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HIGH COURT OF CHHATTISGARH, BILASPUR**Writ Appeal No. 750 of 2018**

{Arising out of order dated 05.07.2018 passed in Writ Petition (C) No. 1356 of 2018 by the learned Single Judge}

1. State of Chhattisgarh, Through: The Secretary, Department of Excise, Mantralaya, Atal Nagar, Raipur, District Raipur, Chhattisgarh.
2. The Collector (Excise), District Raipur, Chhattisgarh.

---- Appellants

Versus

Daljit Singh S/o Shri Amolak Singh Bhatia, Aged about 35 years, Prop: Hotel Center Point, Naveen Market, Tatyapara, Chowk, Raipur, Chhattisgarh.

---- Respondent

For Appellants/State	: Shri P.K.Bhaduri, Government Advocate.
For Respondent	: Dr. N.K.Shukla, Senior Advocate with Shri Shailendra Shukla, Advocate.

Hon'ble Shri Ajay Kumar Tripathi, Chief Justice
Hon'ble Shri Parth Prateem Sahu, Judge

Judgment on Board**Per Ajay Kumar Tripathi, Chief Justice****31/10/2018**

1. The State is in appeal against the order dated 05.07.2018 passed by a learned Single Judge in the writ application. The writ application was allowed. A direction was given to renew the excise licence for the financial year 2018-19 not only in breach of the earlier direction of the learned Single Judge himself passed in Writ Petition (C) No. 400 of 2018 in the earlier writ of the private Respondent decided on 01.03.2018 but also has the effect thwarting the exercise to find and fix whether terms of licence was violated or not.
2. During the subsistence of the period of licence, an order dated 31.01.2018 was passed cancelling the excise licence of the private Respondent which became subject matter of challenge in Writ Petition (C) No. 400 of 2018. The Court set aside the order dated 31.01.2018 but granted liberty to the State to proceed further in accordance with law.

3. In furtherance of the said liberty or leeway granted to the Licencing Authority, when a show cause was issued as to why the breaches so noticed in the earlier round of inspection by the Excise authorities not form the basis for cancellation of his licence, the private Respondent rushed to the High Court again by filing Writ Petition (C) No. 1356 of 2018.
4. Without going into the arguments as to the validity of the earlier decision of the licencing authority which was set aside by the learned Single Judge, this Court will not be unmindful of the fact that despite the conclusion so reached by the learned Single Judge, he allowed the licencing authority to proceed. If there was a judicial order and if that judicial order has not been allowed to run its course, then in our opinion, in yet another proceeding the effect of such a decision cannot be taken away since it will amount to reviewing the earlier order in a yet another proceeding, may be between the same parties.
5. The learned Single Judge seems to have been impressed by the fact that by the time notices came to be issued in relation to the earlier breaches, the term of the licence had come to an end on 31.03.2018. If that be so, then any irregularity was not required to be looked into while renewing the licence whose renewal was withheld by the appellate authorities, since in terms of the liberty granted by the learned Single Judge, a show cause was required to be issued upon the private Respondent.
6. It is a case of renewal of a licence, not issuance of a fresh licence. The licensee cannot claim renewal as a matter of right even when it is found by the licencing authority that the terms and conditions of the earlier licence have been breached or have been apparently found to be breached. The renewal will be dependent upon the compliance of the terms and conditions of the previous licence and therefore, merely because the previous licence has run its course, the cause and effect will not die with the expiry of the

term of the licence. This is more so since it is the expired licence whose renewal is being sought by the private Respondent.

7. The reasoning, therefore, adopted by the learned Single Judge that the past breaches or irregularities would not be required to be looked into because the term of the licence has come to an end on 31.03.2018 and the renewal is a new cause of action, cannot be said to be a correct view to take, especially in view of what we have said as to the status of the renewal of the licence. If such a view is allowed to be taken, then it will amount to giving immunity and drawing curtains on illegalities or irregularities which may be committed by a person, may be closer to the period of expiry of a licence knowing fully well that by the time the process will be set in motion, a new game can begin.
8. In the given facts, therefore, not unmindful of the observations and leeway granted by the learned Single Judge in the order passed in Writ Petition (C) No. 400 of 2018, the appellate authorities have a right to issue a show cause in relation to the breach committed in the terms and conditions of the excise licence for the financial year 01.04.2017 to 31.03.2018 before they can consider grant of renewal for the next financial year.
9. The impugned order dated 05.07.2018 is quashed. The appeal is allowed. However, the Appellant-authorities are directed to ensure that if the private Respondent responds and cooperates in the adjudication against the show cause, a decision must be taken preferably within a period of four weeks from the date of production of a copy of this order.

Sd/-
(Ajay Kumar Tripathi)
CHIEF JUSTICE

Sd/-
(Parth Prateem Sahu)
JUDGE