribed by the Department from time to time.

- 9.2 The licensee shall pay simple interest @ 12 % per annum from the date next following the day on which any payment recoverable from him under Section 29 of the Delhi Excise Act, 2009 (hereinafter referred to as the "the Act") becomes due to the Government until the date on which such payment is actually made or such amount is actually recovered, whatsoever may be the reason for the lapse of time before payment is made or recovery is affected.
- 9.3 The licensee shall not be entitled to any interest or any other relief or compensation on account of any delay in the payment of any amount to him by the Government.

## 10. BAR-CODE SYSTEM

- 10.1 For introduction of the Excise Supply Chain Information Management System (ESCIMS), the standard operating procedures for barcode implementation shall be made available to all the licensees of the Department of Excise, Entertainment and Luxury Tax of NCT of Delhi, who shall be required to procure, install and make necessary provisions for IT and non IT infrastructure at his licensed premises as may be required for successful implementation of the Excise Supply Chain Information Management System.
- 10.2 The holders of L-10 licence shall be bound to issue receipt/bill for each transaction of sale of liquor. The bill/receipt shall inter-alia include -
- (a) name of the holder of the L-10 licence and address of the shop.
  - (b) name and address of the customer;
  - (c) date of sale;
  - (d) names, quantity and batch no. of the brands sold.

## 11. RENEWAL

- 11.1 The Government of National Capital Territory of Delhi has declared that normally, the Excise Year would be from 1<sup>st</sup> April to 31<sup>st</sup> March:
- 11.2 L-10 licence may be renewed at the sole discretion of the Licensing Authority subject to payment of such licence fee and compliance of such other conditions as may be prescribed from time to time.

  
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## 12. PROHIBITION

- 12.1 In pursuance of the Directive Principles of the State Policy relating to Prohibition contained in Article 47 of the Constitution of India, Government of the National Capital Territory of Delhi may issue orders and directions from time to time and such orders and directions shall be binding on the licensee and no compensation shall be payable on that account.
- 12.2 The licensee shall abide by the following prohibition measures, namely: -
- (1) The licensee shall display a notice board prominently in front of the licensed premises declaring that "Drinking of liquor is injurious to health."
  - (2) All persons employed by the licensee in the licensed premises shall be required to possess identity cards issued under the signatures of the authorized signatory and the employees shall be required to produce the Identity card on demand by the Excise Officer or any officer not below the rank of Sub-Inspector.
  - (3) The licensee shall neither keep, distribute nor sell any advertising material which is likely or intended to promote the sale or consumption of liquor. Eco-friendly carry-bags, however, can be used subject to such advertising as not exhorting people to take to drinking.
  - (4) No licensee shall advertise liquor or any product having similar nomenclature of liquor product, unless such advertisement conforms to the programme code and advertisement code as laid down in the Cable Television Network (Regulation) Act, 1995 (as amended from time to time) and The Cable Television Net Work Rules, 1996 (as amended from time to time).

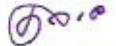
## 13. OTHER CONDITIONS OF LICENCE

- 13.1 Licence in Form L-10 for the licensing period shall be inter-alia subject to the general conditions in Rule 37, 50, 51 and 66 of the Delhi Excise Rules, 2010 (hereinafter referred to as "the Rules"). The holders of L-10 licence shall abide by the provisions of the Act and the rules framed and orders issued thereunder and any other law/rules in force in the National Capital Territory of Delhi relating to liquor.
- 13.2 Refrigeration facilities for storage of beer shall be mandatory for holders of L-10 licence.
- 13.3 Other conditions and guidelines as applicable to **L-6** retail liquor vends shall be adhered to in the case of L-10 vends also and they shall also follow additional conditions as prescribed by the Government from time to time.

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- 13.4 The licensee shall furnish to the Deputy Commissioner, a declaration in writing by the 8<sup>th</sup> of every month certifying that he has cleared all outstanding excise revenue and other dues recoverable from him. The Deputy Commissioner or any Excise officer may refuse to issue any pass or permit to licensee in the absence of such declaration or for any sufficient reasons, to be recorded, if he has reasons to believe that the licensee has not, on demand, paid any dues recoverable under Section 29 of the Act or dues payable on account of undue pecuniary benefits obtained by the licensees due to furnishing of wrong information or/and suppressing the material information furnished to the Department at the time of initially applying for the licence. The licensee shall not be entitled to any compensation or relief on account of such refusal.
14. The licensee shall be bound to furnish any information in connection with L-10 licence truly and faithfully within a reasonable time as may be prescribed by the Excise Commissioner, the Deputy Commissioner, the Assistant Commissioner or the Excise Officer. Refusal to furnish the information, furnishing of false information or non-compliance of the orders shall be regarded as breach of the terms and conditions of the licence. Breach of terms and conditions may also result in non-issue of import/transport permits and suspension/cancellation of licence.
15. **The Deputy Commissioner** reserves the right to cancel or suspend any L-10 licence at will as per provision of Section 17 of the Act.

  
18.05.2012  
(KULANAND JOSHI)  
DEPUTY COMMISSIONER (EXCISE)  
LICENCING AUTHORITY