

**IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH**

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WRIT PETITION No.16899 of 2010

Between:

Khoday Industries (Kuppam) Pvt. Ltd.

....Petitioner

and

State of Andhra Pradesh,
Represented by the Revenue (Ex.III) Department,
Through its Principal Secretary,
Secretariat, Saifabad,
Hyderabad,
And another.

....Respondents

JUDGMENT PRONOUNCED ON : 21.04.2016

THE HON'BLE SRI JUSTICE A.RAMALINGESWARA RAO :

1. Whether Reporters of Local newspapers : Yes
may be allowed to see the Judgments?
2. Whether the copies of judgment may be : No
Marked to Law Reporters/Journals?
3. Whether Their Ladyship/Lordship wish to : No
see the fair copy of the Judgment?

THE HON'BLE SRI JUSTICE A.RAMALINGESWARA RAO

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WRIT PETITION No.16899 of 2010

ORDER:

The petitioner is engaged in the manufacture of Indian Made Foreign Liquor (IMFL). It was issued a Form D2 licence for manufacture of IMFL in accordance with the Andhra Pradesh Distillery Rules, 1970. The said licence was renewed from time to time up to the year 2003-2004. The annual production capacity of the petitioner unit was 31.10 lakh proof litres with a licence fee of Rs.25.00 lakhs per annum.

However, the petitioner distillery did not function for a period of two years i.e., 2004-2005 and 2005-2006 and hence the licence of the petitioner could not be renewed. When the petitioner applied for renewal of licence for the year 2006-2007 on 05.07.2006, it was not renewed. The petitioner also made another application on 30.03.2007 for renewal of licence for the year 2007-2008. On 07.05.2007, the petitioner received a communication from the Director of Distilleries and Breweries, Andhra Pradesh, informing that there was a break of renewal for two years and the Government was addressed for clarification. Thereafter, the petitioner received a communication dated 15.05.2007 from the Director of Distilleries and Breweries, Andhra Pradesh, calling upon the petitioner to pay the licence fee and late fee for the years 2004-2005 and 2005-2006 as required under Rule 9(4) of the Distillery Rules, 2006. Another communication was also received asking the petitioner to pay the penal fee. In the meanwhile, the licence period for the year 2007-2008 also came to an end and the petitioner applied for renewal for the year 2008-2009 on 31.03.2008 duly paying the licence fee of Rs.32.00 lakhs and the licence fee for the years 2004-2005 and 2005-2006 at the rate of Rs.25.00 lakhs per year along with the late fee at the rate of 10% of the licence fee for each year. But, the first respondent issued a Memo on 27.06.2009 asking the petitioner to pay an amount of Rs.45.00 lakhs and the second respondent was permitted to provide six equal bi-monthly installments for payment of the said amount. On 15.07.2009, the second respondent issued proceedings regularizing and renewing the petitioner's licence in Form D2 for the years 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009 and 2009-2010, subject to payment of balance of Rs.37,50,000/- in five bi-monthly installments within one year. Challenging the proceedings dated 27.06.2009 and 15.07.2009, the present Writ Petition is filed.

The proceedings dated 27.06.2009 was issued in respect of four different units in which the petitioner is one among them. In respect of M/s.Krishna Enterprises, which was also one of the four units, when it

filed W.P.No.19955 of 2009, this Court disposed of the said Writ Petition by directing the second respondent therein to consider the representation of the petitioner therein and pass appropriate orders.

It is represented by the learned Counsel for the petitioner that a representation was made by the petitioner on 18.07.2008, and without considering the same, the impugned Memo was issued on 27.06.2009.

In the circumstances, this Writ Petition is disposed of by directing the second respondent to consider the representation of the petitioner dated 18.07.2008 and pass appropriate orders keeping in view the law applicable to the renewal of licences, within a period of six months from the date of receipt of a copy of this order; and it shall be open to the petitioner to challenge the order of the second respondent, if it goes against the petitioner. In view of the interim direction of this Court dated 16.07.2010, the respondents are directed not to enforce the balance amount towards late fee till passing of orders on the representation.

The Writ Petition is, accordingly, disposed of. The miscellaneous petitions pending, if any, shall stand closed. There shall be no order as to costs.

(A.RAMALINGESWARA RAO, J)

21.04.2016
vs