



IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

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CWP-10570-2024**Date of Decision:07.05.2024**

M/s The Regent (TTS Holidays Resorts Pvt. Ltd)

....Petitioner

vs.

Union Territory, Chandigarh and others

...Respondents

CORAM: HON'BLE MR. JUSTICE SANJEEV PRAKASH SHARMA
HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. M.R. Sharma, Advocate
for the petitioner

Mr. Sanjiv Ghai and Mr. Rohit Kaushik, Advocates
for respondent-U.T. Chandigarh.

SUDEEPTI SHARMA, J.

1. The petitioner, in the present case, is seeking quashing of order dated 30.01.2023 (Annexure P-1) passed by respondent No. 3 under the provisions of Section 36 (C) of the Punjab Excise Act as applicable in U.T. Chandigarh and order dated 28.03.2024 (Annexure P-2) passed by respondent No. 2 under Section 14 of the Punjab Excise Act as applicable in U.T. Chandigarh, whereby appeal filed by the petitioner was dismissed and penalty of Rs.10,00,000/- imposed upon the petitioner, was affirmed.

2. Learned counsel for the petitioner contends that the penalty has been wrongly imposed upon the petitioner, since all the documents as required by the Collector (Excise)-cum-Joint Excise and Taxation Commissioner, U.T. Chandigarh were submitted by the petitioner before him as well as before the Appellate Authority.

3. We have heard learned counsel for the parties at length and have gone through the record of the case.



4. A bare perusal of the impugned order shows that the premises of the petitioner was inspected by Excise and Taxation Officer (Excise) and Excise and Taxation Inspector (Excise) along with supporting staff on 21.05.2022 and during the course of the inspection, the following irregularities were detected:-

Sr. No.	Discrepancies/Violations	Provisions which have been violated
1.	Serving liquor in the area/part of the premises which is not prescribed in the license.	Rule 38 (5) (a) of the Punjab Liquor License Rules, 1956 (as applicable to U.T. Chandigarh)
2.	Stock register was not maintained	Rule 37 (14) of the Punjab Liquor License Rules, 1956 (as applicable to U.T. Chandigarh)
3.	Alcometer is not working	Clause No. 44 of Excise Policy, 2022-23
4.	Inspection notebook not produced to Inspection Team	Rule 37 (17) of the Punjab Liquor License Rules, 1956 (as applicable to U.T. Chandigarh)
5.	No Sign Board regarding permissible limit of consumption limit of consumption and Be Safe Don't Drink and Drive.	Clause No. 44 of Excise Policy, 2022-23

5. Before advertng further, it would be appropriate to reproduce the relevant Rules of the Punjab Liquor License Rules, 1956 and Clause 44 of the Excise Policy 2022-23, which reads as under:-

Rule 37(14) of the Punjab Liquor License Rules, 1956 which states that *Every licensee shall maintain the registers prescribed for the class of business carried on by him and on the expiry of his licence shall make them over to the [Excise Officer incharge of the district] or some other Excise Officer empowered by the latter in this behalf under valid receipt. The licensee shall submit all prescribed returns punctually and maintain true accounts of*



transaction from day to day in ink. He shall enter all figures in English numerals and other particulars in English, Hindi or Gurmukhi characters, unless the Collector concerned, by special order noted on the licence, permits the use of other numerals or characters.

Rule 37(17) of the Punjab Liquor License Rules, 1956 which states that the licensee shall maintain an inspection note-book, with the pages numbered consecutively and hand it over on demand to any Excise Officer of the first or second class on a receipt being given thereof. Any punishment or warning incurred by the licensee, without forfeiture or cancellation of his licence, shall be recorded in this book.

Rule 38(5)(a) of the Punjab Liquor License Rules, 1956 which states that the licensee shall only sell (foreign liquor including beer, wine and ready to drink beverages) in retain for consumption "on" the premises by the glass or by opened bottles at a bar or on other parts of the premises specially prescribed in the license. Such bottles must on account be removed by customers from the premises.

Clause 44 of Excise Policy for the year 2022-23:- Hotels and Restaurants will be allowed to apply the licence in form L-3/L-4/L-5, L-3A/L-4A/L-5A, L-10A, L- 10AA before the commencement of their operations. However, the licence will be granted only after the commencement of the operations of Hotel/Restaurant. The holder of licence in form L-3/L-4/L-5, L3A/4A/5A shall be eligible to apply for the grant of L-10C



(Micro-Brewery) licence only after 15 days from the grant of licence in form L-3/L-4/L-5, L-3A/4A/50. It will be mandatory for the licensees to provide the facility of alcometer to the -36-Bar Licence premises of the hotels/ restaurants serving alcohol and a signage at the proper place mentioning clearly the permissible limits of consumption of alcohol as per relevant laws and also mentioning thereof 'Be Safe' Don't Drink and Drive'. Bar Licences to be allowed to have an additional bar in the establishment on payment of 50% of the license fee of the bar and an additional place to serve liquor from the bar on payment of 10% of the license fee of the bar.”

6. A perusal of above mentioned provision shows that the petitioner has violated the provisions of law and even after affording opportunity of hearing before the Appellate Authority, the petitioner could not rebut the violations committed by it. Since all the above mentioned provisions are mandatory, therefore, for violating the same, the penalty has been rightly imposed upon the petitioner, in view of provisions of Section 36 (C) of the Punjab Excise Act as applicable in U.T. Chandigarh .

7. In view of the above discussion, the impugned orders dated 30.01.2023 (Annexure P-1) and 28.03.2024 (Annexure P-2) do not require any interference by this Court. Hence, the present writ petition is dismissed.

(SANJEEV PRAKASH SHARMA)
JUDGE

(SUDEEPTI SHARMA)
JUDGE

07.05.2024

G Arora

Whether speaking/reasoned : Yes
Whether reportable : Yes