IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No.32345 of 2026
CNR No. ODHC010764322026

Saloni Enterprises …. **Petitioner**

Mr. P.K. Rath, Senior Advocate
Mr. Adhiraj Behera, Advocate

-Versus-

State of Odisha & others …. **Opp. Parties**

Mr. Kailash Chandra Kar, Government Advocate

CORAM:
HON'BLE THE CHIEF JUSTICE
AND
HON'BLE MR. JUSTICE MURAHARI SRI RAMAN

ORDER
29.10.2026

Order No.

01. 1. Despite the issue having settled in the judgment rendered by the Division Bench of this Court in W.P.(C) No.23046 of 2025 on 08.09.2025, this Court notice a recurrence of the same decision taken by the Collector in entertaining the objection raised subsequent to the stage of granting a license in flagrant violation of the mandate given under Rule 33 (2) of the Odisha Excise Rules, 2017.

2. Starting from Rule 30 to 33, the exhaustive mechanism for the granting of the license or exclusive privilege to sell the liquor are encapsulated in the said Rules. Yet, the authorities in complete defiance have passed an order and the docket of the courts is being exploded in deciding the litigations. The seminal point involved in

the said writ petition and the instant one is whether any objection and/or suggestion communicated to the authority after the exercise having undertaken by the competent authority ranging from Rule 30 to 32 is liable to be entertained or to be summarily rejected. It would be profitable to quote Rule 30 to 33 of the said Rules, which runs thus:-

> *"**30.** Preparation of list of licences proposed to be granted for the next period of settlement to be completed by the 20th October.— **(1)** On or before the 20th October, the Collector shall prepare a list in Form VI showing what licences or exclusive privilege proposed to be granted for the retail sale of liquor including liquor made from Mohua Flower or tari for consumption ON/Off the vendor's premises for the next period of settlement:*
>
> *Provided that the state Government may change the date as it may consider fit.*
>
> ***(2)** The Form VI shall specify, as accurately as may be possible, the locality of the premises to be licensed, reserved fee proposed and such other particulars in order to distinguish proposed new licences from existing licences, which is proposed to be renewed.*
>
> ***(3)** Objection of serious nature, if any, received during the period of settlement, may be duly inquired into by the Superintendent who may send his report along with his opinion to the Collector who, after due consideration of the matter, shall send the same to the Commissioner for a decision.*
>
> ***31.** Notice of the proposals for grant of licences or exclusive privilege to be given to certain authorities before the 1st November or such other date as the State Government may decide, the Collector shall.—*
>
> *(a) affix the public notice both in Odia and English in Form No. VIII as required under sub-section (1) of section 20 and clause (a) of section 38 giving fifteen days time therein for receiving objections, if any, and proclaim the same in the locality by beat of drums as required under clause (b) thereof or by mike announcement in the locality, or by hosting of notice in the concerned district Website:*

Provided that the Collector shall indicate the local area of the shop for retail sale which shall be same as the location of the shop containing a list of Police Station limits, Grama Panchayats, Wards of Municipal Corporation, Municipality or Wards of Notified Area Council or village(s), as the case may be, convenient in each case so as to indicate the local area within which the exclusive privilege is proposed to be granted:

Provided further that in the Scheduled Areas, no such licence or exclusive privilege shall be granted without giving thirty days time as required under Section 27.

(b) send an extract to the concerned local body as required under clause (c) of section 38;

(c) send to the Commanding Officer of each cantonment, an extract reproducing so much of the said list as relates to shop within the limits of the cantonment; and

(d) give such opportunity as he thinks to be required for the expression of objection, suggestions

(i) by railway authorities on proposal for the grant of licences for shops near railway stations;

(ii) by forest officers, on proposals for the grant of licences for shops for supplying spirit or tari to Scheduled Tribes inhabiting forests; and

(iii) by large employers of labour in tea garden, mills, factories, transport corporations and coal mines on proposals for the grant of licences for shops for supplying spirit or tari to their labourers.

***32.** Publication of the notice in Local Bodies.— The Head of the concerned Local Body shall cause a copy of the extract sent to it under clause (a) of rule 31 to be conspicuously affixed at the Office Notice Board of that Local Body for a period of not less than seven days.*

***33.** Objection to the proposal to be sent to the Collector. — **(1)** All objections and suggestions referred to in rule 31 with respect to proposals contained in the list prepared under rule 30 shall be sent to the Collector within fifteen days from the date of expiry of the period of notice given in Form VIII and in case of cantonment, the Commanding officer shall inform the Collector within the said period whether he consents to the proposals.*

(2) *Any objection and suggestion received after the said period shall be summarily rejected.*

(3) *The list prepared and recommended by the Collector and submitted to the Excise Commissioner in accordance with sub-section (2) of section 41 shall be submitted before the State Government for approval under section 42."*

3. It is evident from the aforesaid provision that the Collector shall prepare a list in the prescribed form, with regard to the licences or exclusive privileges proposed to be granted for the retail sale of liquor, including liquor made from Mahua Flower for Tadi, for consumption ON/OFF the vendor's premises for the next period of settlement.

4. The objection shall also be invited during the period of the settlement and once such objection is received, an extensive inquiry has to be made in this regard and a decision to be taken thereupon. It further provides that such public notice would be affixed not only in vernacular language but also in English language, giving a fifteen (15) days' time to receive the said objection and if necessary, all communicative mediums shall be ensured, including the beating of the drum at the locality. Once the objection is not received or received but a decision has been taken thereupon for a license or exclusive privilege for the next period of settlement, Rule 33(2) creates a complete embargo in entertaining any subsequent objection. It postulates that such objection or the suggestion are not worth consideration and required to be summarily rejected. The language in Rule 33(2) conveys a mandatory condition and is in tune with the object and the purpose of granting the license or exclusive privileges upon undertaking the exercise as warranted under the preceding

Rules. The identical question arose in W.P.(C) No. 23046 of 2025 ***(Sri Sandeep Raiguru vs. State of Odisha & others)*** and the same is decided in the following:

> *"5.13.The composite reading of the aforesaid provisions indicates that the moment the license is granted for the first time or the renewal is effected, the objection coming within the purview of Rule 30 or 31 is liable to be summarily rejected as the authorities cannot suo motu extend the statutory period of notice provided in the statutory form and keep the disputes alive for all time to come.*
>
> *5.14.Once the legislature has used a timeline within which the action is to be taken or perceived to be taken, it eradicates the powers of the authorities to suo motu extend the said statutory period by entertaining any objection filed beyond the stipulated time provided in the statute or the statutory rules. The importance of providing the time limit within which the steps are to be taken to ensure not only timely decisions to be taken but to eradicate any subsequent objections to be entertained in order to give certainty into the rights and avoid any right to remain in lurch. The embargo created in subrule (2) of Rule 33 is imperative and mandatory in nature which would further be corroborated by the use of the word „shall" therein.*
>
> *5.15.Wherever the word "shall" is used in the statutory provision, it ordinarily conveys the mandatory operation of the said provision unless a different interpretation would appear from the very object and the purpose of incorporation of the statutory provision. We are not unmindful of the proposition of law that at times, the word „shall" may be interpreted as „may" and vice versa. It depends upon the nature of the legislation and the purpose and object for which it is so legislated. We do not delve to go to the nuances of the law relating to the beneficial use of the word 'shall' or 'may' as we find from the tenet of the aforementioned provisions contained in the said statutory rules that the timeline fixed therein is to give an opportunity to the inhabitants or the villagers of the locality to file an objection. Subsequent change of mind or inviting the others to file an objection should not be entertained as providing the opportunity to file objection within the stipulated time cannot operate perpetually.*

6. The matter can be viewed from another angle that once the license is granted by a competent authority, the right to trade or business becomes absolute into a person, subject, however, to such restrictions to be imposed in this regard and such right cannot be taken away in extending the period of an objection and frustrating the purpose of fixing such timeline within the statutory provision

6.1. The discussion as made hereinabove leads to an inescapable conclusion that the authority cannot entertain the objection filed after the expiration of the statutory period provided in Rule 32 and should have summarily rejected the same having filed beyond the said timeline under sub-rule (2) of Rule 33 of the said Rules.

6.2. Though a plea is taken by the petitioner that the Collector has no authority to pass an order for shifting of the shop from the existing site to another site, we do not find substance in the said objection as such power to direct shifting of the shop for any reason is vested upon the Collector subject to the approval by the Commissioner. Since the issue whether any order can be passed for shifting the shop from the existing site to another site on the basis of the objection raised by the villagers has been discussed hereinabove and we find that such objection cannot be entertained after the statutory period expires and the renewal of the license is granted. We do not intend to dilate much on such issue and keep it open to be discussed in an appropriate case in future."

5. In view of the law enunciated in the above report, we have no hesitation to hold that the impugned letter dated 9th September, 2026 issued by the Superintendent of Excise, Bhubaneswar by order of Collector, Khordha is contrary to the same in the sense that the said authority has entertained an objection filed subsequent to the grant of license which in view of Rule 33(2) of the Act deserves summarily rejection.

6. We, therefore, quash and set aside the impugned order No.3783/Ex., dated 9th September, 2026, passed by the

Superintendent of Excise, Bhubaneswar by order of Collector, Khordha.

7. The writ petition is, thus, disposed of.

(Harish Tandon)
Chief Justice

(M.S. Raman)
Judge

S.K. Guin/PA

Signature Not Verified
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Reason: Authentication
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