

**BEFORE THE FINANCIAL COMMISSIONER (EXCISE),  
HIMACHAL PRADESH, SHIMLA-09**

(Block No. 30, SDA Complex, Shimla-09)

Appeal No. 01/2024-25

Date of Institution: 02-04-2024

Date of Order: 16-04-2024

**In the matter of:**

M/s Amrit Traders, earlier holder of L-10BB (Year 2023-24)

Lic. Branch located at 269, Ward No. 4, Ground Floor,

The Mall, Manali, District Kullu (H.P.)

*Through*

Shri Bharat Rai, Authorised Signatory

.....Appellant

**Vs**

Collector (Excise)-cum- Jt. Commissioner (ST&E),

Central Zone, Mandi (HP).

.....Respondent

**Present: -**

- 1) Shri Dikken Kumar, Learned Advocate, for the appellant.
- 2) Sh. Wishve Bhaskar, ACST&E, Legal Cell, and Sh. Dalip Chand, ASTEO, Kullu Circle for the respondent.

**ORDER**

(In Appeal Filed under section 68 (2) of the Himachal Pradesh Excise Act, 2011)

1. The appellant feeling aggrieved by the impugned order dated 30-03-2024 of the respondent has filed the instant appeal with the prayer to quash and set aside the aforesaid order dated 30.03.2024 whereby the



L-10BB License has not been allowed to be renewed for the year 2024-25 on the grounds *inter-alia* that the rejection of application for renewal of aforesaid license is against Excise Policy, principle of natural justice in as much as the Appellant is paying excise duty and further that the respondent has erred in facts and circumstances of the case and order has been passed without application of mind and sanction of law.

2. Shri Dikken Kumar, Learned Advocate, vice, Advocate Smt. Narvada, the original Counsel for the appellant appearing on behalf of the appellant submitted that appellant has been operating the license L10-BB since 2021-2022 till 31.3.2024 as it was duly renewed for the year 2022-23 and 2023-2024 for which required fee was deposited and all the terms and conditions were complied with.
3. Vide letter dated 20.12.2023 pertaining to the withdrawal of clarification/instructions with regard to the license in Form L-10BB in supersession to all past references/instructions/clarification etc., it was intimated that the license in Form L-10BB shall be granted strictly as per Condition No. 10.8 vi) of the Excise Policy for the year 2023-24 which is reproduced as under:

*“10.8 The license in form L-10BB license shall be granted on the following terms and conditions:-*

*vi) The L-10 BB licenses shall not be allowed to function from the branches of the Departmental Store.”*

4. Learned Advocate referring to a clarification issued by the Respondent Department submitted that the respondent has been renewing the license of the appellant granted to the branch of the departmental Store with principal place of business at Model Town, Manali.





5. Learned Advocate further argued that the clarification based on which license granted in Form L-10BB has not been renewed is without any reason or any hearing to appellant. Learned Advocate further argued that the respondent referring to the withdrawal of clarification above, issued a notice to the appellant. A reply to the notice above was submitted to the respondent to the effect that the issuance of letter dated 20.12.2023 will not be having any effect on appellant's running/existing license, as it has already been granted and being renewed on year to year basis. Also, in the interest of law and justice, to maintain certainty, and further in the interest of government revenue, the respondent was requested to grant a next date of hearing as well.
6. It is the case of the appellant that the application for renewal of the License L-10BB for the year 2024-25 along with the payable License renewal fee has been submitted in the month of January, 2024 to the office of the Deputy Commissioner State Taxes and Excise, Kullu, Distt Kullu. Learned Advocate submitted that the status of the Branch at "The Mall Manali, Tehsil Manali, Distt Kullu" has been updated to that of "Principal Place of Business" w.e.f. 14-03-2024 and necessary amendment has been filed in the GST portal vide ARN AA020324007258Q dated 25-03-2024. Arguing on behalf of the appellant, Learned Advocate submitted that the respondent was specifically apprised about the above amendment in the principal place of business but the respondent did not accept these submissions and has passed the impugned order.
7. The main argument of the appellant in the present case is thus that valuable rights have been taken away without affording any reasonable opportunity of hearing, and without following the due process of law and





the appellant is thus not satisfied with the findings and rejection of application for renewal of the licenses. In its grounds of appeal the appellant has relied on citations which emphasize on the essentiality of according fair and proper hearing to the persons sought to be affected by the orders passed by the administrative authorities and tribunals while exercising quasi-judicial functions, and give sufficiently clear and explicit reasons in support of the orders made by them.

8. Replying to the arguments above of the appellant, Shri Wishve Bhaskar, ACST&E, submitted reply on behalf of the respondent and argued that the L-10BB was granted on 07-08-2021 for the year 2021-22 in favour of the appellant M/s Amrit Traders for the branch located at 269, Ward No. 4, Ground Floor, the Mall Manali, District Kullu and the same was renewed for the year 2022-23 and 2023-24. However, after the withdrawal of clarification/instructions with regard to the license in Form L-10BB vide letter No. 7-82/2021-EXN-33961-76 dated 20 December, 2023, the license in Form L-10BB granted to the branch of the appellant has rightly been disallowed to be renewed by the respondent in its impugned order and the same is in strict compliance with the relevant Conditions of the ANNOUNCEMENTS FOR THE ALLOTMENT OF RETAIL EXCISE VENDS BY AUCTION-CUM-TENDER FOR THE YEAR 2024-25. It was also submitted on behalf of the respondent that application for the renewal of the L-10BB, for the year 2024-25, was submitted by the appellant but as the grant/renewal of the license in Form L-10BB of the appellant is subject to the conditions of the ANNUAL EXCISE ANNOUNCEMENTS, therefore, the appellant's license in Form L-10BB has rightly been not allowed to be renewed for the year 2024-25 as sub-clause vi) of Conditions No. 9.8 of the





ANNOUNCEMENTS FOR THE YEAR 2024-25 does not allow L-10BB licenses to function from the branches of the Departmental Store and the appellant's License L-10BB, at the time of submission of application for renewal of L-10BB pertained to a branch at 269, Ward No. 4, the Mall Road Manali in District Kullu (HP) and not the principal place of business.

9. It has further been submitted on behalf of the respondent that the contention of the Appellant that the principal place of business has already been amended is misplaced as the application regarding changing the additional place (a branch) of business to principal place of business was made by the Appellant on dated 25.03.2024 vide ARN AA020324007258Q and the application was pending for disposal by the Proper Officer-cum-ACSTE Manali at the time of passing of impugned order. The representative for the respondent replying to the grievances of the appellant that impugned order has been passed without affording opportunity of being heard, without acting fairly and impartially and without assigning the reasons for his findings given in the order, submitted that the order has been passed only after taking into record and consideration the reply submitted by the appellant during the course of case hearing before the respondent. Appellant has been afforded reasonable opportunity of being heard and provisions of the Act, and ANNOUNCEMENTS FOR THE YEAR 2024-25, have duly been mentioned, linked and incorporated in the impugned order dated 30.03.2024 and, therefore, the same being legal and valid is, thus, sustainable in the eyes of law, concluded the representative for the respondent.

**FINDINGS:**





10. The appeal above has been filed, Firstly, on the grounds that the principle of natural justice having three ingredients; firstly, the person who is likely to be adversely affected by the action of the authorities should be granted an opportunity of hearing; and secondly, the authority must act fairly and impartially, and thirdly, the orders so passed by the authorities should give reasons for arriving at any conclusion showing proper application of mind, has not been followed while passing the impugned order. Secondly, the grounds on which the license L-10BB granted for the branch is not being allowed to be renewed has been done away with by amending the principal place of business and that now the branch has been incorporated as the principal place of business, so, now, as per version of the appellant, the renewal of the License cannot be disallowed.

11. By the above set of arguments, the appellant itself is contradicting its arguments. Firstly, the appellant has referred to a reply submitted by itself before the respondent during the course of case hearing and simultaneously has alleged that impugned order has been passed without affording the opportunity of being heard. Also, the perusal of the impugned order reveals that the respondent has justified, in detail, his action of not allowing the renewal of the license L-10BB reasoning therein that there is no such provision in the ANNUAL EXCISE ANNOUNCEMENTS FOR THE YEAR 2024-25. Condition No. 9.8 vi) of the ANNOUNCEMENTS FOR THE YEAR 2024-25 specifically disallows functioning of L-10BB from branches of the Departmental Store:

*"9.8..... vi) The L-10 BB licenses shall not be allowed to function from the branches of the Departmental Store."*





The above specific provisions are in the knowledge of the appellant; therefore the appellant on 25-03-2024 applied to amend the branch to principal place of business under the Himachal Pradesh Goods and Service Tax Act, 2017. However, from the perusal of the copy of the License L-10BB granted to the appellant, it is apparent that the L-10BB had been approved and granted only in respect of **branch** at 269 Ward No. 4, the Mall Road, Manali and **not to the principal place of business.**

### FINAL ORDER:

12. After considering the arguments put forth by the parties and perusing the record and facts and circumstances of the case and also the Excise ANNOUNCEMENTS for the year 2024-25, the Appellant is not entitled for renewal of the license in Form L-10BB located at the branch of the Appellant and as such the order dated 30.03.2024 does not call for any interference and the same is upheld.
13. The appeal is disposed of accordingly along with the Miscellaneous Application.
14. All the concerned parties be informed and the file after due completion be consigned to record room.

**Announced on this day i.e. 16<sup>th</sup> of April, 2024**



**Financial Commissioner (Excise)  
Himachal Pradesh**

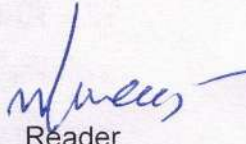


Endst. No. EXN-FC(E)-Reader/2024 / 1116120

Dated: 19-04-2024

Copy to:

1. M/s Amrit Traders, earlier holder of L-10BB (Year 2023-24), Lic. Branch located at 269, Ward No. 4, Ground Floor, The Mall, Manali, District Kullu (H.P.) Collector (Excise), Central Zone, Mandi (HP).
2. The Collector Excise-cum-JCST&E, CZ Mandi, H.P.
3. Dy. Commissioner State Taxes & Excise, District Kullu, HP.
4. Legal Cell, HQ.
5. IT Cell.



Reader

Financial Commissioner (Excise)  
Himachal Pradesh