

Liquor sales hit by excise policy, complex rules

The Supreme Court's ban on the sale of liquor near highways had hit restaurants, hotels and bars. Although the curbs were subsequently modified to exempt places that served liquor, restaurateurs now say their businesses are getting hit by new excise policy and licence norms, which have led to a scarcity of liquor supply in some states.

Problems with excise department websites or online processing of outlet registrations have led to bars and restaurants running out of liquor in some states this month. In Maharashtra, the licence fee has been increased by 10% this year.

"Business had been bad last year after the Supreme Court liquor ban and we had approached the government for some relief. There is not much headway in those discussions as they said they had not hiked the licence fee in three years and they will this year," said Dilip Datwani, president of the Hotel & Restaurant Association of Western India. "With the hike, it's the bottom line that gets hit and eats into your profits."