

IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI
(SPECIAL ORIGINAL JURISDICTION)

WEDNESDAY, THE TWENTY FIRST DAY OF JANUARY,
TWO THOUSAND AND TWENTY SIX



:PRESENT:

HONOURABLE SRI JUSTICE TARLADA RAJASEKHAR RAO

WRIT PETITION NO: 12345 OF 2025

Between:

M/s M S Biotech Private Limited, Rep by its authorised signatory, Amireddy Jaipal Reddy, O/o Plot No. 64, Street No.1, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500 034

...Petitioner

AND

1. State of Andhra Pradesh, Rep by its Principal Secretary, Prohibition and excise department, secretariat, Velagapudi, Amaravati, Andhra Pradesh.
2. The Commissioner, Prohibition and Excise, Government of Andhra Pradesh, Vijayawada, Andhra Pradesh.

...Respondents

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue an appropriate Writ, Order or Direction, more particularly a Writ of Mandamus, declaring the action of the Respondents in not renewing the excise license of the Petitioner and their further action in issuing a notice to the Petitioner vide proceeding in Cr.No. H1/1677/2018/CPE/EX, dt. 02.12.2024 demanding an amount of Rs.3,80,94,740/- (Three Crore Eight Lakh Ninety Four Thousand Seven Forty Rupees Only) towards dues against licence fee along with interest for the period 2019-20 to 2024-25 in respect of M/s Veda Bio Fuel Limited as illegal arbitrary, unconstitutional and contrary to the provision of Insolvency and Bankruptcy Code, 2016 and set aside the notice dated 02.12.2024 and further direct the Respondents to renew the

excise license of the Petitioner without insistence of the excise license fee dues for the period prior to 02.12.2024.

IA NO: 2 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the Respondents to renew the excise license of the Petitioner without insisting of any dues prior to 02.12.2024, Pending disposal of WP.No.12345 of 2025, on the file of the High Court.

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to suspend the operation of notice issued by the 2nd Respondent vide proceedings in Cr.No. H1/1677/2018/CPE/EX, dt: 02.12.2024, Pending disposal of WP 12345 of 2025, on the file of the High Court.

The petition coming on for hearing, upon perusing the Petition and the affidavit filed in support thereof and the order of the High Court order dated 08.05.2025 made herein and upon hearing the arguments of Sri Vivek Chandra Sekhar S, Advocate for the Petitioner and of GP for Prohibition & Excise for the Respondents, the Court made the following;

ORDER:

The grievance of the petitioner is that in an e-auction conducted by the official liquidator, the petitioner herein has emerged as the highest bidder for the purchase of 'VBFL' (M/s Veda Bio Fuel Limited) for an amount of Rs.75,10,00,000/- (Rupees Seventy Five Crores Ten Lakhs Only) and the bid is confirmed in favour of the petitioner. Thereafter the official liquidator has issued a sale certificate, dated 03.12.2024 to the petitioner under Regulation 33 (1), Schedule 1 (12) of IBBI (Liquidation Process).

Be that as it may.

The respondent No.2 has issued a notice, dated 02.12.2024 directing the petitioner herein to deposit an amount of Rs.3,80,94,740/- (Rupees Three Crores Eight Lakh Ninety Four Thousand Seven Forty only) towards excise dues for a period that is due from 2019-20 to 2024-25 of license fee due by M/s VBFL.

The same has been assailed in the present Writ Petition on the ground that once a resolution has been conducted under the IBC, the new management of the corporate debtor must be allowed to start on a clean slate free from past claims and liabilities and there is no need for payment of excise duty for the past two years.

Learned Assistant Government Pleader for Prohibition Excise has not opposed significantly for grant of interim order and further requested this Court to let the petitioner pay 40% of the demand amount. To resolve the issue a counter affidavit is imperative.

Considering the facts and circumstances of the case, there shall be an interim suspension as prayed on a condition of depositing 30% of the demand amount and the respondents are further directed to renew the excise license on depositing the amount of 30% of the impugned demand notice amount.

List the matter after four (04) weeks, for filing of counter.

Sd/- M.Prabakar Rao
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Principal Secretary, State of Andhra Pradesh, Prohibition and excise department, secretariat, Velagapudi, Amaravati, Andhra Pradesh. (by **Special Messenger**)
2. The Commissioner, Prohibition and Excise, Government of Andhra Pradesh, Vijayawada, Andhra Pradesh. (by **RPAD**)
3. One CC to Sri Vivek Chandra Sekhar S, Advocate [OPUC]

4. Two CCs to GP for Prohibition & Excise, High Court of Andhra Pradesh. [OUT]
5. One spare copy

HIGH COURT

TRR,J

DATED: 21/01/2026

**LIST THE MATTER AFTER FOUR (04) WEEKS, FOR FILING OF
COUNTER**

ORDER

WP.No.12345 of 2025

DIRECTION

