

WP.(MD)Nos.34278 & 36587 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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Reserved On : 09.06.2026

Pronounced On : 23.06.2026

CORAM

**THE HONOURABLE MR.JUSTICE N.SATHISH KUMAR
AND
THE HON'BLE MR.JUSTICE M.JOTHIRAMAN**

WP.(MD)Nos.34278 & 36587 of 2025
and
WMP.(MD)Nos.27123 & 29095 of 2025

WP.(MD)No.34278 of 2025

C.Arundurai

...Petitioner

Vs.

1.The Commissioner,
Commissionerate of Prohibition and Excise Department,
2nd Floor, Ezhilagam Building,
Chepauk, Chennai.

2.The District Collector,
Sivagangai District, Sivagangai.

3.The Superintendent of Police,
Collector Complex, Aranmanai Vasal,
Sivagangai.

4.The Assistant Commissioner (Prohibition & Excise),
Prohibition & Excise Department,
Collectorate Campus,
Sivagangai.



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5.The Revenue Division Officer,
Karaikudi Taluk,
Sivagangai.

6.The Tahsildar,
Karaikudi Taluk,
Sivagangai.

7.The Deputy Director,
District Town and Country Planning,
District Collectorate Campus,
Sivagangai-630 562.

8.Santhosam Recreation Club,
Kotaiyur Main Road,
Karaikudi, Sivagangai District.

... Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India, praying to issue Writ of Certiorari, to call for the records relating to the impugned order passed by the first respondent in R.Dis.No.P and E.2(2)/0216/2024 dated 12.11.2025 and quash the same as illegal, arbitrary, violative of statutory rules.

(Prayer is amended vide Court dated 12.03.2026 in WMP.(MD)No.29252 of 2025 in WP.(MD)No.34278 of 2025)

For Petitioner : Mr.Muthucharan Sundaresh,
for Mr.M.Rajarajan

For R1, R2, R4
to R7 : Mr.B.Saravanan,
Senior Counsel,
for Mr.C.Jeganathan,
Counsel for State



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For R3

: Mr.I.Murugesan,
Government Advocate (Crl.side)

For R8

: Mr.AR.L.Sundaresan,
Senior Counsel,
for Mr.T.Bashyam

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Chithiral

...Petitioner

Vs.

1.The Commissioner,
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2.The District Collector,
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3.The Superintendent of Police,
Sivagangai District, Sivagangai.

4.The Assistant Commissioner (Prohibition & Excise),
Prohibition & Excise Department,
Collectorate Campus, Sivagangai.

5.Santhosam Recreation Club,
Rep.by Kalloor Rasu,
Karaikudi Kottaiyur State Highways,
Near Barma Colony Bus Stop,
Karaikudi, Sivagangai District.

... Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India, praying to issue Writ of Mandamus, to direct the respondents 1 to 4 to cancel the FL2 license issued to the fifth respondent to sell Indian



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made foreign liquors in the name and style of Santhosam Recreation Club at Karaikudi-Kottaiyur State Highways within the limits Karaikudi municipal corporation, Sivagangai District by considering the representation dated 05.12.2025 within a time frame.

For Petitioner : Mr.D.Venkatesh,
for Mr.A.Mohamed Haneef

For R1, R2 & R4 : Mr.B.Saravanan,
Senior Counsel,
for Mr.C.Jeganathan,
Counsel for State

For R3 : Mr.I.Murugesan,
Government Advocate (Crl.side)

For R5 : Mr.AR.L.Sundaresan,
Senior Counsel,
for Mr.T.Bashyam

COMMON ORDER

(Order of this Court was delivered by **M.JOTHIRAMAN J.**)

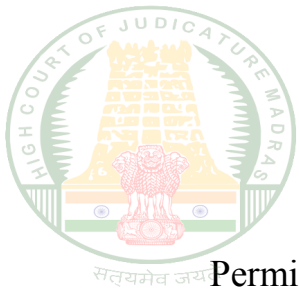
Under assail is the order passed by the Commissioner, Commissionerate of Prohibition and Excise Department/first respondent granting licence in R.Dis.No.P and E.2(2)/0216/2024 dated 12.11.2025. Two writ petitions have been filed in the name of public interest litigation.



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2.It is the case of the writ petitioner in WP.(MD)No.34278 of 2025 that the club, namely, Santhosam Recreation Club is located in the locality of Burma Colony in Karaikudi Town. It is purely a residential area, which is densely populated. The said recreation club had applied for and obtained FL2 Bar license to serve liquor in their premises. The proposed site is located in the very near vicinity of the highly revered “Sri Sakthi Veerakaaliyamman Temple” situated less than 50 metres. Further, a Church is also located in this region. All worshippers of different faiths going to their respective place of worship above mentioned will have to cross the said liquor bar to reach the place of worship. The location of liquor bar within this close distance is in blatant violation of Rule 8(1) of the Tamil Nadu Liquor Retail Vending (in Shops and Bars) Rules, 2003, which prohibits establishing any liquor shop or bar within 50 meters of a place of worship. The renowned Alagappa University Science Campus is located in close proximity to the said liquor bar. The site is adjacent to the State Highway Kotaiyur main road where heavy vehicle traffic passes frequently. The said FL2 liquor bar is situated in a highly sensitive and close proximity to essential public services. As per Rule 13 of the Tamil Nadu Liquor (License and



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Permit) Rules and G.O.Ms.No.32, dated 21.05.2018, no FL2 liquor license can be granted within 100 meters from any educational institution, religious place, hospital or public utility area.

3.It is the case of the writ petitioner in WP.(MD)No.36587 of 2025 that Karaikudi city has a renowned name for having Alagappa University and other Alagappa Colleges and Schools. In view of the potentiality of educational institution, most of the students in and around Karaikudi are studying at the educational institutions situated at Karaikudi. At Barma Colony bus stop, situated at Karaikudi-Kottaiyur State Highway, the authorities have given FL2 license. FL2 license was given without following the Rules of the Tamil Nadu Liquor Retail Vending (in Shops and Bars) Rules, 2003 and violating the guidelines issued by the Hon'ble Apex Court on selling of liquors in National Highways and State Highways, within the limits of municipal corporation. Adjacent to the bar, Dhanya Hospital is located and nearby that Jeyam Hospital is there. Opposite to the bar, Canara Bank is also there. Within 50 metres of the bar, Sri Veeramahaliammal temple is also situated. Moreover, nearby the bar, CSI church is also situated. Without considering the above aspects and in violation to the rules, license was given to the club. Immediately,



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coming to know about the license given by the authorities, the public at large along with social activities gathered and made agitations. On the result of lawful agitation, the bar was sealed by the revenue officials, since the license was obtained violating the existing rules.

4.Since both the writ petitions have been filed as against the issuance of FL2 license dated 12.11.2025, both the writ petitions are disposed of by this common order.

5.The learned counsel appearing for the writ petitioner in WP. (MD)No.34278 of 2025 would submit that the impugned licence has been granted in violation of Rule 13 of the Tamil Nadu Liquor (Licence and Permit) Rules, 1981, and G.O.Ms.No.32, dated 21.05.2018. The site is situated in a busy area leading to and connecting with the State Highway and is heavily used by school children, patients, pedestrians and the general public, thereby posing a serious threat to public safety and order. No local inspection was conducted, nor was any public consultation undertaken. The site also falls within a residential zone. The authorities have failed to consider the objections raised by the public and have not adhered to the statutory safeguards prescribed under the



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relevant provisions. The first mandatory condition for the grant of FL2 license is that local needs justify the grant. The license authority failed to consider that public interest is adversely affected by situating a liquor shop in a densely populated residential/semi-residential area, proximate to homes, offices, religious places and public pathway. The Hon'ble Division Bench of this Court dated 18.08.2025 in WP.(MD)No.8038 of 2019 has categorically held that FL2 license shall not be granted to the club unless their by-laws specifically incorporate the supply of liquor and such amended by-laws are duly approved by the District Register under the Tamil Nadu Societies Registration Act, 1975. Further, he would submit that FL2 license shall not be granted in prohibited locations, including areas near hospitals, educational institutions and religious places, and that the State must verify and regulate such locations in the interest of public health.

6.The learned counsel appearing for the petitioner in WP.(MD)No. 36587 of 2025 would submit that Karaikudi city has a renowned name for having Alagappa University and other Alagappa Colleges and Schools. In view of the potentiality of educational institution, most of the students in and around Karaikudi are studying at the educational



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institutions situated at Karaikudi. At Barma Colony bus stop, situated at Karaikudi-Kottaiyur State Highway, the authorities have given FL2 license. FL2 license was given without following the Rules of the Tamil Nadu Liquor Retail Vending (in Shops and Bars) Rules, 2003 and violating the guidelines issued by the Hon'ble Apex Court on selling of liquors in National Highways and State Highways, within the limits of municipal corporation. On the result of lawful agitation made by the public at large, the bar was sealed by the revenue officials, since the license was obtained violating the existing rules.

7.The learned Senior Counsel appearing for official respondents would submit that the club is registered under the Registration of Societies Act and has applied for FL2 license under Rule 16 of the Tamil Nadu Liquor (Licence & Permit) Rules, 1981 before the first respondent. The same was forwarded to the District Collector to sent a detailed report along with specific recommendations. A detailed report was called for by the District Collector from the Superintendent of Police, Tahsildar, Revenue Divisional Officer. Accordingly, they have filed their report before the District Collector, in which, all of them recommended for

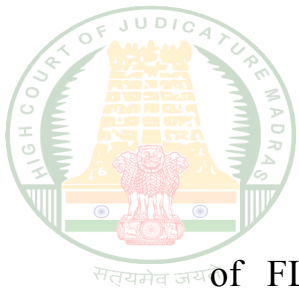


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issuance of FL2 license. The Superintendent of Police carried out a field inspection and found that the club satisfies the condition stipulated for grant of FL2 license under Rule 17(b) of the Tamil Nadu Liquor (Licence & Permit) Rules, 1981. Based on the recommendations reports, the District Collector has recommended to the Commissioner, Prohibition and Excise Department for issuance of FL2 license in favour of the club.

8.The learned Senior Counsel appearing for the Santhosam Recreation club would submit that the subject club is registered under the Society Registration Act. In order to satisfy the needs of their members, they have applied for FL2 license and the first respondent after verifying the documents and after getting recommendations from the authorities concerned, issued FL2 license, on 12.11.2025. The distance rules stated by the writ petitioner is stipulated under Tamil Nadu Liquor Retail Vending Shops and applicable only to TASMAL shops. The respondent club is situated far away from the Schools, Hospitals and temples. Sri Sakthi Veera Kaliamman temple and church are located 70 metres away from the club. There is no violation of Rule 8(1) of the Tamilnadu Liquor Retail Vending (in Shops and Bar) Rules, 2003. Before issuance



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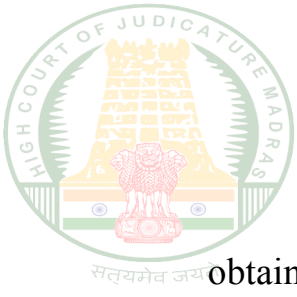
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of FL2 license, all the conditions and requirements stipulated in G.O.Ms.No.32, dated 21.05.2018 have been verified by the official respondents including distance criteria of 50 metres from the place of worship, educational institutions. The distance rules is not applicable to the shop situated in Municipality area. The learned Senior Counsel would further submit that the present writ petition has been filed to cancel the FL2 license granted by the first respondent. An appeal remedy is available before the Government as against the order passed by the Commissioner, Prohibition and Excise Department, under Rule 2(5) of the Tamil Nadu Prohibition Appeal and Revision Rules. As per the Rule, the writ petitioner shall file an appeal before the Government. But, without exercising the alternative remedy, straight away filed the present writ petitions and the same are un-sustainable in law.

9. We have considered the submissions made on either side and perused the available records carefully.

10. The present writ petitions have been filed aggrieved over the issuance of FL2 license dated 12.11.2025, permitting Santhosam Recreation Club for setting up a bar and the said FL2 license has been

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obtained by violating the rules.

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11.It is not in dispute that as per the counter affidavit filed by the District Collector that FL2 shop was opened on 17.11.2025. Due to continuous protest by the general public, the liquor bar was temporarily closed, on 19.11.2025. It is seen from the records that originally, one, “இளைஞர் எழுச்சி மன்றம்” (Elaingar Eluchi Mandram) was located in Door No.324, Alagar Kovil Main Road, opposite to Government Hospital, Melur Nagar, Madurai District. The same was registered under the Societies Registration Act in Reg.No.107/2024, on 23.07.2014. Subsequently, name has been changed as Santhosam Recreation Club, on 22.06.2023. The said recreation club registered before the Sub Registrar, Karaikudi in Ref.No.88/2024, on 10.10.2024. This Court, vide order dated 10.04.2026, appointed an Advocate Commissioner to inspect the subject club to measure the distance between the shop and the temple and the church and to file a report before this Court. Accordingly, the Advocate Commissioner inspected the subject club and filed his report.

12.According to the writ petitioners, the bar is situated at Karaikudi-Kottaiyur State Highway. The Hon'ble Supreme Court in the



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case of K.Balu Vs. State of Tamil Nadu wherein it has been held that no liquor vending outlet shall be permitted within 500 meters of National or State Highways. Per contra, according to the recreation club, the Hon'ble Supreme Court in SLP(Civil) 10243/2017 dated 11.07.2017 categorically held that “on 15.12.2016, the Hon'le Supreme Court rendered judgment in the State of Tamil Nadu Vs K.Balu. Several directions were issued to obviate dangers to the lives and safety of persons using highways”, wherein, it has been categorically clarified as follows:-

7.The purpose of the directions contained in the order dated 15 December 2016 is to deal with the sale of liquor along and in proximity of highways properly understood, which provide connectivity between cities, towns and villages. The order does not prohibit licensed establishments within municipal areas. This clarification shall govern other municipal areas as well. We have considered it appropriate to issue this clarification to set at rest any ambiguity and to obviate repeated recourse to IAs, before the Court.

It is contended that the distance rule is not applicable to the municipal areas.

13.It is to be noted that as per Rule 19(A) of the Tamil Nadu



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Liquor (License and Permit) Rules, 1981, on receipt of the application, the licensing authority shall verify the particulars furnished in the application. In the case of applications of all kinds, he shall satisfy himself in general after due enquiry—(a) that the local needs justify the grant of the licence; and (b) that public interest shall not suffer by the grant of the licence applied for and that the privilege is not likely to be misused.

14.It is pertinent to mention that Section 3(1) of the Tamil Nadu Societies Registration Act provides that subject to the limitations contained in Section 3(2), any society formed with objects such as the promotion of education, literature, science, religion, charity, social reform, art, crafts, cottage industries, athletics, sports (including indoor games), recreation, public health, social service, cultural activities, the diffusion of useful knowledge, or any other useful object within the legislative competence of the State Legislature, as may be prescribed, is eligible for registration under the Act.

15.It is also to be noted that the Tamil Nadu Prohibition Act, 1937



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has been entrusted for prohibition of the manufacture, sale and consumption of intoxicating liquors and drugs in the State of Tamil Nadu. However, such liquor shops causing nuisance or posing threat to the residents of that locality must be looked into. There is no specific clause / objective in the by-laws approved by the Registrar for selling of liquor by obtaining FL2 licence from the Prohibition and Excise Department. In the absence of any such clause in the by-laws, which are to be approved under the Tamil Nadu Societies Registration Act, 1975, selling of liquor in the Recreation Clubs cannot be permitted and it is a violation of the by-laws of the Societies.

16.It is further to be noted that decision of the Hon'ble Division Bench of this Court in the case of M.A.Sudhagar vs. The Government of Tamil Nadu, rep. by its Principal Secretary and others reported in 2014 (4) CTC 721, wherein this Court elaborately dealt the issuance of FL2 license and it was held that on receipt of application for grant of FL2 licence, the Licensing Authority should satisfy in general, after due enquiry, find three preliminary conditions are satisfied, namely (i) that the local needs justify the grant of Licence; (ii) that public interest shall not suffer by the grant of licence applied for and (iii) that the privilege is



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not likely to be misused. Further, the Hon'ble Division Bench of this Court, by order dated 18.08.2025 in W.P.(MD) Nos.8038 of 2019 etc., batch, has held that, for the grant of an FL-2 licence to a recreation club, the club's by-laws must provide for the supply of liquor and the amended by-laws must be duly approved by the District Registrar.

17.It is pertinent to mention that Father of our Nation, ***Mahatma Gandhi*** tried to achieve three important objectives, namely, removal of untouchability, accomplishment of Hindu-Muslim unity and total prohibition of liquor. However, while prohibition of toddy and arrack is in force, the business of wholesale and retail sale of Indian-made Foreign Liquors has been put under the control of the State Government undertaking, namely, the Tamil Nadu State Marketing Corporation Ltd. (TASMAC) with the slogan “***Liquors ruins country, family and life***”.

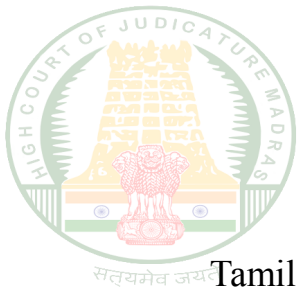
18.In the instant case on hand, the District Collector categorically stated in their counter affidavit that FL2 shop was opened on 17.11.2025. Due to continuous protest by the general public, the liquor bar was temporarily closed, on 19.11.2025. This Court is of the view that FL2 licence shall not be granted in prohibited locations, including areas near



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hospitals, educational institutions and religious places and that the State verify and regulate such locations in the interest of public health and safety. The authorities have failed to comply with the statutes contemplated in Rule 19(A) of the Tamil Nadu Liquor (License and Permit) Rules, 1981 and also failed to comply with the mandatory requirements under Tamil Nadu Societies Registration Act, 1975, inasmuch as the mere incorporation of the word “Recreation” in the by-laws of the clubs is insufficient without specifically stating the activities to be undertaken and obtaining approval from the District Registrar. The impugned FL2 licence was granted without following the restrictions stipulated under Rule 8(1) of the Tamil Nadu Liquor Retail Vending Rules, 2003. The authorities failed to consider the mandatory requirements prescribed under the Rules and the public reasonably expected the authorities to follow statutory safety norms and protect the residential and religious environment. Temporary closure of the bar due to public protests demonstrates the flawed, unsafe, and unlawful nature of the license. The authorities have failed to consider the local needs justify the grant of license, the public interest shall not suffer by the grant of license applied and the conditions enumerated under Rule 19 of the



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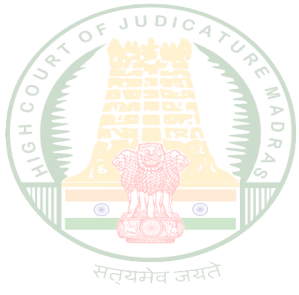
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Tamil Nadu Liquor (License and Permit) Rules. Thus, the impugned license has been issued without considering the conditions and procedures stipulated under 19 of the Rules and the same is liable to be set aside.

19. In the result, the writ petition in WP.(MD)No.34278 of 2025 is allowed and the impugned FL2 license in R.Dis.No.P and E. 2(2)/0216/2024 dated 12.11.2025 is hereby set aside. In view of the order passed in WP.(MD)No.34278 of 2025, the writ petition in WP.(MD)No.36587 of 2025 is disposed of. This order will not preclude the respondent Club to file an application before the authorities for shifting the FL2 Shop to some other place. If any such application is made, the authorities shall consider the same on its own merits. No costs. Consequently, connected miscellaneous petitions are closed.

[N.S.K., J.] & [M.J.R., J.]
23.06.2026

NCC : Yes / No
Index : Yes / No
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To

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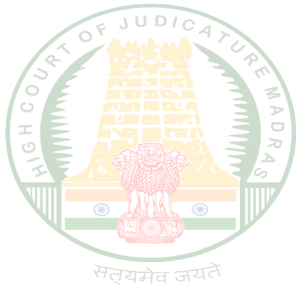
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N.SATHISH KUMAR,J.
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Pre-Delivery Judgement made in
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