IN THE HIGH COURT OF MADHYA PRADESH AT JABALPUR

BEFORE

HON'BLE SHRI JUSTICE VIVEK RUSIA,

ACTING CHIEF JUSTICE

&

HON'BLE SHRI JUSTICE PRADEEP MITTAL

ON THE 23rd OF JUNE, 2026

WRIT PETITION No. 22400 of 2026

SOM DISTILLERIES PVT LTD

Versus

THE STATE MADHY PRADESH AND OTHERS

Appearance:

Shri Naman Nagrath - Senior Advocate with Shri Rahul Diwaker - Advocate for the petitioner.

Shri Harpreet Singh Ruprah - Additional Advocate General with Shri Swapnil Ganguly - Deputy Advocate General and Shri Adwitya Parashar - Advocate for the respondent No.1.

ORDER

Per. Vivek Rusia, Acting Chief Justice

The petitioner-Company has filed the present petition under Article 226 of the Constitution of India being aggrieved by the Notice Inviting Tender dated 12.06.2026 passed in NIT No.5(1)/2026-27/E-1326557 issued by the Respondent No.2-Excise Commissioner, in respect of the tender conditions imposed by the Excise Department. The petitioner is also challenging the order dated 18.06.2026 passed in Order No.5(4)/2026-27/E-1265144 whereby application for renewal of various liquor licenses has been rejected.

Facts of the case, in short, are as under:-

2. The petitioner is a private limited company incorporated under the

provisions of Indian Companies Act and is engaged in the manufacturing and sale of alcohol-based products. The petitioner was in possession of license D-1, C.S.1 and C.S.1B license under the M.P. Distillery Rules, 1995 for manufacture of spirit.

3. The petitioner was served with a show cause notice dated 26.02.2024 issued by the Excise Commissioner as to why the license be not cancelled under Section 31 of the Madhya Pradesh Excise Act, 1915 on account of conviction of 5 employees under Section 420, 467, 468, 471 and 120B of the Indian Penal Code, 1860 vide judgment dated 23.12.2023 passed in ST No.21/2021 by the learned Sessions Judge, Depalpur, District-Indore (M.P.). However, against the said judgment, a criminal appeal is pending wherein the sentence has been suspended for all the appellants.

4. The petitioner challenged the said show cause notice by way of Writ Petition (WP No. 4915 of 2026), which came to be dismissed on merit. Thereafter, the petitioner filed a Writ Appeal(Writ Appeal No. 942 of 2026). However, since the original period of license had expired by that time, the Writ Appeal was disposed of vide order dated 14.04.2026 with a direction to apply for the license afresh or for renewal. The petitioner was allowed to submit a reply and personal hearing. Now, by a detailed and reasoned speaking order dated 18.06.2026, the renewal applications have been rejected, which is a subject matter of writ petition to be decided by a Single Bench. Hence, this petition is liable to be heard by a Single Bench so far as in respect of the challenge to the order dated 18.06.2026.

5. The present petition is listed before the Division Bench because the petitioner has also challenged the various conditions imposed in the Liquor Notice Inviting Tender (NIT), for wholesale supply of country liquor by the respondent. On 02.06.2026, the respondents issued a notice inviting tender for the wholesale

supply of country liquor in the state of Madhya Pradesh. The online tender is liable to be downloaded and submitted from 13.06.2026 to 23.06.2026. The notice inviting tender further states that the bids shall be opened on 23.06.2026. The petitioner has participated in the tender process.

Submissions.

6 . Learned counsel for the petitioner-Company submits that the controversy commenced with the suspension of its license vide order dated 04.02.2026 based on the conviction of certain individuals in a criminal case arising out of Sessions Trial No.21/2021. According to the petitioner, neither the Company nor its Directors were accused in the said criminal proceedings and the persons convicted were never its employees. Learned senior counsel for the petitioner further contends that the suspension proceedings were founded upon an inapplicable provision of the Madhya Pradesh Excise Act, 1915 and were initiated without adherence to the statutory requirements of notice and opportunity of hearing.

7. Learned Senior Counsel for the petitioner states that the suspension order was challenged before this Court by way of Writ Petition. Though the Writ Petition was dismissed, the Division Bench in Writ Appeal No.942 of 2026, vide order dated 15.04.2026, observed that, since the license period had already expired, the authorities were required to consider the petitioner's application for renewal independently and without being influenced by the earlier suspension proceedings. Pursuant thereto, the petitioner submitted its application for renewal along with the documents prescribed under the Government Circular dated 10.03.2026.

8. Learned senior counsel for the petitioner also submits that instead of

considering the renewal application in accordance with the prescribed guidelines, the Excise Commissioner constituted a four-member Enquiry Committee which initiated a detailed enquiry beyond the scope of renewal proceedings, sought several additional documents and ultimately issued a show cause notice dated 12.06.2026 alleging false declarations, pendency of government dues, criminal antecedents, absence of statutory certificates and certain other deficiencies. Thereafter, the petitioner submitted a detailed reply on 17.06.2026 disputing each allegation.

9. Further, learned counsel for the petitioner submits that the petitioner's case is that within less than twenty-four hours of submission of its reply, the Excise Commissioner passed a detailed order running into approximately 175 pages rejecting the renewal application on 18.06.2026. According to the petitioner, the order was passed with a predetermined mind and without meaningful consideration of its reply. It is further alleged that the rejection was deliberately timed immediately before the last date for submission of bids under the country liquor tender so as to render the petitioner ineligible from participating in the tender process and being aggrieved by the rejection of renewal and apprehending disqualification from the tender proceedings solely for want of a live D-1 licence, the petitioner has approached this Court invoking its writ jurisdiction.

10. *Per contra*, learned Advocate General appearing for the respondents supports the impugned order and submits that grant or renewal of an excise licence is not a matter of vested right but remains subject to strict statutory scrutiny in public interest. It is contended that while considering renewal, the competent authority is entitled to examine the overall conduct, antecedents, financial obligations and statutory compliance of the applicant before arriving at its satisfaction.

11. Learned AAG for the respondent submits that during scrutiny of the petitioner's application, several serious discrepancies were noticed, including incorrect declarations regarding outstanding government dues, suppression of material facts concerning pending proceedings, deficiencies relating to statutory compliances and other irregularities noticed by the enquiry committee. The petitioner was accordingly served with a detailed show cause notice and was afforded adequate opportunity to submit its explanation before the impugned order was passed.

12. Learned counsel for the respondents further contends that the Excise Commissioner has passed a detailed and reasoned order after considering the material available on record and recording independent findings on each issue. Merely because the petitioner disputes such findings would not warrant interference under Article 226 of the Constitution, particularly where disputed questions of fact are involved.

13. Learned AAG for the respondents submits that the tender condition requiring a bidder to possess a valid and operative D-1 licence is uniformly applicable to all intending participants and has been incorporated in public interest to ensure uninterrupted and lawful supply of country liquor. According to the respondents, the petitioner, having failed to satisfy the statutory requirements for renewal of licence, cannot claim any equitable right to participate in the tender process.

Conclusion.

14. Shri Harpreet Singh Ruprah, learned Additional Advocate General submits that the petitioner's technical bid has been rejected; therefore, the financial bid submitted by the petitioner is not liable to be considered in the tender process. The petitioner has not challenged the rejection of the technical bid by way of

amendment in the writ petition till date. Therefore, the petitioner is out of the tender process.

15. Even otherwise, the petitioner at present does not have the liquor license; therefore, cannot participate in the tender process for issuance of liquor contract. The Relief No.(i), (ii) and (iii) cannot be granted to the petitioner. Now, only the relief relating to the quashment of the order dated 18.06.2026 remains for consideration, for which the writ petition is liable to be heard by a Single Bench.

16. In view of the above, the present writ petition is **dismissed** in respect of Relief No.(i), (ii), (iii) and (iv) and regarding Relief No. (v), (vi) and (vii), **the writ petition be listed before the Single Bench.**

(VIVEK RUSIA)
ACTING CHIEF JUSTICE

(PRADEEP MITTAL)
JUDGE

Shivani