IN THE HIGH COURT OF JHARKHAND AT RANCHI
**W.P.(C) No.3861 of 2020**
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Amit Raj, son of Narayan Prasad, resident of LC/o Prasad Trading Company, Gujratipada, Ghandhi Marg Road, Hulurisingha Chowk, Angul, Odisha, P.O. & P.S. Angul, District Angul (Odisha).

**... ... Petitioner**

Versus

1. The State of Jharkhand, through Secretary, Department of Excise and Prohibition, having its office at Utpad Bhawan, Second Floor, Excise Building near Naveen Police Kendra, Kanke Road, P.O. & P.S. Kanke, District Ranchi.
2. Deputy Commissioner, Bokaro, P.O. & P.S. Bokaro, District Bokaro.
3. Assistant Excise Commissioner, Bokaro, P.O. & P.S. Bokaro, District Bokaro.

**... ... Respondents**

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**CORAM : SRI ANANDA SEN, J.**

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For the Petitioner(s) : Mrs. Prerna Jhunjhunwala, Advocate
For the Respondent(s) : Mr. Tarun Kr. Mahato, AC to AG

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**11/ 06.07.2026**

By filing this writ petition, the petitioner has prayed for the following reliefs:-

> *"(i) For issuance of an appropriate writ(s), order(s) or direction(s), particularly a writ of certiorari for quashing of the memo no.501/Uh., Bokaro dated 13.11.2020 (Annexure-11) issued under the signature of respondent no.2 - Deputy Commissioner, Bokaro, whereby and whereunder in purported exercise of the powers under Rule 34 (Cha.) of the Jharkhand Excise (Settlement and Operation of Shops for Retail Sale of Liquor) Rules, 2018 has directed for forfeiture of security deposit and Excise Transport Duty of retail License No.026_FLX_BOK_20-21, 016_CLX_BOK_20-21 and 010_COM_BOK_20-21 and has further blacklisted the petitioner for participating in lotteries for settlement of retail liquor licenses*

*in the State of Jharkhand for an indefinite period and a further direction has been given for seizure of the goods, license, account register etc. from all the three retail shops of the petitioner.*

*(ii) Upon quashing of the memo no.501/Uh., Bokaro dated 13.11.2020 (Annexure-11). Further direction may be issued upon the respondents to forthwith release the advance security money of Rs.12,58,533/- (Rs.9,34,652/- against License No.026_FLX_BOK_20-21 and 016_CLX_BOK_20-21 and Rs.3,23,881/- against License No.010_COM_BOK_20-21) and advance excise transportation duty of Rs.18,87,798/- (Rs.14,01,976/- License No.026_FLX_BOK_20-21 and 016_CLX_BOK_20-21 and Rs.4,85,822/- against License No.010_COM_BOK_20-21) relating to all the three retail shops and accept the petitioner's application for surrender of all these retail shops without imposing any fine or penalty."*

**2.** Heard learned counsel representing the petitioner and learned counsel representing the respondents.

**3.** Facts giving rise to the present controversy are as follows :-

**3.1.** Pursuant to a Notification published under the Jharkhand Excise (Settlement and Operation of Shops for Retail Sale of Liquor) Rules, 2018, the petitioner participated in a lottery of the retail liquor shop.

**3.2.** Petitioner was allotted three liquor shops, being one

foreign liquor retail shop, one composite retail shop and one country liquor shop and licenses for those shops were also issued to him.

**3.3.** Petitioner also deposited Advance Security Money and Advance Excise Transportation Duty for the licenses issued to him.

**3.4.** In the year 2020, the petitioner had moved representation before the District Collector, Bokaro, regarding surrender of his Foreign Liquor and Country Liquor shops on the ground that he is unable to pay the requisite minimum guarantee revenue because the sale of liquor had reached to minimum due to COVID pandemic and other attending circumstances.

**3.5.** The request made by the petitioner through the said representation remained unaddressed.

**3.6.** Ultimately, the Deputy Commissioner, Bokaro, passed an impugned order dated 13.11.2020, forfeiting the advance security deposit and excise transport duty of retail license and also blacklisting the petitioner from participating in lotteries for settlement of retail liquor licenses in the State of Jharkhand, for an indefinite period and also directed for seizure of goods, license, account register etc. from all the three retail shops which were allotted to the petitioner.

**4.** Learned counsel representing the petitioner submits that the impugned order of forfeiture and blacklisting is liable to be condemned as the petitioner was not afforded any opportunity of hearing. She submits that the petitioner had moved applications before the respondents requesting to surrender the liquor shops, but no decision has yet been taken pursuant to the said surrender

application. She submits that blacklisting cannot be affected for an indefinite period, which is well settled by the Hon'ble Supreme Court in the case of ***Daffodills Pharmaceuticals Limited & Anr. Vs. State of Uttar Pradesh & Anr.*** reported in ***(2020) 18 SCC 550***. She while relying upon the judgment of the Hon'ble Supreme Court in the case of ***M/s A.K.G. Construction and Developers Pvt. Ltd. Vs. State of Jharkhand & Ors.*** in ***S.L.P.(C) No.22669 of 2025***, submits that the impugned order cannot be sustained, as the show cause notice given to the petitioner is not unambiguous.

**5.** Learned counsel representing the respondents submits that during the COVID period, several concessions were made for the liquor license and excise duties for some periods were waived. The minimum guaranteed quota of liquor to be lifted, excise duty and the excise transport duty were relaxed. Despite these concessions the petitioner did not pay his dues for his shops. He submits that the petitioner repeatedly violated clause-24 and 25(3) of the Government Notification dated 24.12.2018 read with clause 11 of the sale Notification dated 18.02.2019, which adversely affected the Government exchequers.

**6.** After hearing the parties and going through the materials on record, I find that much prior to the issuance of impugned order, the representation was moved, that too went in vain. Even in the counter affidavit, there is no mentioning about the representation of the petitioner. The respondents have not whispered anything about the application for surrender of retail liquor shop (Annexure-5 and 5/1 to the writ petition), which was

moved by the petitioner, thus it will not be hasten to add that the order of blacklisting is a cryptic and unreasoned order. No reason has been assigned as to why the representation of the petitioner remained unaddressed for a long time. Further, without affording any opportunity to the petitioner, the impugned order was passed which also amounts to violation of principles of natural justice.

**7.** Further, blacklisting or debarring any person or shop for long period or an indefinite period amounts to civil death and also results in serious repercussions including penury and starvation of the said person and his dependent family member and employees.

**8.** The Hon'ble Supreme Court further in the case of ***Blue Dreamz Advertising (P) Ltd. v. Kolkata Municipal Corpn.*** reported in ***(2024) 15 SCC 264***, at para-25, had held as hereunder:-

> ***"25.*** *In other words, where the case is of an ordinary breach of contract and the explanation offered by the person concerned raises a bona fide dispute, blacklisting/debarment as a penalty ought not to be resorted to. Debarring a person albeit for a certain number of years tantamounts to civil death inasmuch as the said person is commercially ostracised resulting in serious consequences for the person and those who are employed by him."*

**8.1.** The Hon'ble Supreme Court in the case of ***Kulja Industries Ltd. v. Western Telecom Project BSNL*** reported in ***(2014) 14 SCC 731*****,** at para-25, had held as hereunder:-

> ***"25.*** *Suffice it to say that "debarment" is recognised and often used as an effective method for disciplining deviant suppliers/contractors who may have committed acts of omission and commission or frauds including misrepresentations, falsification of records and other breaches of the regulations under which such contracts were allotted. What is notable is that the "debarment" is never permanent and the period of debarment would invariably depend upon the nature of the offence committed by the erring contractor."*

**9.** Considering the aforesaid facts and the judgments passed by the Hon'ble Supreme Court, this Court is of the opinion that the order impugned cannot be sustained in any canon of law, thus the impugned order as contained in Memo No.501 dated 13.11.2020 (Annexure-11 to the writ petition), is hereby set aside.

**9.1.** So far as the impugned recovery of dues is concerned, since the petitioner's case is that the petitioner has already given an application for surrender of the license and that has not been considered and further considering that the notice is absolutely vague as the same does not even quantify the amount which the petitioner is liable to pay, the order of forfeiture is also set aside.

**9.2.** The matter is remanded to the Authorities. If they so wish, they can start proceeding afresh by giving a detailed notice to the petitioner but only on the point of recovery of dues and not on the point of blacklisting.

**9.3.** The entire decision should be taken within a period of

six months. It will be open to the respondents to take a decision on the point of refunding the security deposits along with other dues also.

**10.** With the aforesaid observation and direction, this writ petition stands **disposed of**.

**(ANANDA SEN, J.)**

*06th July, 2026*
*Prashant. Cp-2*

AFR

*Uploaded on 14.07.2026*