IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

FRIDAY, THE THIRTEENTH DAY OF NOVEMBER
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE THE ACTING CHIEF JUSTICE P.SAM KOSHY
AND
THE HONOURABLE SRI JUSTICE SUDDALA CHALAPATHI RAO

WRIT APPEAL NO: 1246 OF 2026

Writ Appeal under clause 15 of the Letters Patent preferred against the Order dated 30.10.2026 in W.P.No.36428 of 2026 on the file of the High Court.

Between:

1. The State of Telangana, Rep. by its Principal Secretary, Revenue (Excise.II) Department, Secretariat, Hyderabad.
2. The Commissioner of Prohibition and Excise, Government of Telangana, Nampally, Hyderabad.
3. The Telangana Slate Beverages Corporation Limited (TGBCL), Rep. by its Managing Director, Hyderabad.
4. The General Manager (MIS), Telangana State Beverages Corporation Limited, Hyderabad.

...APPELLANTS/RESPONDENTS

AND

1. M/s. SURYA REST and BAR, Licence No.20/200607, Office at H.No.11231715, Deshaipet Road, Warangal, Rep. by its Proprietor, Sri V.Niranjan Kumar, S/o. Ramnarayana, Age 54, R/o. M.V.Colony, Warangal.
2. M/s. SRI SRAVANI REST and BAR, Licence No.58/200607, Office at H.No.134174 and 175 Warangal, Rep. by its Proprietor, Sri M.Veera Chander, S/o. Kistaiah, Age 50, R/o. Kothawada, Warangal.

3. M/s SSS REST and BAR,
Licence No 04/200607, Office at H No 5163/1,
Old / 335286, New Thimmapur Haveli,
Khammam Road, Warangal,
Rep by its Proprietor Sri GodishalaBalaraju,
S/o Shankaraiah, Age 40, R/o Warangal.

4. M/s GOWDA REST and BAR,
Licence No 25/200607, Office at H.No.12840/2 41/1 42/1,
and 43/1, Old Beet Bazar, Warangal,
Rep by its Proprietor Sri G Bala Raju, S/o Shankaraiah,
Age 42, R/o Ramannapeta, Warangal.

5. M/s SRI BALAJI REST and BAR,
Licence No 03/200607, Office at H.No. 1124432,
Deshaipet Road, Warangal,
Rep by its Proprietor Sri A. Ravinder, S/o Kumaraswamy,
Age 43, R/o Warangal.

6. M/s MEGHANA REST and BAR,
Licence No 51/200607, Office at H.No. 128185/A,
Hunter Road, Warangal,
Rep by its Proprietors/Partners Sri Banda Raj Kumar,
S/o Satyanarayana ,Age 49 and Sri Kola Suresh S/o Panchalu,
Age43, Both, R/o Warangal.

7. M/s VENKATARAMANA REST and BAR,
Licence No 24/200607, Office at H.No. 16732 and 16732/1,
Opp Warangal Bus Station, Warangal,
Rep by its Proprietor Smt B. Renuka, W/o Late B. Sudhakar,
Age 48, R/o Advocates Colony, Hanumakonda.

8. M/s SANAI REST and BAR,
Licence No 59/200607, Office at H.No. 15238,
Rangampeta, Warangal,
Rep by its Proprietor Sri K Kishanlal, S/o Bandulal,
Age 55, R/o Hanamkonda.

9. M/s SRI LAXMI REST and BAR,
Licence No 10/200910 Office at H No 11232309,
Deshaipet Road, Warangal,
Rep by its Proprietor Sri Ch Malla Reddy, S/o Nagi Reddy,
Age 57, R/o Warangal.

10. M/s SRI SRISRI RUDRAKSHINI REST and BAR,
Licence No 05/200910, Office at H No 1125137 and 136,
M G Road, Warangal,
Rep by its Proprietor Sri M Naveen Kumar S/o Narsinglal,
Age 46, R/o Shivanagar, Warangal.

11. M/s MNK REST and ELITE BAR,
Licence No 03/201920, Office at H No 1119/A/2,
Labour Colony, Warangal,
Rep by its Proprietor Smt. M. Shailaja, W/o Naveen Kumar,
Age 47, R/o Warangal.

12. M/s RUDRAKSHINI REST and BAR,
Licence No 21/200607, Office at H No 16729,
Opp Warangal Bus Station, Warangal,
Rep by its Proprietor Sri M Naveen Kumar, S/o Narsinglal,
Age 48, R/o Warangal.

13. M/s SRI INDRAKHILA REST and BAR,
Licence No 06/200708, Office at H No 11622 and 11623,
Mills Colony, Warangal,
Rep by its Proprietor Smt. M Shailaja, W/o Naveen Kumar,
Age 50, R/o Shivanagar, Warangal.

14. M/s SIRI REST and ELITE BAR,
Licence No 01/202021, Office at H No 16101391, 16101392, 16101393,
and 16101393/A, Shivanagar, Under Bridge Road, Warangal,
Rep by its Proprietor Smt Yambadi Aruna, W/o Y Ravinder,
Age 49, R/o Railway Gate, Perukawada, Warangal.

15. M/s SREERAJ REST and ELITE BAR,
Licence No 01/201920, Office at H No 4751111,
Paidipally, Warangal Urban,
Rep by its Proprietors/Partners Sri Rasa Ashok, S/o Mallaiah,
Age 60 and Sri Gadham Praveen, S/o Kattaiah, Age 48 and
Sri Ache Anvesh, S/o Kishan, Age 42,
All R/o Paidipally, Warangal Urban.

16. M/s RISHI REST and ELITE BAR,
Licence No 05/201718, Office at H No 4661165,
Enumamula, Warangal,
Rep by its Proprietor Sri MedishettiMahender, S/o Muttaiah,
Age 40, R/o Machapuram V Geesugonda, M.

17. M/s BHAVANI REST and BAR,
Licence No 52/200607, Office at H No 1911227,
Old / 1911227/2 New Shambunipeta Warangal,
Rep by its Proprietor Sri V Manoj, S/o Jaya Laxmi Late,
Age 35, R/o Warangal.

18. M/s KAALIKA REST and BAR,
Licence No 06/200910, Office at H No 465214,
Mogilicharla Road, Warangal,
Rep by its Proprietor Smt KyathamSrilaxmi, W/o Ravinder,
Age 36, R/o Kasibugga, Warangal.

19. M/s SRI VASAVI REST and BAR,
licence No 10/200607, Office at H No 1646,
Fort Road, Warangal,
Rep by its Proprietor Sri AnumalaNagesh, S/o Mallaiah,
Age 32, R/o Warangal.

20. M/s ASHOKA REST and BAR,
Licence No 63/200607, Office at H No 1123278,
Narsampet Road Warangal,
Rep by its Proprietor Sri A Sareesh Kumar, S/o A Kumara Swamy Late,
Age 39, R/o Girmajipet, Warangal.

21. M/s SARASA REST and BAR,
Licence No 28/200607, Office at H No 101349 and 50
Narsampet Road, Warangal,
Rep by its Proprietor Sri V Mahender, S/o Eshwar,
Age 42M R/o Warangal.

22. M/s KALINGA GRAND REST and ELITE BARM
Licence No 01/201718M Office at H No 172358/5/1,
S R R Thota, Warangal,

Rep by its Proprietor Sri Sreeramoju Prasad, S/o Prabhakara Chary,
Age 41, R/o Matawada, Warangal.

23. M/s SHANMUKHA REST and BAR,
Licence No 02/200607, Office at H No 12780 and 12782,
Ramannapeta, Warangal,
Rep by its Proprietor Sri G Venkateshwarlu, S/o Ramulu,
Age 44, R/o Ramannapeta, Warangal.

24. M/s SRI MADHURI REST and BAR,
Licence No 26/200607, Office at H No 8382/1,
Chowrastha, Warangal,
Rep by its Proprietor Sri J Raji Reddy, S/o Thirupathi Reddy,
Age 41, R/o Nakkalagutta, Hanamkonda.

25. M/s VENKATESHWARA REST and BAR,
Licence No 04/200910, Office at H No 141142,
Pochammaidan, M G Road, Warangal,
Rep by its Proprietor Sri Ch VenkatramNarsaiah, S/o Somaiah,
Age 50, R/o Laberthy V.

26. M/s SRI VARSHA REST and BAR,
Licence No 34/200607, Office at H No 1519 10 and 11/1,
M G Road, Warangal,
Rep by its Proprietor Sri K Krishna, S/o Sarangapani,
Age 68, R/o Hanumakonda.

27. M/s SURESH REST and BAR,
Licence No 66/200607, Office at H No 11231401,
Narsampet Road, Warangal,
Rep by its Proprietor Sri P BikshapathyGoud, S/o Narayana,
Age 55, R/o Girmajipet, Warangal.

28. M/s RAMAS PRIDE LAKEVIEW RESTO REST and ELITE BAR,
Licence No 01/201617, Office at H No 157278/1,
Ramannapeta, Warangal,
Rep by its Proprietor Sri Rama Prudhviraj, S/o Prabhakar,
Age 54, R/o Warangal.

29. M/s SRI VEERABHADRA REST and ELITE BAR,
Licence No 01/201819, Office at H No 1910202 and 1910202/1,
Rangashaipet, Warangal,
Rep by its Proprietor Sri PoshalaSrinivas, S/o Veeramallu,
Age 52, R/o Rangashaipet, Warangal.

30. M/s AKHILA REST and BAR,
Licence No 22/200607, Office at H No 84124 and 126/3,
Under Bridge Road, Warangal,
Rep by its Proprietors/Partners Sri K Ravinder Rao, S/o Jagga Rao,
Age 53 and Sri B Laxman, S/o Sathaiah,
Age52, Both R/o Warangal.

31. M/s MAHESHWARA REST and BAR,
Licence No 53/200607, Office at H No 1642 16414 and 16415,
Fort Road, Warangal,
Rep by its Proprietor Sri Burra Ramesh, S/o Kanakaiah,
Age 46, W/o Warangal.

32. M/s THIRUMALA REST and BAR,
Licence No 23/200607, Office at H No 1610991,
Shivanagar, Warangal,
Rep by its Proprietors/Partners Sri M Srinivas, S/o Narayana,
Age 48 and Sri G Pandu, S/o Shankaraiah,
Age 50, Both R/o Warangal.

33. M/s SAINTS VINTAGE REST and BAR,
Licence No 09/200607, Office at H No 2714420,
Hasanparthy,
Rep by its Proprietor Sri S Ramanna, S/o Gattaiah,
R/o Hasanparthy.

34. M/s SONA RESTAURANT and BAR,
Licence No 43/200607, Office at H No 11669/1, 11669/2,
11669/3 and 11669/4, Siddarthanagar, Kazipet,
Rep by its Proprietor Sri R Yadagiri, S/o Mallaiah,
Age 60, R/o Kothapally Station, Ghanpur.

35. M/s VICTORIA RESTAURANT and BAR,
Licence No 70/200607, Office at H No 247211/3/1,
247211/3/2 and 247211/3/3, Darga Road, Kazipet,
Rep by its Proprietor Smt RanguSrilatha, W/o Sridhar,
Age 60, R/o Ghanpur.

36. M/s BHEEMA REST and BAR,
Licence No 5/200607, Office at H.No 323289,
as per GWMC and 32420/1 and 420/1,
as per Gram Panchayat, Bheemaram Bus Stop, Palivelupula,
Rep by its Proprietor Sri B Prabhakar, S/o Laxmaiah, Age52.

37. M/s APOORVA REST and ELITE BAR,
Licence No 01/201819, Office at H No 3131850 and 1851,
Venkateshwara Colony, 100 Feet Road, Jawahar Colony,
X Road, Hanamkonda,
Rep by its Proprietor Sri A Sadanandam, S/o Ilaiah,
Age 42, R/o H No 31292, Kumarpalli, Hanamkonda.

38. M/s NAGINI REST and BAR,
Licence No 57/200607, Office at H No 1123235,
Tilak Road, Kasibugga, Warangal,
Rep by its Proprietor Smt R Rajani, W/o Bala Krishna Raju,
Age 61, R/o Kamalanagar, ECIL Post, Secunderabad.

39. M/s M VEERASWAMY REST and BAR,
Licence No 67/200607, Office at H No 917/1,
J P N Road, Warangal,
Rep by its Proprietor Sri M Veeraswamy, S/o Kanakaiah,
Age 45, R/o Warangal.

40. M/s SUNNY REST and BAR,
Licence No 54/200607, Office at H No 554483/2,
Plot 5/B and Sy No 148/B, Bheemaram, Hasanparthy,
Rep by its Proprietors/Partners Sri K Ravi Kumar, S/o K Odelu,
Age 29, R/o Hanamkonda and Sri E Kamalakar Rao,
S/o E Sampath Rao, Age 32, R/o Warangal.

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41. M/s VINODA REST and ELITE BAR,
Licence No 06/201920, Office at H No 6327,
Pinjerla Street, Vijaya Talkies Road, Hanumakonda,
Rep by its Proprietor Sri M Jithender, S/o Sarvesham,
Age 35, R/o Hanumakonda.

42. M/s SREE GANESH REST and BAR,
Licence No 72/200607, Office at H No 211152,
Gopalpur X Road, Hanamkonda,
Rep by its Proprietors/Partners Sri V Ravinder Rao, S/o Rajeshwar Rao,
R/o Matharam Manthini, Age 36 and Sri K Suresh, S/o Venkatanarasaiah,
Age 39, R/o Ramnagar, Karimnagar.

43. M/s RAJA SHIVAJI REST and BAR,
Licence No 30/200607, Office at H No 55123 and 55124,
Lashkar Bazar, Hanumakonda,
Rep by its Proprietor Sri M Veera Kumar, S/o Rajanna,
R/o Hanumakonda.

44. M/s NEW SRI KRANTHI REST and BAR,
Licence No 01/200708, Office at H No 31410/3/A/2,
Yadav Nagar, Hanumakonda,
Rep by its Proprietor Sri Muraarkar Rajeshwar, S/o NarsingLal,
Age 53, R/o Warangal.

45. M/s SRI SAI MAMATHA REST and BAR,
Licence No 38/200607, Office at H No 22399,
Kishanpura, Hanamkonda,
Rep by its Proprietor Sri M Damoder, S/o Ramulu,
Age 43, R/o Kishanpura, Hanamkonda.

46. M/s ALANKRUTHA REST and BAR,
Licence No 05/200708, Office at H No 3531417 and 1418,
Gopalpur, Hanamkonda,
Rep by its Proprietor Smt S Neeraja, W/o Naveen Rao,
Age 47, R/o Ramnagar, Hanamkonda.

47. M/s MOUNIKA REST and BAR,
Licence No 69/200607, Office at H No 71121,

New Bus Stand Road, Hanumakonda, Rep. by its Proprietor, Sri B.Mohan Rao, S/o. Gopaiah, Age 55, R/o Warangal.

48 M/s GIRIJA REST and BAR, Licence No.19/200607, Office at H.No.71141 and 71142/1, Opp New Bus Stand, Hanumakonda, Rep. by its Proprietor, Sri T.Vijay Kumar, S/o. Komuraiah, Age 59, R/o. Hanumakonda.

49 M/s MAATHA REST and BAR, Licence No.44/200607, Office at H.No.42234, KUC Road, Hanumakonda, Rep. by its Proprietor, Sri A.Mahesh, S/o. Sammaiah, Age 60, R/o Hanumakonda.

50 M/s. SAPTHAGIRI REST and BAR, Licence No.8/200910, Office at H.No.21584 KUC X Road, Hanamkonda, Rep. by its Proprietors/Partners, Sri T.Balakishan, S/o. Ramachandram, Age 41, and Sri G.Ravinder, S/o Laxmaiah, Age 39, Both R/o. Hanamkonda.

...RESPONDENTS/PETITIONERS

I.A. NO: 1 OF 2026

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 and implementation of the interim order dated 30.10.2026 passed in W.P.No.36428 of 2026 insofar as it suspends G.O.Ms.No.205, Revenue (Excise-II) Department, dated 19.10.2026 and the consequential circular dated 22.10.2026 and directs supply of IMFL/FL to the respondents at the issue price applicable to A4 shop licensees pending disposal of the Writ Appeal.

Counsel for the Appellants: SRI MOHD. IMRAN KHAN,
ADDL. ADVOCATE GENERAL

Counsel for the Respondents: SRI P.VISHNUVARDHAN REDDY, Sr. COUNSEL,
REP. SRI SAI DEV ROHAN YASALA

The Court delivered the following: JUDGMENT

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE THE ACTING CHIEF JUSTICE P.SAM KOSHY
AND
THE HON'BLE SRI JUSTICE SUDDALA CHALAPATHI RAO

WRIT APPEAL No.1246 of 2026

(CNR.No: HBHC010783612026)

DATE: 13.11.2026

Between:

The State of Telangana,
Rep.by its Principal Secretary,
Revenue (Excise.II) Department,
Secretariat, Hyderabad and others.

...Appellants

AND

M/s.Surya Rest and Bar,
Licence No.20/200607, Office at H.No.11231715,
Deshaipet Road, Warangal,
Rep., by its Proprietor Sri V.Niranjan Kumar
S/o Ramnarayana, Age: 54,
R/o M.V.Colony, Warangal and others.

...Respondents

JUDGMENT: ***(as per the Hon'ble Sri Justice SuddalaChalapathi Rao)***

Heard Sri Mohd.Imran Khan, learned Additional Advocate General, for the appellants, and Sri P.Vishnuvardhan Reddy, learned Senior Counsel representing Sri Sai Dev Rohan Yasala, learned counsel for the respondents.

2. The present intra Court appeal is filed by the appellant-State, challenging the interim order, dt.30.10.2026, in W.P.No.36428 of 2026 passed by the learned Single Judge.

3. The said writ petition was filed before the learned Single Judge, challenging G.O.Ms.No.205, Revenue (Excise-II) Department, dt.19.10.2026 and the consequential Circular dt.22.10.2026, issued by respondent No.4, whereby Rule 13-A was introduced into the earlier G.Os., thereby levying a Privilege Fee on sale of IMFL and Foreign Liquor licencees.

4. The learned Single Judge, vide order dated 30.10.2026, passed the following interim order:

> "***Notice before admission.***
>
> ***List the matter on 27.11.2026.***
>
> ***This matter requires further hearing.***
>
> ***In the meanwhile, there shall be an interim suspension of the operation of G.O.Ms.No.205, Revenue (Excise-II) Department, dated 19.10.2026, and the consequential Circular dated 22.10.2026 issued by the 4th respondent, insofar as the petitioners are concerned. The respondents are directed to process the indents submitted by the petitioners and supply IMFL***

and FL to them at the same issue price as that charged to A4 shop licensees, till 27.11.2026."

5. Mr.Mohd.Imran Khan, learned Additional Advocate General appearing for the appellants, would contend that the imposition of Privilege Fee on IMFL and Foreign Liquor licences vide impugned G.O is only an addendum to the earlier G.O., prescribing certain Privilege Fees. Further, it is contended that on a challenge made to the said G.O., by the underlying Writ Petition, the learned Single Judge, while passing the interim order, has not assigned any specific reasons, as to how the impugned G.O. and the consequential Circular are contrary to law. It is further contended that the learned Single Judge ought to have recorded atleast *prima facie* satisfaction by giving proper reasons as to how the impugned G.O is untenable. In the absence of such reasons, the interim order dt.30.10.2026 is liable to be set aside.

6. In this regard, the learned Additional Advocate General for appellant-State has made it clear that the Privilege Fee is being levied only with effect from the date of the impugned G.O,

dt.19.10.2026. In fact, though the licenses have been in force with effect from 01.10.2026, the impugned G.O., does not seek to enhance the license fee and only a certain Privilege Fee is being levied under the impugned G.O.

7. *Per contra*, learned Senior Counsel Sri P.Vishnuvardhan Reddy, appearing for the respondents/writ petitioners, would contend that the licenses of the respondents/writ petitioners were already renewed with effect from 01.10.2026, upon payment of 25% of the license fee on 30.09.2026, and the renewed licences are valid up to 30.09.2027. He would submit that the imposition of Privilege Fee under the impugned G.O., after renewal of the licences, would amount to giving retrospective effect to the G.O. and would place an additional financial burden on the licencees, which is not permissible under the prescribed procedure.

8. In support of his contention, learned Senior Counsel has relied upon the decision of the Bombay High Court in

Deepak Vs. State of Maharashtra and Others [1] **,** wherein a similar issue was considered and it was held that retrospective imposition of such a fee is impermissible.

9. On the other hand, learned Senior Counsel for the respondents/writ petitioners emphasized that the intra-Court appeal filed by the appellant-State is also not maintainable, as the appellant-State can file an application seeking vacation of the said order, thus, prays to dismiss the Appeal.

10. Evidently, the learned Single Judge, while suspending the operation of G.O.Ms.No.205, Revenue (Excise-II) Department, dt.19.10.2026, and the consequential Circular, dt.22.10.2026, issued by respondent No.4 has not assigned any reasons as to how the impugned G.O. is either erroneous or untenable.

11. It is also apposite to note that regulation of excise policy is a subject falling within the State List, and the State is empowered to regulate the sale of IMFL and Foreign Liquor. More particularly, the impugned G.O., was issued on

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[1] 2010 SCC Online Bom 358

19.10.2026, and the appellant-State has been collecting the said Privilege Fee with effect from that date. In such circumstances, when the validity of the Government Orders is under challenge while considering such relief, the learned Single Judge ought to have assigned proper reasons and recorded specific findings as to how the impugned G.O., is not legally valid or untenable.

12. Further, the learned Single Judge, while granting the said interim order, has specifically observed that the matter requires further hearing. In such circumstances, the learned Single Judge ought to have afforded an opportunity to the appellant-State to file its counter affidavit and, thereafter passed an appropriate order after hearing both sides by a speaking order.

13. Further, vide impugned G.O., the appellant-State has imposed certain Privilege Fee from the date of G.O., but has not enhanced the license fee, so as to turn it as retrospective effect. The impugned order of the learned Single Judge is bereft of reasons and findings. Thus, in our considered opinion, the

impugned order is not sustainable or tenable, and is liable to be set aside.

14. Accordingly, the Writ Appeal is partly allowed. The impugned interim order, dt.30.10.2026 passed by the learned Single Judge is hereby set aside, and remanded to the learned Single Judge. The learned Single Judge shall afford an opportunity to the appellant-State to file its counter-affidavit and thereafter, decide the writ petition afresh, after hearing both sides. There shall be no order as to costs.

As a sequel, miscellaneous petitions, if any, pending shall stand closed.

SD/- R.KARTHIKEYAN
JOINT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Principal Secretary, Revenue (Excise.II) Department, Secretariat, Hyderabad, State of Telangana.
2. The Commissioner of Prohibition and Excise, Government of Telangana, Nampally, Hyderabad.
3. The Managing Director, Telangana Slate Beverages Corporation Limited (TGBCL), Hyderabad.
4. The General Manager (MIS), Telangana State Beverages Corporation Limited, Hyderabad.
5. The Section Officer, Writ Non-Service Section, High Court for the State of Telangana at Hyderabad.
6. The Section Officer, Writ Posting Section, High Court for the State of Telangana at Hyderabad.
7. One CC to SRI SAI DEV ROHAN YASALA, Advocate [OPUC]
8. Two CCs to ADDL. ADVOCATE GENERAL, High Court for the State of Telangana at Hyderabad [OUT]
9. Two CCs to GP FOR PROHIBITION & EXCISE, High Court for the State of Telangana at Hyderabad [OUT]
10. Two CD Copies

BSR

CC TODAY

HIGH COURT

HACJ
&
SCR, J

DATED: 13/11/2026



JUDGMENT

WA.No.1246 of 2026

PARTLY ALLOWING THE WRIT APPEAL, WITHOUT COSTS