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IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No. 18562 of 2026

Ranjeeta Kumari Sahu

....

Petitioner

-versus-

State of Odisha and others

....

Opposite Parties

Advocates appeared in this case:

For Petitioner

: Mr. Prafulla Kumar Rath, Senior Advocate
assisted by Mr. Saibrata Rath, Advocate

For Opposite Parties-State

: Mr. Sanjay Rath,
Additional Government Advocate

CORAM:

HON'BLE THE CHIEF JUSTICE

AND

HON'BLE MR JUSTICE MURAHARI SRI RAMAN

J U D G M E N T

Date of Hearing and Judgment: 25th June, 2026

HARISH TANDON, C.J.

1. The instant petition, in effect, is an offshoot of the earlier litigation being W.P.(C) No.13668 of 2024. The earlier writ petition was instituted challenging the demand notice dated 20th May, 2024 whereby and whereunder, the authorities have demanded the sum for



the shortfall in lifting the Minimum Guaranteed Quantity (MGQ) for the year 2023-24 on multiple counts.

2. On the day of admission, the Court passed an interim order dated 11th September, 2024 directing the petitioner to deposit 50% of the demand by 19th September, 2024, and in the event, such a deposit is made within the stipulated time, the petitioner shall be permitted to lift the corresponding quantity on her license appropriately renewed and upon compliance with all formalities. It is not in dispute that the said interim order is still operative.

3. Another writ petition came to be filed by the petitioner being W.P.(C) No.8677 of 2026 seeking implementation of the said interim order with the categorical assertion that the authorities have not permitted to lift the quantity of MGQ despite the deposit of the amount in terms of the said interim order dated 11th September, 2024 passed in W.P.(C) No.13668 of 2024.

4. The Court passed an order on 14th May, 2026 directing the State-opposite parties to immediately permit the petitioner to lift the MGQ in terms of the said order dated 11th September, 2024 as corroborated in the letter of the Excise Commissioner, Odisha on 3rd December, 2025 within two days from the date of the



communication of the order. The said order was communicated to the Competent Authority. The genesis of the instant writ petition is founded upon an order dated 20th May, 2026 passed by the Principal Secretary to Government, Excise Department, wherein a direction is passed upon the petitioner to lift the liquor on payment of corresponding sum with the Odisha State Beverages Corporation (OSBC) wallet till the validity of the license lasts.

5. According to the petitioner, the said direction runs counter to the interim order passed by this Court in the aforesaid two writ petitions filed by the petitioner to the extent that upon deposit of 50% of the demand, which includes the payment of an excise duty, the petitioner cannot be saddled with further liability to pay the excise duty in the OSBC wallet.

6. Our attention is drawn to the Supply Chain Management Policy, 2020 which engulfs within its fold the calculation of MRP in arriving at the purchase price which a licensee is obligated to deposit in the said OSBC wallet. It includes the applicable State excise duty/ countervailing duty/ the Additional Rounding-off excise duty/pass fees as per the State Excise Policy for the relevant year and, therefore, it is sought to be contended that once the excise duty



which was included in the demand notice being the subject matter of challenge in the first writ petition stands in terms of the interim order, the State cannot demand the excise duty twice.

7. Mr. Sanjay Rath, learned Additional Government Advocate (AGA) vociferously submits before us that Rule 34 of the Odisha Excise Rules, 2017 postulates the payment of the fees in consideration of a grant of exclusive privilege and refers the explanation appended thereto containing an exhaustive provision relating to the Minimum Guaranteed Quantity which the licensee is obligated to lift during the currency of the license. According to him, if the said MGQ is not lifted, the excise duty on deficit quantity of annual MGQ without prejudice to any other mode of recovery, shall be collected at the end of the year with a fine @ 10% on the deficit amount. According to him, the said demand relates to the shortfall of MGQ for previous year and cannot be applied in case of a license being renewed for subsequent years. Mr. Rath, learned AGA attempted to interpret the interim order dated 11th September, 2024 and tried to impress upon the Court that the lifting of the MGQ upon a license being appropriately renewed would mean that it is referable and relatable to a renewed period and not period anterior thereto.



8. We are unable to comprehend the interpretation sought to be made to an interim order passed by this Court in the first writ petition. Had it been the intention of the Hon'ble Court that the MGQ for a renewed period would be permitted to be lifted upon payment of the 50% of the demand, the language so used would have been differently worded.

9. The subject matter of dispute in the first writ petition was the demand based upon a shortfall in lifting the MGQ for the year 2023-24 and the moment the Court passed an interim order directing the petitioner to pay 50% of the said amount and to lift the MGQ on appropriate renewal of the license, in all conceivable understanding means lifting of the shortfall of MGQ for such year.

10. It is preposterous to suggest that the MGQ fees fixed in the renewed year, shall only be permitted upon payment of the demanded sum for the reason that once the MGQ is fixed for the ensuing year, it is open to the licensee to lift the said MGQ during the whole year unhindered with any conditions to be put thereunder.

11. Apart from the same, the order passed by the Court should not be read as a statute nor the interpretative tools or the canon of interpretation as recognized in legal parlance need to be applied. The



interim orders have to be understood in the perspective of the subject dispute and, in the event, there is no ambiguity in understanding and/or ascertaining the meaning thereof, the Court shall go with the *ipse dixit* of the same.

12. Even apart, the interpretation sought to be made cannot be accepted for the simple reason that in an identical matter pending before this Court where the interim order in the similar fashion was issued, the State in its additional affidavit filed in W.P.(C) No.17482 of 2024 asserted the meaning and the purport of the said interim order in the following:-

“12. That the petitioners, who have deposited 50% of the demand amount in compliance to the interim orders of this Hon’ble Court, may lift IMFL/Beer/CL, as the case may be, from the respective OSBC Depots by depositing with OSBCL the cost of the liquor, sans the excise duty and such lifted IMFL/Beer/CL may be counted against the backlog MGQ of 2023-24, and not against the MGQ of current FY 2024-25.

In order to calculate the quantum of liquor which can be lifted by the petitioner against the backlog MGQ of FY 2023-24, the 10% fine may be subtracted from the deposited 50% amount. The petitioners also need to pay the rest 50% of the demanded amount by a stipulated dateline fixed by this Hon’ble Court.”



13. It is manifestly clear from the said affidavit that the said interim order dated 11th September, 2024 was in relation to a shortfall in lifting the MGQ for the previous year and does not hover upon the renewed year. Since the major component of the demand relates to an excise duty and the fine in terms of the statutory provision and the moment 50% of such demand is deposited, it is presumed without any ambiguity in the mind that the excise duty to the extent of 50% is deposited with the Government. Neither constitutional provision nor the statutory provision empowers the Government to realise the duty, the cess or the tax twice on the same transaction and, therefore, the authority in the impugned order should have taken into consideration the amount of excise duty already deposited with the Government before passing a further order in relation to the deposit in OSBC wallet. Equally, we cannot overlook the fact that it is within the legislative competence of the State to impose the duty or the tax within the framework of the Constitution of India and the Government exchequer should not be deprived of the same. The equity being the hallmark of dispensation of justice, an equilibrium should be established before the Court passes an order bearing in mind the interest of revenue as well. Since the appropriate authority in the said additional affidavit had taken



categorical stand that in terms of the said interim order dated 11th September, 2024, the licensee must deposit the other components of the calculation of MRP barring the excise duty, which has already been paid, we, thus, do not find any other interpretation to be assigned to the said interim order.

14. We, therefore, modify the order impugned in the instant writ petition to the extent that the petitioner shall be permitted to deposit the MRP in terms of the Supply Chain Management Policy, 2020, which shall include the excise duty on the shortfall of the MGQ except the amount of excise duty already deposited with the State in term of the said interim order. On deposit of the same, the petitioner shall be permitted to lift the MGQ of the year 2023-2024 immediately keeping in mind that the validity of the license is up to 30th June, 2026.

15. The writ petition is, accordingly, disposed of.

(Harish Tandon)
Chief Justice

(M.S. Raman)
Judge