



IN THE HIGH COURT OF KARNATAKA, AT DHARWAD

DATED THIS THE 24TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MRS JUSTICE K.S.HEMALEKHA

WRIT PETITION NO. 100207 OF 2026 (EXCISE)

BETWEEN:

SHRI. ABHIJEET S/O. ANNASAB SHINDE
AGE. 35 YEARS, OCC. AGRICULTURE,
R/O. MANGASULI VILLAGE, TQ. KAGAWAD,
DIST. BELAGAVI-591223.

...PETITIONER

(BY SRI. SRINAND A.PACHCHAPURE, ADVOCATE)

AND:

1. THE STATE OF KARNATAKA
REP. BY ITS UNDER SECRETARY,
DEPT. OF FINANCE (EXCISE),
AMBEDKAR VEEDHI, VIDHAN SOUDHA,
BENGALURU-560001.
2. THE STATE OF KARNATAKA
REP. BY ITS PRINCIPAL SECRETARY,
DEPT. OF FINANCE, AMBEDKAR VEEDHI,
VIDHAN SOUDHA, BENGALURU-560001.
3. THE EXCISE COMMISSIONER
A BLOCK, 2ND FLOOR, BMTC COMPLEX,
SHANTI NAGAR, BENGALURU-560001.
4. THE DEPUTY COMMISSIONER BELAGAVI
KHADE BAZAR, RAVIWAR PETH,
DIST. BELAGAVI-590001.





5. THE EXCISE JOINT COMMISSIONER
BELAGAVI DIVISION, NEAR S.O OFFICE,
OLD P.B ROAD, DIST. BELAGAVI-590001.
6. THE EXCISE INSPECTOR
EXCISE OFFICE B.K COLLEGE ROAD,
TQ. CHIKKODI, DIST. BELAGAVI-591201.
7. THE MYSORE SALES INTERNATIONAL LTD.,
REP. BY ITS MANAGING DIRECTOR,
CUNNIGHAM ROAD-560001.
8. THE DISTRICT LAISON OFFICER
1ST FLOOR, MUJJAWAR ARCADE,
NEHARU NAGAR,
DIST. BELAGAVI-590010.

...RESPONDENTS

(BY SRI. PRAVEEN K.UPPAR, AGA FOR R1 TO R6;
SRI. B.S.GOUTHAM, ADVOCATE FOR R7 AND R8)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227
OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT IN THE
NATURE OF CERTIORARI QUASHING THE IMPUGNED NOTIFICATION
BEARING NO. FD 52 EFL 2025 AT ANNEXURE-F DATED 19/12/2025
PASSED BY RESPONDENT NO.1, IN THE INTEREST OF JUSTICE AND
ETC.

THIS WRIT PETITION COMING ON FOR ORDER THIS DAY,
ORDER WAS MADE THEREIN AS UNDER:

CORAM: THE HON'BLE MRS JUSTICE K.S.HEMALEKHA



ORAL ORDER

The petitioner has approached this Court seeking:

- i. Quashing of the Government Notification dated 19.12.2025 (Annexure-F) providing for E-auction of excise licences and
- ii. Issuance of a writ of mandamus directing respondent No.2 to grant CL-11(C) licence in respect of the premises bearing Sy.No.291A/4K/1, Mangasuli village, Kagwad taluk, Belgavi District.

Brief facts:

2. The petitioner claims that he had submitted an application seeking grant of CL-11(C) licence in respect of his building situated at Mangasuli village. Earlier writ petitions were filed seeking consideration of his representation and the Competent Authority was directed to consider the same. It is stated that the Deputy Commissioner recommended the proposal and Excise Inspector had inspected the premise and found it suitable.



According to the petitioner, despite such recommendation and on submission of application within time, the Government issued notification dated 19.12.2025, providing for E-auction of licences including licence in question, thereby defeating his legitimate claim. Aggrieved by the said notification, the present writ petition is filed.

3. Learned counsel for the petitioner submits that the impugned notification is illegal and arbitrary. It is contended that the authorities failed to consider the recommendation of the Deputy Commissioner. It is submitted that the petitioner had submitted an application within the stipulated period and paid the requisite process fee and that once the process was initiated in his favour, the Government could not have resorted to auction. It is contended that the action of the respondents is contrary to the earlier direction of this Court.

4. *Per contra*, learned counsel appearing for the respondents submits that the writ petition is not



maintainable. The petitioner is neither a licence holder nor an eligible applicant for CL-11(C) licence. It is submitted that under Rule 3 (11-C) of the Karnataka Excise (Sale of Indian and Foreign Liquors) Rules, 1968 ('Rules, 1968' for short), CL-11(C) licences can be granted only to Government companies such as Mysore Sales International Limited (MSIL) and not to private individuals. It is submitted that the petitioner is merely the owner of the building and has no *locus standi* to challenge the auction notification. It is argued that the Government had taken a policy decision to auction discontinued and unutilized licence to augment revenue in a transparent manner and that there is no fundamental right to trade in liquor and the State has absolute regulatory control over such trade.

5. This Court has carefully considered the rival submissions and perused the material on record. The point that arises for consideration is:

"Whether the petitioner has established a legally enforceable right to seek quashing of the auction



notification and for grant of CL-11© licence in his favour?"

6. It is a well-settled law that there is no fundamental right to carry on trade or business in liquor. The Apex Court in ***Khoday Distilleries Ltd. Vs. State of Karnataka***¹ (Khoday Distilleries) has held that *the right to carry on any occupation, trade or business does not extend to carry on the trade or business in activities which are inherently pernicious or injurious to health, safety and welfare of the general public. It was further held that citizen has no fundamental right to trade or business in intoxicant liquor. Hence, such trade or business in liquor can be completely prohibited. For the same reason, the State can make a monopoly either in itself or the agency created by it, for manufacture, possession, sale and distribution of liquor as a beverage and can also grant licences to citizens for this purpose by charging fees. When the State permits trade or business, in potable liquor with or without*

¹ (1995) 1 SCC 574



limitation, the citizens has the right to carry on trade or business only subject to the limitation so placed.

7. Therefore, the petitioner cannot claim a grant of licence as a matter of right. Under Rule 3 (11-C) of the Rules, 1968, CL-11(C) licence can be granted only to companies owned or controlled by the State Government. The petitioner is an individual and not a proposed licensee at the best, he is the owner of the building where MSIL intended to establish the shop. Even assuming a proposal was forwarded, the petitioner does not become an applicant in the eye of law. The proper applicant, if aggrieved would be the MSIL and not the petitioner. Hence, the petitioner lacks *locus standi*. The recommendation of the Deputy Commissioner on the inspection report does not confer any vested right. A recommendation is only a step in administrative process and does not culminate into grant unless approved by the Competent Authority in accordance with law.



8. The doctrine of legitimate expectation cannot override statutory rules. Since the petitioner was not legally entitled to grant of licence, mere processing of a proposal does not create enforceable expectation. The petitioner has failed to establish his statutory right and any illegality in the impugned order warranting any interference and the writ petition is devoid of merits and accordingly point framed for consideration is answered and this Court pass the following:

ORDER

The writ petition is hereby ***dismissed***.

Sd/-
JUSTICE K.S.HEMALEKHA

AT
CT:VH
List No.: 1 Sl No.: 43