

**STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL**

LICENSE NO. 1304-44-014-007
AGENCY DKT. S-17-38312; H-2017-51402

DIVISION OF ALCOHOLIC)
BEVERAGE CONTROL,)
)
Petitioner,)
)
v.)
)
MM WINE AND SPIRITS, INC.)
t/a VINGO WINE AND SPIRITS,)
Respondent.)
_____)

AMENDED CONSENT ORDER

Richard E. Karczewski, Jr., Deputy Attorney General
Attorney for the Division of Alcoholic Beverage Control
(Gurbir S. Grewal, Attorney General, attorney)

Michael I. Halfacre, Esq.
Attorney for the Respondent

BY THE ACTING DIRECTOR:

This matter having been brought before the Acting Director of the Division of Alcoholic Beverage Control, James B. Graziano, by the Division of Alcoholic Beverage Control represented by Gurbir S. Grewal, Attorney General of New Jersey (Richard E. Karczewski, Jr., Deputy Attorney General, appearing) and with notice to Respondents, holders of License No. 1304-44-014-007, and this matter having been amicably settled prior to hearing:

IT IS on this 11 day of Feb. 2020, hereby ORDERED with consent of the parties that

1. Respondent hereby enters a plea of non-vult to the Notice of Charges under Agency Dkt. No. S-17-38312; H-2017-51402, thereby waiving the right to any hearing or appeal whatsoever in connection with these charges. The Notice of Charges is attached to this Order as Exhibit A.

MM Wine and Spirits, Inc.
S-17-38312; H-2017-51402
Lic No. 1304-44-014-007

2. The Respondent have made application and the Director has agreed to accept a monetary compromise offer of \$90,000.00 in lieu of 340 suspension days. The payment of the monetary compromise shall be paid in four equal payments of \$22,500.00, due on March 15 of calendar years 2020, 2021, 2022 and 2023. If the subject license is sold or ownership interest is transferred herein, the entire unpaid balance shall be due and paid upon transfer of the license. However, Respondent may petition the Director for relief.

The amount is payable by certified check or attorney's trust account check to "Division of Alcoholic Beverage Control" bearing the numbers S-17-38312; H-2017-51402, and sent to:

Division of Alcoholic Beverage Control
Attn: Denise Farfalla, Enforcement Bureau
140 E. Front Street, P.O. Box 087
Trenton, New Jersey 08625-0087

3. In addition, 30 suspension days will be held in abeyance until October 15, 2020 relating to the charges set forth S-17-38312; H-2017-51402. At that time, the suspension days held in abeyance shall be dismissed or imposed, depending on whether the licensee successfully implemented the corrective action plan described below or Respondent has committed a similar offense. Should a similar offense occur within the 12 month period, the Director may impose this suspension by ex parte Order without further notice to Respondent. A monetary offer in compromise in lieu of the 30-day suspension will not be accepted. In the event the license is sold and transferred to a bona fide third-party purchaser, any suspension days held in abeyance shall not be carried over to said bona fide third party purchaser. Preceding sentence shall not pertain to corporate structure change or change in ownership.
4. Venkat Gourkanti is to have no interest or employment in Eclipse, LLC; Meritage Wine Cellars, LLC; MM Wine & Spirits, Inc.; Vinvigo LLC, SVGS, Inc.; Vive Naini, LLC; VSGI, LLC (collectively known as the "Remaining Businesses"). Mr. Gourkanti may continue to act as a landlord for the Remaining Businesses, so long as the lease is for fair market rent and there is no remuneration to Mr. Gourkanti tied to the sale of alcohol.

MM Wine and Spirits, Inc.
S-17-38312; H-2017-51402
Lic No. 1304-44-014-007

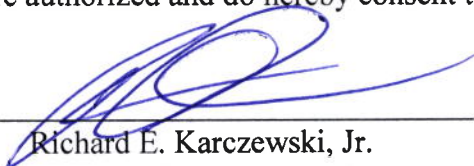
5. Ravi Lanka shall be employed by licenses with identical owners.
6. Respondent shall not store their product on the licensed premises of VSGL, LLC holder of Lic. No. 1221-44-025-004 ("Kendall Park Vingo").
7. Respondent shall not engage in cooperative purchasing.
8. Respondent may continue to use the trade name "Vingo" and advertise as such.
9. Respondent hereby waives all rights to further hearings and appeals and to the repossession or return of any alcoholic beverages or evidence (except as otherwise agreed to), as well as any cash or any other personalty seized in connection with the investigation of this matter, excluding (i) all books, records and documents produced to, or seized by the Division of Alcoholic Beverage Control ("ABC"), and Respondent consents to the forfeiture of same and disposition by the Director in accordance with the provisions of N.J.S.A. 33:1-66 and/or N.J.S.A. 2C:64-1, et seq.
10. Respondent has submitted documents to the ABC, per its request, as part of the investigation of this matter. Respondent and the ABC have agreed to the return, at a later date, of all documents produced to, or seized by, the ABC.
11. This Consent Order, terms thereunder, and conditions imposed are hereby attached to this license. Hence, the existing licensee and any prospective or subsequent transferee of this license takes and are bound by the terms and conditions imposed herein.



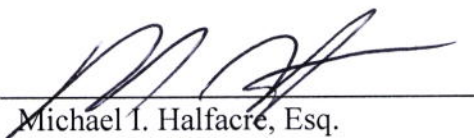
JAMES B. GRAZIANO
ACTING DIRECTOR

MM Wine and Spirits, Inc.
S-17-38312; H-2017-51402
Lic No. 1304-44-014-007

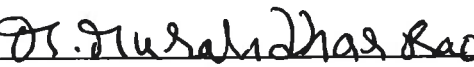
We are authorized and do hereby consent to the entry, form and substance of the above Order.

By: 
Richard E. Karczewski, Jr.
Deputy Attorney General
On Behalf of Petitioner

Dated: 2/10/20

By: 
Michael I. Halfacre, Esq.
Attorney for the Respondent

Dated: 1-16-2020

By: 
Murlidhar Madhavaram
President of Respondent

Dated: 1-16-2020



State of New Jersey

PHILIP D. MURPHY
Governor

SHEILA OLIVER
Lt. Governor

OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL

P.O. BOX 087
TRENTON, NJ 08625-0087
Phone: (609) 984-2830 Fax: (609) 633-6078
[HTTP://WWW.NJ.GOV/LPS/ABC](http://www.nj.gov/lps/abc)

GURBIR S. GREWAL
Attorney General

JAMES B. GRAZIANO
Acting Director

October 15, 2019

MM Wine and Spirits Inc
t/a Vingo Wine and Spirits
9 11 Bayshore Plaza
Atlantic Highlands, NJ 07716

LICENSE NO.: 1304-44-014-007
AGENCY DKT. NO.: S-17-38312, H-2017-51402;
ISSUED BY: Mayor and Council of Atlantic
Highlands Boro, Monmouth County

Attached hereto is a copy of the Notice of Charges wherein the Division of Alcoholic Beverage Control ("Division") has alleged that the holder of this license has committed the violations set forth therein and is seeking to suspend your license for 305 days. Upon receipt of this letter you must enter either a guilty, non-vult or not guilty plea to these charges within 30 days. Failure to enter a plea within the 30-day period shall be deemed to be a statement that you do not contest the charges, which are the subject of this matter. Consequently, if a plea is not entered within the 30-day period, a non-vult plea will be entered on your behalf unless the plea period has been extended by the Division. The Director upon certification from the Division may suspend or revoke your license without further opportunity for you to oppose the charges.

Before entering a plea you may request a copy of the Report of Investigation on which the charges were based and request an additional 14 days to examine the report before you enter a plea. As set forth on the "plea" page, the cost for the report is \$50.00. To receive such reports send a money order or check made payable to the New Jersey Division of Alcoholic Beverage Control. Send your request to Deputy Attorney General, Richard E. Karczewski, Jr. and include the license number and "S" number on all letters and forms of payment.

You are entitled to have an attorney advise you. However, consultation with an attorney will not toll or stop the time of the 30 days for you to enter your plea.

Please be advised if there is a determination of guilt to the charges, the Enforcement Bureau pursuant to N.J.S.A. 33:1-31 will seek a suspension and/or revocation of 305 days and will also seek the forfeiture and disposal of any cash, evidence, alcoholic beverages (or other prima facie contraband nature) seized in connection with these charges.



If you enter a plea of guilty or non-vult (not contesting the charges) you have informed the Division that you do not dispute the charges in this matter and will accept the penalty as set forth. You do have the right to submit in writing mitigating circumstances and requesting the charges be reduced in penalty. In cases in which ABC seeks suspension, the Director may also consider reduction of the penalty by 20% in consideration of your guilty or non-vult plea. In cases in which ABC seeks revocation, the Director may accept a monetary offer and/or suspension in lieu of revocation.

In addition, you have the right to make application to the Director that he accept a monetary compromise offer in lieu of the days suspended pursuant to N.J.A.C. 13:2-19.12.

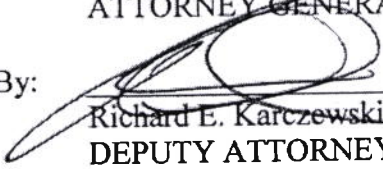
If you plead not guilty, this case will be sent to the Office of Administrative Law or be retained to be heard before the Director. You or your attorney will receive the necessary notice that the case has been forwarded and the time and place of the hearing.

To assist you in responding to the Division, you may use the "plea" page to advise us of your decision in this matter. If you do utilize this form, after you fill it out we suggest you make a copy and keep it for your records. Please send this reply to DAG Richard E. Karczewski, Jr..

Very truly yours,

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY

By:


Richard E. Karczewski, Jr.
DEPUTY ATTORNEY GENERAL

Attachment



**STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL**

LIC. NO.: 1304-44-014-007
AGENCY NO.: S-17-38312, H-2017-51402;

DIVISION OF ALCOHOLIC BEVERAGE)
CONTROL,)
)
Petitioner,)
)
v.)
)
MM Wine and Spirits Inc,)
)
Respondent.)

NOTICE OF CHARGES

Take Notice that under the authority of the Director, as set forth in Division of Alcoholic Beverage Control Act, N.J.S.A 33:1-1, et seq; and the regulations promulgated pursuant thereto, the New Jersey Division of Alcoholic Beverage Control ("Division") will seek to suspend plenary retail license 1304-44-014-007 held by MM Wine and Spirits Inc, issued by Mayor and Council of Atlantic Highlands Boro, Monmouth County, for premises located at 9 11 Bayshore Plaza, Atlantic Highlands, NJ 07716, for violation of the aforementioned statute and/or regulations. The Division hereby prefers the following charges and will seek the noted penalty to wit:

- | | | |
|----|---|-------------------|
| 1. | On or about license terms 2014-2015, 2015-2016, 2016-2017, 2017-2018 and 2018-2019, you stored alcoholic beverages other than at your licensed premises or other premises pursuant to special permit first obtained from the Director, Division of Alcoholic Beverage Control, or at a licensed warehouse; in violation of N.J.A.C. 13:2-23.21. | 5-day suspension |
| 2. | On or about license terms 2014-2015, 2015-2016, 2016-2017, 2017-2018 and 2018-2019, you the holder of a retail liquor license received from the holder of plenary wholesale license number alcoholic beverages for sale under terms or conditions or promotions not contained in the applicable Marketing Manual or Current Price List; in violation of N.J.A.C. 13:2-23.24. | 30-day suspension |
| 3. | On or about license terms 2014-2015, 2015-2016, 2016-2017, 2017-2018 and 2018-2019, a person with a direct or indirect ownership interest in the licensed business, failed to facilitate, hindered, delayed or caused the hindrance or delay, or attempted to hinder, delay or cause the hindrance or delay, of an investigation or inspection of the licensed business or of the licensed premises or of any search thereof; in violation of N.J.S.A. 33:1-35 and N.J.A.C. 13:2-23.30. | 30-day suspension |

4. On or about license terms 2014-2015, 2015-2016, 2016-2017, 2017-2018 and 2018-2019, a person employed by the licensed business, failed to facilitate, hindered, delayed or caused the hindrance or delay, or attempted to hinder, delay or cause the hindrance or delay, of an investigation or inspection of the licensed business or of the licensed premises or of any search thereof; in violation of N.J.S.A. 33:1-35 and N.J.A.C. 13:2-23.30. 30-day suspension
5. On or about license terms 2014-2015, 2015-2016, 2016-2017, 2017-2018 and 2018-2019, you sold or accepted delivery of alcoholic beverages to/from upon terms other than those set forth in the applicable Current Price List filed with the Division of Alcoholic Beverage Control; in violation of N.J.A.C. 13:2-24.6(a)6. 15-day suspension
6. In a license application, or amendment thereto, filed on or about license terms 2014-2015, 2015-2016, 2016-2017, 2017-2018 and 2018-2019, you failed to show or disclose certain material facts, or falsely or inaccurately responded to questions thereon related to a disqualification, or to a person disqualified from licensure; in violation of N.J.S.A. 33:1-25. 45-day suspension
7. From on or about license terms 2014-2015, 2015-2016, 2016-2017, 2017-2018 and 2018-2019, you aided and abetted in violation of N.J.S.A. 33:1-25, N.J.S.A. 33:1-26, N.J.S.A. 33:1-31(a) and N.J.S.A. 33:1-52 with regard to the following related violations: REBATE (N.J.A.C. 13:2-24.11); SOL1 (N.J.S.A. 33:1-52 and N.J.A.C. 13:2-16.11(a) and/or 16.11(c) ; SOL3 (N.J.A.C. 13:2-16.11(b); and WHOL (N.J.A.C. 13:2-16.11 and N.J.A.C. 13:2-23.28). 60-day suspension
8. On or about license terms 2016-2017 & 2017-2018, you stored alcoholic beverages other than at your licensed premises or other premises pursuant to special permit first obtained from the Director, Division of Alcoholic Beverage Control, or at a licensed warehouse, viz., VSGI, LLC; in violation of N.J.A.C. 13:2-23.21. 5-day suspension
9. On or about license terms 2016-2017 & 2017-2018, you allowed, permitted or suffered the sale/delivery of alcoholic beverages to a licensee to which you were not authorized to sell/deliver such beverages, viz., VSGI LLC, Eclipse LLC, Meritage Wine Cellars LLC, Vinvigo LLC, SVGS Inc, Vive Naini LLC, 70 Wine & Spirits LLC & SVGU Inc; in violation of N.J.A.C. 13:2-23.12(b). 10-day suspension
10. On or about 2016-2017 & 2017-2018 license terms, you purchased or obtained alcoholic beverages from a prohibited source, viz., VSGI LLC, Eclipse LLC, Meritage Wine Cellars, Vinvigo, LLC, SVGS Inc, Vive Naini LLC, 70 Wine & Spirits LLC & VSGI Inc; in violation of N.J.A.C. 13:2-23.12(a) or (b). 10-day suspension
11. In your license renewal application, corporate structure change application, transfer application or amendment to the foregoing filed on or about license terms 2016-2017 & 2017-2018, you failed to show or disclose certain material facts, or falsely or inaccurately responded to questions thereon, viz., various facts; in violation of N.J.S.A. 33:1-25. 10-day suspension

12. On or about 2016-2017 & 2017-2018 license terms, you failed to produce upon demand, and did not produce same within seven (7) days thereof, original or true, complete and accurate copies of delivery slips, invoices, manifests, waybills or similar documents at your licensed premises for a period of one (1) year from the date of delivery of alcoholic beverages to you in violation of N.J.A.C. 13:2-20.4(b) or -23.32. 30-day suspension
13. On or about license terms 2016-2017 & 2017-2018, you failed to keep or maintain books of account which were true, complete and accurate in all respects on your licensed premises or failed to produce same for inspection upon demand and did not produce same within seven (7) days thereof, in violation of N.J.A.C. 13:2-23.32. 30-day suspension
14. In your license application or amendment to a license application filed on or about license terms 2016-2017 & 2017-2018, you failed to show or disclose that Venkat Gourkanti, a person not otherwise disqualified from having an interest in a liquor license or licensed business, had an interest, directly or indirectly, in the license applied for or in the business to be conducted under said license in violation of N.J.S.A. 33:1-25. 30-day suspension

The total penalty sought by the Division is 305 days suspension of your license.

The licensee must enter a plea to the charges within 30 days of its receipt. Failure to do so will result, pursuant to N.J.A.C. 13:2-19.3(c), in the entry of a non-vult plea on your behalf and the Director upon certification by the Division may impose the penalty stated in this Notice of Charges without further notice.

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY

By: _____


Richard E. Karczewski, Jr.
DEPUTY ATTORNEY GENERAL

**STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF ALCOHOLIC BEVERAGE CONTROL**

LIC. NO.: 1304-44-014-007
AGENCY NO.: S-17-38312, H-2017-51402;

DIVISION OF ALCOHOLIC BEVERAGE CONTROL,)	
)	
Petitioner,)	
)	
v.)	PLEA
)	
MM Wine and Spirits Inc,)	
)	
Respondent.)	
)	

TO: Richard E. Karczewski, Jr.
DEPUTY ATTORNEY GENERAL
ENFORCEMENT BUREAU

CIRCLE THE APPROPRIATE TERM CONTAINED IN THE PARENTHESES "()"

I am the (owner) (partner) (member) (president/vice-president) (attorney) of this license duly authorized to enter the decision(s) in this matter as checked below:

- 1. Please send me a copy of the Report of Investigation issued in this matter. I request you to extend my time to enter a plea by 14 days. Therefore, I enclose a money order or check in the amount of \$50.00 to cover the cost of the report.

- 2. (For cases in which license suspension is sought and suspension is accepted by licensee): I am pleading non-vult to all of the charges listed in the Notice of Charges and accept the suspension of the subject license to be imposed thereon. I understand that by doing so I will not formally contest the charges and that they will be administratively concluded without a hearing. I am giving up my rights to a hearing and/or to repossess or have returned any cash, evidence, alcoholic beverages, or other property seized in connection with these proceedings. I request that the Director reduce the proposed suspension by 20% in consideration of my plea. I request that the Division consider the following mitigation prior to determining the ultimate penalty. (You may write on the back of this page or use additional separate pages, if necessary.)

- 3. (For cases in which license suspension is sought and licensee requests to make a monetary compromise in lieu of suspension): I am pleading non-vult to all of the charges listed in the Notice of Charges. I understand that by doing so I will not formally contest the charges and that they will be administratively concluded without a

hearing. I am giving up my rights to a hearing and/or to repossess or have returned any cash, evidence, alcoholic beverages, or other property seized in connection with these proceedings. I request that the Director reduce the proposed penalty by 20% in consideration of my plea. Additionally, I petition the Director, pursuant to N.J.A.C.13:2-19.12, to accept a monetary compromise offer in lieu of suspension. I am enclosing the licensee's Federal Tax Return for the most recent year and/or a letter from the licensee's accountant showing the total sales of alcohol and the total costs of alcohol in the most recent year. I request the opportunity to offer a monetary penalty in lieu of having my license suspended. I understand that if the Director grants my request, the Division will compute the penalty amount which must be offered and provide me with a petition to sign and return for the Director's consideration. I request that the Division consider the following mitigation prior to determining the ultimate penalty. (You may write on the back of this page or use additional separate pages, if necessary.)

- ___ 4. (For cases in which license revocation is sought): I am pleading non-vult to all the charges listed in the Notice of Charges. I request the opportunity to divest the license in lieu of revocation. Therefore, I am requesting that the Division contact me to schedule a conference to discuss the options for settlement. In the event that no settlement is reached, I understand that I must surrender my license to the issuing authority.
- ___ 5. I wish to plead not guilty to all of the charges listed in the Notice of Charges and request that this matter be forwarded for a hearing.
- ___ a. I am requesting a hearing.
- ___ b. I am requesting a meeting to discuss settlement. If no settlement is reached, I request the matter be forwarded for a hearing.

LICENSEE'S SIGNATURE

TYPED OR PRINTED NAME

DATED: