

W.P.(MD) No.8038 of 2019 etc. batch

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 18.08.2025

CORAM:

THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM
and
THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.P.(MD) Nos.8038 of 2019, 19890 of 2020, 7409, 25271, 26471 of 2024,
16476, 18756, 21754 & 22021 of 2025
and
W.M.P.(MD) Nos.6346 of 2019, 6822, 21465, 22417 of 2024, 16844,
12517, 14385, 14459 & 17125 of 2025

W.P.(MD) No.8038 of 2019:

Perumal

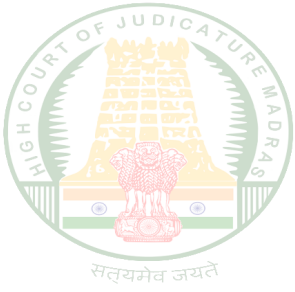
... Petitioner

-vs-

1.The Commissioner of Prohibition and Excise
Ezhilagam, Chepauk
Chennai-600 005

2.The Managing Director (TASMAC)
Tamil Nadu State Marketing Corporation
CMDA Building, Tower II
Gandhi Irwin Bridge
Egmore, Chennai-600 008

3.The District Collector



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Virudhunagar District
Virudhunagar

4.The Superintendent of Police
Virudhunagar District
Virudhunagar

5.The District Manager
TASMAC
Virudhunagar District
Virudhunagar

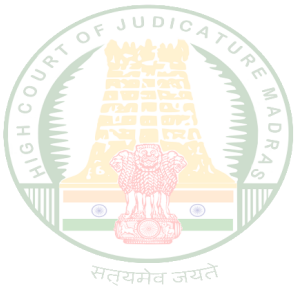
6.The District Registrar
Virudhunagar District
Virudhunagar

7.The Latcham Sports Club
rep.by its Secretary
No.957, Bye Pass Road
East Post Office Street
Rathinavilas Bus Stop
Sivakasi-626 123
Virudhunagar District

8.The Chakra Club
rep.by its Secretary
No.3/1016/5, Paraipatti
Viswanatham Panchayat
Sivakasi Taluk
Virudhunagar District

9.Five Star Recreation Club
rep.by its Secretary
No.261-E1, Sengamalanachiarapuram Road
Thiruthangal, Sivakasi Taluk
Virudhunagar District

10.Friends Club
rep.by its Secretary



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No.1/1014-3, Viswa Natham
Sivakasi Taluk
Virudhunagar District

11.Royal Club
rep.by its Secretary
No.3/1017, Sivakasi -
Virudhunagar Main Road
Anaikuttam Post
Sivakasi Taluk
Virudhunagar District

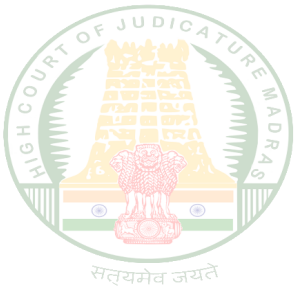
12.Royal Club
rep.by its Secretary
Thiruthangal
Sivakasi Taluk
Virudhunagar District

13.Vaigai Recreation Club
rep.by its Secretary
Thirupathi Nagar
Thiruthangal
Sivakasi Taluk
Virudhunagar District

14.Inter Continent Sports Friends Club
rep.by its Secretary
No.1/440-B, Naranapuram
Sivakasi Taluk
Virudhunagar District

15.Sun Recreation Club
rep.by its Secretary
Annai Hospital Backside
Sivakasi, Virudhunagar District

16.Lotus Club
rep.by its Secretary



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Pillaiyar Kovil Backside
Sivakasi
Virudhunagar District

17.Ilanthalair Recreation Club
rep.by its Secretary
Near Mariamman Kovil Temple
Sivakasi Town
Virudhunagar District

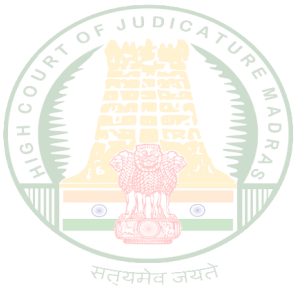
18.Chakra Recreation Club
rep.by its Secretary
Behind Bus Stand
Near Ramji Polybags
Sivakasi
Virudhunagar District

19.Five Star Recreation Club
rep.by its Secretary
No.261-E1, Sengamalanachiarapuram Road
Thiruthangal, Sivakasi Taluk
Virudhunagar District

20.Dolphin Recreation Club
rep.by its Secretary
Vilampatti, Sivakasi Taluk
Virudhunagar District

21.Titanic Recreation Club
rep.by its Secretary
Paraipatti, Sivakasi
Virudhunagar District

22.Star Club
rep.by its Secretary
Near Muslim School
Opp.to Municipal School



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Sivakasi Town
Virudhunagar District

23.Friends Recreation Club
rep.by its Secretary
Thiruthangal
Sivakasi Taluk
Virudhunagar District

24.Suriya Club
rep.by its Secretary
Sasi Nagar
Sivakasi
Virudhunagar District

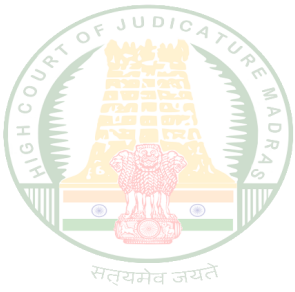
25.Brindha Sports Club
rep.by its Secretary
Opp.to Virudhunagar Bus Stand
Virudhunagar

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a writ of mandamus directing the 1st respondent to cancel the FL-2 Licence granted in favour of Respondents 7 to 25 and other clubs in Virudhunagar District and consequently directing the 4th respondent to take action against the Respondents 7 to 25 and other clubs in Virudhunagar District for illegally selling liquor to the general public within the time limit that may be stipulated by this Court.

For Petitioner : Mr.K.P.Satheeshkumar

For Respondents : Mr.M.Ajmal Khan
Additional Advocate General



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assisted by Mr.P.Thilakkumar
Government Pleader for R1, R3 & R6
Mr.H.Arumugam
Standing Counsel for R2 & R5
Mr.T.Senthil Kumar
Additional Public Prosecutor for R4
Mr.T.Bashyam for RR7 to 17, 20 to 23 & 25
Mr.K.Gokul for R24
No appearance for R19
Not ready in notice for R18

W.P.(MD) No.19890 of 2020:

Amal B.A.Libin Babu

... Petitioner

-vs-

1.The Commissioner
Prohibition and Excise
Chepauk, Chennai

2.The District Collector
Nagercoil
Kanyakumar District

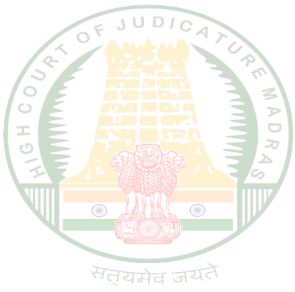
3.The Assistant Collector
Excise Collectorate
Nagercoil
Kanyakumari District

4.Kalyana Sundaram

5.Ashok Kumar

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue
a writ of mandamus directing the respondents 1 to 3 to restrain the



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respondent 4 and 5 from running bar in the name and style of Mana Mahil Mantram in the petitioner's village namely Tharuvai, Manavalakurichi, Kalkulam Taluk, Kanyakumari District, situated at Colachel to Nagracoil National Highway.

For Petitioner : Mr.K.Rajeshwaran

For Respondents : Mr.M.Ajmal Khan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R1 to R3
Not ready in notice for R4 & R5

W.P.(MD) No.7409 of 2024:

M.Manoharan

... Petitioner

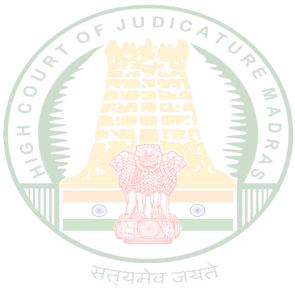
-vs-

1.The Managing Director
TASMAC Limited
CMDA Tower-II, 4th Floor
Gandhi Irvin Bridge Road
Egmore, Chennai

2.The Commissioner
Excise Department
Chepauk, Chennai

3.The District Collector
Pudukottai District
Pudukottai

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4.The District Manager
TASMAC Limited
Plot No.5/B1, SIPCOT
Industrial Area
Pudukottai

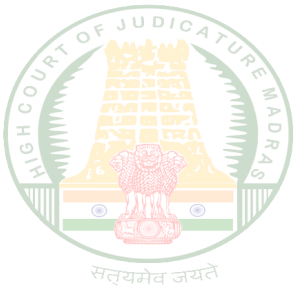
5.P.Muthuvairavan
Secretary
Nanbargal Recreation Club
Karaikudi Road
Aranthangi
Pudukottai District

6.The Inspector General of Registration
Registration Department
No.100, Santhome High Road
Chennai-600 028

7.The Director General of Police
No.4, Dr.Radhakrishnan Salai
Mylapore, Chennai-600 004
[R6 is *suo motu* impleaded vide
court order dated 08.07.2025 and
R7 is *suo motu* impleaded vide
this order dated 18.08.2025]

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a writ of mandamus directing the respondents 1 to 4 to close down the 5th respondent's Nanbargal Recreation Club and the Liquor bar attached thereto at Karaikudi Road, Aranthangi Town, Pudukottai District after cancelling the license in FL-2 No.62/2023-24 dated 09.01.2024 by considering the petitioner's representation dated 09.03.2024.



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For Petitioner : Mr.T.Lenin Kumar

For Respondents : Mr.M.Ajmal Khan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R2 & R3
Mr.H.Arumugam
Standing Counsel for R1 & R4
Mr.T.Lajapathy Roy, Senior Counsel
for Mr.M.Mahaboob Fazil for R5
Mr.Veera Kathiravan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R6
Mr.T.Senthil Kumar
Additional Public Prosecutor for R7

W.P.(MD) No.25271 of 2024:

C.Periyasamy

... Petitioner

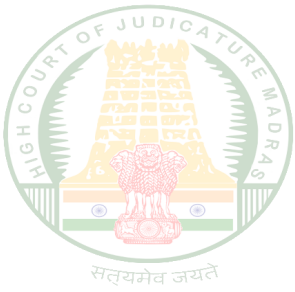
-vs-

1.The District Collector
Tiruchirappalli District
Tiruchirappalli-620 001

2.The Revenue Divisional Officer
Sri Rengam Division
Tiruchirappalli-620 005

3.The Managing Director
Tamil Nadu State Marketing
Corporation (TASMAC)
CMDA, Tower-II

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Egmore, Chennai-600 008

4.The District Manager
TASMAC
Thuvakudi
Tiruchirappalli-620 005

5.The Commissioner
Tiruchirappalli City Corporation
Bharathidasan Salai
Cantonment
Tiruchirappalli-620 001

6.D.Prasadh

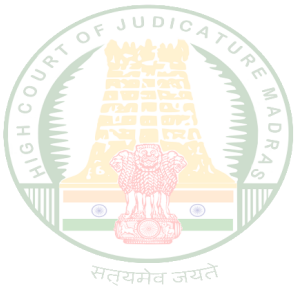
7.The Commissioner of Police
Trichy City
[R6 is impleaded *vide* court order
dated 18.06.2025 in W.M.P.(MD)
No.25185 of 2024 and R7 is *suo*
motu impleaded *vide* court order
dated 18.06.2025]

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a writ of mandamus restraining the respondents not to allow to run the Recreation Club in T.S.No.107/1B2A situated at Thiruvanaikaval Village, Sri Rengam, Tiruchirappalli District and consequently to consider the representation dated 10.09.2024.

For Petitioner : Mr.P.Arun Jayatram

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W.P.(MD) No.8038 of 2019 etc. batch

For Respondents : Mr.M.Ajmal Khan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R1 & R2
Mr.S.Sivanesan
Standing Counsel for R3 & R4
Mr.K.R.Kishore Ram
for M/s.R.B.Associates for R5
Mr.K.Rajesh for R6
Mr.T.Senthil Kumar
Additional Public Prosecutor for R7

W.P.(MD) No.26471 of 2024:

C.Selvakumar

... Petitioner

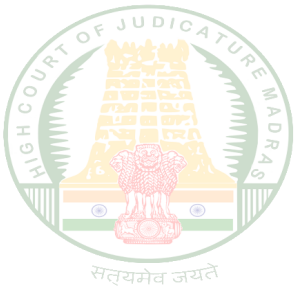
-vs-

1.The State Government of
Tamilnadu
rep.by its Secretary
Department of Home,
Prohibition and Excise
St.George Fort, Chennai

2.The State Government of
Tamilnadu
rep.by its Secretary
Department of Revenue and
Disaster Management
St.George Fort, Chennai

3.The State Government of
Tamilnadu
rep.by its Secretary

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Department of Commercial
Tax and Registration
St.George Fort, Chennai

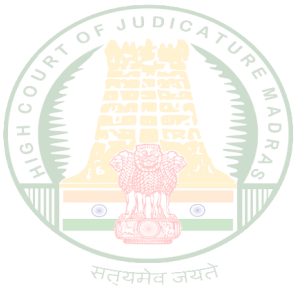
4.The Inspector General
Tamilnadu Registration Department
100, Santhome Road
Chennai-600 028

5.The Commissioner
Department of Prohibition
and Excise
Kadaperi, Tambaram
Chennai

... Respondents

PRAAYER: Petition filed under Article 226 of the Constitution of India, to issue a writ of mandamus 1st and the 2nd respondents to conduct inspection of all recreation clubs across the state and the 5th respondent may cancel the license of recreation clubs, if any violation occurs and also directing the 3rd and 4th respondents may examine whether the said clubs are functioning as per bylaws filed at the time of registration and Cancel the registration of recreation clubs, if any unlawful activities occur which are not mentioned in their bylaws during the time of registration based on the petitioner's representation dated 17.09.2024.

For Petitioner : Mr.K.Kannan
for Mr.N.Murugesan



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W.P.(MD) No.8038 of 2019 etc. batch

For Respondents : Mr.M.Ajmal Khan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R1 to R3 & R5
Mr.Veera Kathiravan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R4

W.P.(MD) No.16476 of 2025:

E.Muthusamy

... Petitioner

-vs-

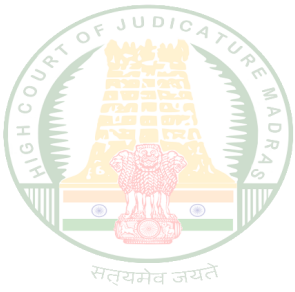
1.The District Collector
The Collectorate
Virudhunagar District

2.The Chairman
Tamil Nadu State Marketing
Corporation Limited (TASMAC)
CMDA Tower-II, IV Floor
Gandhi Irwin Bridge Road
Egmore, Chennai-600 008

3.The Revenue Divisional Officer
Office of the Revenue Divisional Officer
Sivakasi Taluk
Virudhunagar District

4.The Assistant Commissioner (Excise)
Office of the Assistant Commissioner (Excise)
Virudhunagar District

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W.P.(MD) No.8038 of 2019 etc. batch

5.The Commissioner
Commissionerate of Prohibition and Excise
2nd Floor, Ezhilagam Building
Chepauk, Chennai-600 005

6.M/s.Shanmugaiah Recreation Club
3/654/A, Sattur Road
R.S.R.Petrol Bunk Opposite
Viswanatham Village
Sivakasi Taluk, Virudhunagar District
[R5 & R6 are impleaded *vide* court
order dated 18.08.2025 in W.M.P.
(MD) No.14642 of 2025]

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a writ of certiorarified mandamus calling for the records pertaining to the impugned order in Na.Ka.Ka.2/7-4/2024 dated 17.04.2025 passed by the 1st respondent and quash the same as illegal and for a consequential direction to restrain the respondents from operating a bar in S.F.No.3/654/A, Sattur Road, Viswanatham Village, Sivakasi Taluk, Virudhunagar District.

For Petitioner : Mr.S.Bharathi

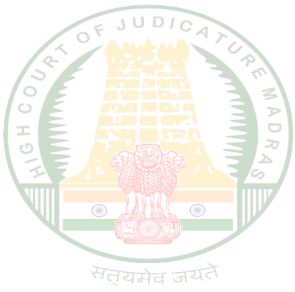
For Respondents : Mr.M.Ajmal Khan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R1, R3 to R5
Mr.H.Arumugam
Standing Counsel for R2

W.P.(MD) No.18756 of 2025:

P.Radhakrishnan

... Petitioner

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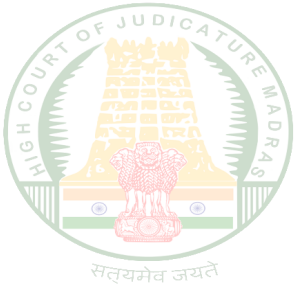
W.P.(MD) No.8038 of 2019 etc. batch

-VS-

- 1.The Commissioner of
Prohibition and Excise
Office of the Commissioner
of Prohibition and Excise
Chepauk, Chennai-600 005
- 2.The District Collector
Office of the Collectorate
Ramanathapuram
- 3.The Sub Collector
Office of the Sub Collector
Paramakudi
Ramanathapuram District
- 4.The Thasildar
Taluk and Office
Paramakudi
Ramanathapuram District
- 5.The Secretary
Sevuga Recreation Club
Door No.2/386 B & C
Gandhiji Road, Paramakudi
Ramanathapuram District

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a writ of certiorari calling for the records pertaining to the impugned order passed by the 1st respondent vide his proceedings in K.Dis.No.P&E 2(1)/6587/2023 dated 20.06.2025 and quash the same as illegal.



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W.P.(MD) No.8038 of 2019 etc. batch

For Petitioner : Mr.D.Senthil

For Respondents : Mr.M.Ajmal Khan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R1 to R4
Mr.T.Bashyam for R5

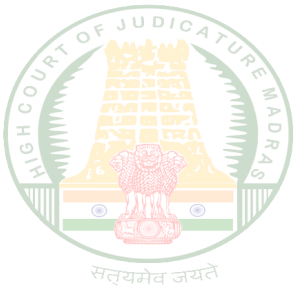
W.P.(MD) No.21754 of 2025:

S.Sivaprakash

... Petitioner

-vs-

- 1.The Commissioner
Commissionerate of
Prohibition and Excise
Department
2nd Floor, Ezhilagam Building
Chepauk, Chennai
- 2.The District Collector
Madurai District
Madurai
- 3.The Superintendent of Police
Surveyor Colony
Madurai
- 4.The Assistant Commissioner
(Prohibition & Excise)
Prohibition & Excise Department
Collectorate Campus
Madurai



W.P.(MD) No.8038 of 2019 etc. batch

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5.The Tahsildar
Thirumangalam Taluk
Madurai

6.The Revenue Division Officer
Thirumangalam Taluk
Madurai

7.T.K.Recreation Club
Door No.7/720A
Chekkanurani
Madurai District

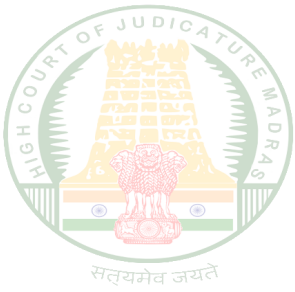
8.The Deputy Director
District Town and Country Planning
Anaiyur, Kudakkathan Main Road
Koodalpudur opp Vaigai Apartments
Madurai-625 017

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a writ of mandamus forbearing the Respondents 1 to 6 herein to grant any FL2 License to the 7th Respondent at No.7/720A, Chekkanurani, Madurai District, on the basis of the representation dated 22.07.2024.

For Petitioner : Mr.M.Rajarajan

For Respondents : Mr.M.Ajmal Khan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R1, R2, R4 to R6 & R8
Mr.T.Senthil Kumar
Additional Public Prosecutor for R3
Mr.T.Lajapathy Roy, Senior Counsel
for M/s.Roy and Roy Associates for R7



W.P.(MD) No.8038 of 2019 etc. batch

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W.P.(MD) No.22021 of 2025:

Gomathipuram Thendral Nagar
Resident's Association
rep.by its President
433, Parijatham Street
Gomathipuram, Madurai

... Petitioner

-VS-

1.The Commissioner of Prohibition
and Excise
Chepauk, Chennai-600 005

2.The District Collector
Madurai

3.The Assistant Commissioner of
Prohibition and Excise
Madurai

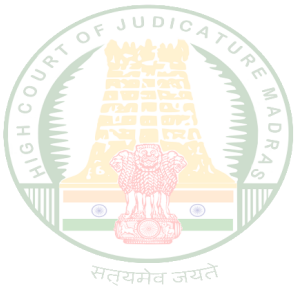
4.The Manager
TASMAC
Madurai

5.The Commissioner
Madurai Corporation
Madurai

6.The Commissioner of Police
Madurai City, Madurai

7.M/s.Lake View Recreation Club
Madurai North
No.23/2, Gomathipuram
Melamadai
Sivagangai Main Road

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Madurai-625 020

... Respondents

W.P.(MD) No.8038 of 2019 etc. batch

PRAYER: Petition filed under Article 226 of the Constitution of India, to issue a writ of mandamus forbearing the respondents No.1 to 4 from granting FL2 License to the 7th respondent by considering the petitioner's representation dated 01.10.2024.

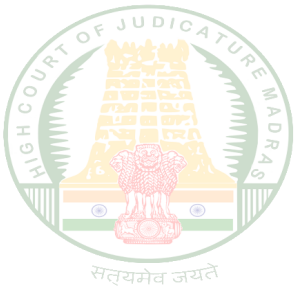
For Petitioner : Mr.P.Ganapathi Subramanian

For Respondents : Mr.M.Ajmal Khan
Additional Advocate General
assisted by Mr.P.Thilakkumar
Government Pleader for R1 to R3
Mr.H.Arumugam for R4
Mr.K.Sivabalan for R5
Mr.T.Senthil Kumar
Additional Public Prosecutor for R6
Mr.T.Ramesh for R7

COMMON ORDER

[Order of the Court was made by S.M.SUBRAMANIAM, J.]

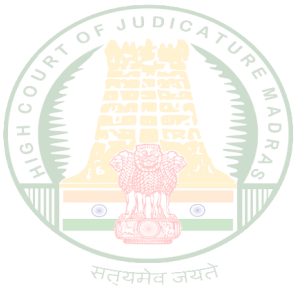
The present batch of writ petitions have been instituted seeking either to close down the Recreation Clubs, which are recently mushrooming in the urban and rural areas or not to grant FL-2 licence to run liquor shops in the name of Recreation Clubs.



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2. The large scale complaints placed before this Court show that numerous Recreation Clubs are registered under the Tamil Nadu Societies Registration Act, 1975, and those Recreation Clubs are running only liquor shops and selling liquors to not only the members, but also to the non-members. In the State of Tamil Nadu, retail vending liquor shops are being run only by the TASMAL, a fully State-owned Corporation and no license has been granted to the private individuals to run retail liquor shops. Since licenses are not granted to run liquor shops, the private individuals are registering Recreation Clubs under the Tamil Nadu Societies Registration Act, 1975 and by obtaining FL2 license, they are running liquor shops alone, which is causing not only inconvenience to the residents residing in that locality, road users etc., but such Recreation Clubs are allowing the persons to involve in certain offenses inside the premises. These clubs are mostly remain unchecked by the officials of the Registration Department as well as by the police officials. The happenings inside these Recreation Clubs are since non-transparent, no actions are taken either by the police officials or by the officials of the Prohibition and Excise Department or by the competent



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authorities under the Tamil Nadu Societies Registration Act, 1975. This situation resulted in institution of number of writ petitions before the High Court seeking either to close down the Recreation Clubs or not to grant FL2 license to these Recreation Clubs, who all are running only retail vending liquor shops.

3. This Court has examined the relevant rules in this regard. The Assistant Commissioner (Excise), Pudukkottai, has filed a status affidavit, dated 14.08.2025, in W.P.(MD) No.7409 of 2024. In the said status affidavit, the rules relating to grant of FL2 licence have been stated in Paragraph No.4, which reads as under:

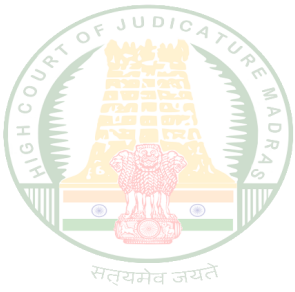
a) Rule 2 (vii):-

“Licence” includes the privileges granted under Section 17-C of the Act for the sale by retail of Indian-made Foreign Spirits and foreign liquor issued under these rules, and “licence holder”, means the holder of such a licence.

b) Rule 17(a):-

17 (a) Kinds of licences — The licences issued under these rules shall be of the following kinds, for the purposes specified in the Act.

(A) Licences for liquor used for consumption The licences



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issued under this class are for privilege of sale of Indian Made Foreign Spirits in retail under section 17-C of the Act or for sale of foreign liquor.

F.L. 1 – Licence for the grant of privilege of retail sale of bottled Indian – made foreign spirits or sale of foreign liquor.

F.L. 2. – Licence for possession of liquor by a non-proprietary club for supply to members.

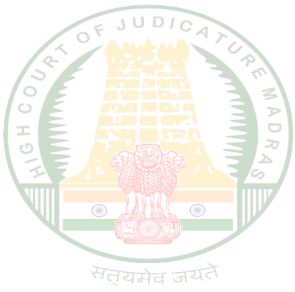
c) Rule 19 (B) (2):-

In the case of an application for a licence in Form F.L.2. -

(i) that the club in respect of which the licence has been applied for is of a non-proprietary character functioning for more than 3 years and

(ii) that atleast 50 of the members of the club have signified their willingness to obtain liquor from the said club or that the club should have functioned with a bar in the pre-prohibition days and have on its rolls not less than 50 persons.”

4. Pertinently, the Tamil Nadu Prohibition Act, 1937, and the Tamil Nadu Societies Registration Act, 1975, do not specifically give definition to the word “Recreation” used in Section 3 of the Tamil Nadu Societies Registration Act, 1975, and the word “Club” used in Rule 17(a) of the Tamil



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Nadu Liquor (Licence and Permit) Rules, 1981.

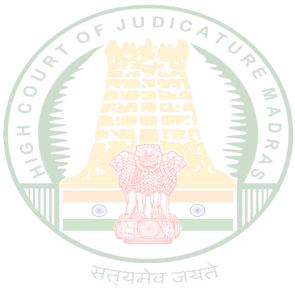
5. However, in the counter affidavit of the Inspector General of Registration, it has been stated that the Oxford Dictionary has given a meaning for the word “Recreation” as follows:

“Any activity that refreshes, satisfies, and brings enjoyment to people, in which they engage on a voluntary basis during leisure time.”

6. As far as the Tamil Nadu Societies Registration Act, 1975, is concerned, these Recreation Clubs have admittedly registered their clubs under the said Act. The relevant provisions of the Tamil Nadu Societies Registration Act, 1975 and its Rules, have been enumerated in the counter affidavit of the Inspector General of Registration as follows:

“4.1. Section 3(1) of the Act, reads as hereunder:

*“3. Societies which may be registered:- (1) Subject to the provisions of sub-section (2), any society which has for its object the promotion of education, literature, science, religion, charity, social reform, art, crafts, cottage industries, athletics, sports (including indoor games), **recreation**, public health, social service,*



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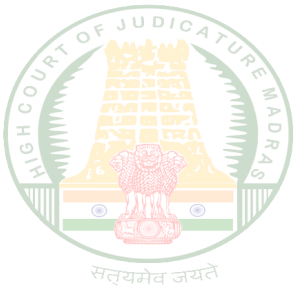
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cultural activities, the diffusion of useful knowledge or such other useful object with respect to which the State Legislature has power to make laws for the State, which may be prescribed, may be registered under this Act.

(2) Notwithstanding anything contained in sub-section (1), no association which has for its object the improvement of the economic condition of workmen, no club where games of chance providing prizes for winners are played and no society which does not consist of at least seven persons shall be registered under this Act.

4.2. Section 4 of the Act speaks about the 'compulsory registration of certain societies' and Section 5 says about the 'optional registration', viz., any society which has for its object -(a) the promotion of religion, athletics or sports (including indoor games); or (b) any other object mentioned in, or prescribed under, section 3 and to which society the provisions of section 4 are not applicable, may, at its option, be registered under this Act.

4.3. Section 6 of the Act deals with the 'Memorandum, by-laws etc. to be filed with the 'Registrar'. Section 10 of the Act deals with 'Certificate of Registration' while Section 12 deals with 'Amendment of memorandum and by-laws'. Section 16 deals with 'Accounts and audit'.



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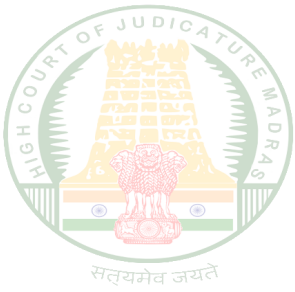
4.4. Section 34 of the Act, runs as hereunder:

“34. Power of Registrar to call for information or explanation: (1) Where the Registrar, on perusal of any document which a registered society is required to file with him under the provisions of this Act, is of opinion that any information or explanation is necessary with respect to any matter to which such document purports to relate, he may, by order in writing, call on the registered society filing the document to furnish in writing such information or explanation within such time as he may specify in the order.”

4.5. Section 34-A of the Act runs as hereunder:

“34-A Supersession of committee (1) (a) if, in the opinion of the Government

- (i) The committee of any registered society is not functioning properly; or
- (ii) The affairs of any registered society are mismanaged, or
- (iii) The registered society's activities are not in furtherance of the objects of the society, or
- (iv) The committee of any registered society has contravened any of the provisions of the Act or the rules made thereunder, or willfully disobeys or willfully fails to comply with any



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lawful order or direction issued under the provisions of this Act or the rules made thereunder.

The Government may, after giving the committee an opportunity of making its representation, by order in writing, supersede the committee and appoint a person to manage the affairs of the society for a specified period not exceeding one year.”

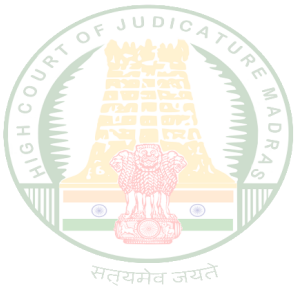
4.6 Section 36 of the Act, provides as below:

“36. Power of Registrar to inquire into the affairs of registered society: (1) The Registrar may, of his own motion or on the application of a majority of the members of the committee of a registered society or on the application of not less than one-third of the members of that registered society, or, if so moved by the District Collector, hold, or direct some person authorized by the Registrar by order in writing in this behalf to hold, an inquiry, into the constitution, working and financial condition of that registered society.”

4.7 Section 37 of the Act, reads thus:

“37. Cancellation of Registration: When an inquiry has been held under section 36, the Registrar may, if he is satisfied-

*that the registered society has contravened any of the provisions of this Act or the rules made thereunder;
or*



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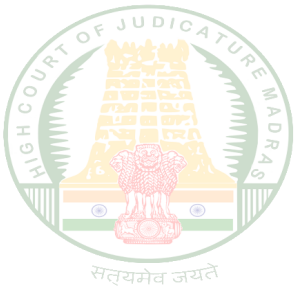
(b) that the registered society is insolvent, or must necessarily become so ; or

(c) that the business of any such registered society is conducted fraudulently or not in accordance with the bylaws or the objects specified in the memorandum filed with the Registrar under section 6,

after giving in such manner, as he thinks fit, previous notice in writing to the registered society, specifying briefly the grounds of the proposed cancellation and after giving an opportunity to the registered society to show cause why the cancellation should not be made, cancel the registration of the registered society, and communicate the order of cancellation forthwith to the registered society by registered post.”

4.8 Section 38 of the Act, provides as hereunder:

“38. Cancellation of a registration of society carrying on unlawful activities: (1) If it appears to the Registrar that any registered Registration society is carrying on any unlawful activity or allows unlawful activity to be carried on within any premises under the control of the society, the Registrar may hold an enquiry into the activities of such society, and in respect of every such enquiry, the Registrar shall have the same powers as are specified in sub-sections (6), (7) and (8) of section



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36.

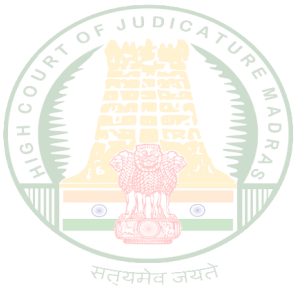
(2) If on an enquiry under sub-section (1), the Registrar is satisfied that any such society has been carrying on any unlawful activity or has allowed any unlawful activity to be carried on within any premises under the control of the society, he shall, after giving reasonable notice to the society to show cause why the registration of the society should not be cancelled and after considering the representations, if any, made on behalf of the society, by order cancel the registration of the society. The Registrar shall communicate the order of cancellation forthwith to the registered society.

Explanation: For purposes of this section, an activity shall be deemed to be unlawful if such activity is an offence punishable under any provision of law for the time being in force.”

4.9 Section 46 of the Act, which deals with the Penalty for non-compliance with Act, provides as below:

“46. Penalty for non-compliance with Act: (1) ...

(2) Any registered society which makes default in complying with any of the requirements of this Act or contravenes any of the provisions thereof and every officer of the registered society, who is knowingly a



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party to the default or contravention, shall be punishable with fine which may extend to one hundred rupees, and in the case of a continuing default or contravention with fine which may extend to fifty rupees for every day during which the default or contravention continues.

4.10 Section 52 of the Act, which deals with the Powers of Inspector General of Registration, runs as hereunder:

“52. Powers of Inspector-General of Registration

(1) The Inspector-General of Registration shall have superintendence over all other Registrars functioning under this Act.

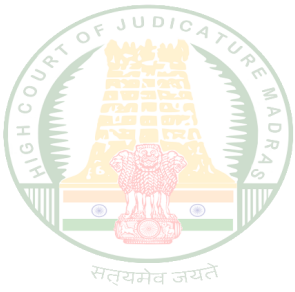
(2) No prosecution shall be instituted under this Act without the previous sanction in writing of the Inspector-General of Registration.”

4.11. Rule 3 of the Tamil Nadu Societies Registration Rules, 1978 reads thus:

“3. Other useful objects recognized for registration of societies:- For the purpose of section 3, the following objects shall be deemed to be useful objects, namely -

(a) interests of consumers in the supply and distribution of essential articles;

(b) interests of passengers using buses, taxis,



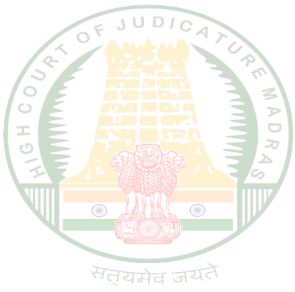
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autorickshaws and similar vehicles of public conveyance;
(c) Welfare of the physically handicapped;
(d) Welfare of working women;
(e) Welfare of the unemployed;
(f) Interests of residents in the matter of provision of civic amenities;
(g) Interests of pilgrims and tourists;
(h) Welfare of animals, birds and similar living beings;
(i) Welfare of displaced persons; and
(j) Welfare of downtrodden, economically and socially backward.”

7. In the context of the Tamil Nadu Prohibition Act, 1937, Tamil Nadu Societies Registration Act, 1975 and the Tamil Nadu Liquor (Licence and Permit) Rules, 1981, framed under the Tamil Nadu Prohibition Act, 1937, an effective coordination between the authorities is of paramount importance for the purpose of dealing with complaints, offenses, etc.

8. In the name of Recreation Clubs, FL2 licenses have been obtained and retail selling of liquor alone is the business carried on in such Recreation Clubs. The authorities competent knowing these facts remain as silent spectator, since the owners of these Recreation Clubs are either political

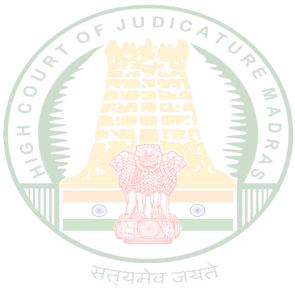


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persons or influenced persons in the particular locality. By registering the clubs under the Tamil Nadu Societies Registration Act, 1975 and by obtaining FL2 licenses under the Tamil Nadu Prohibition Act, 1937, these clubs are running retail vending liquor shops and the authorities concerned have miserably failed to conduct inspections and initiate action against the irregularities, illegalities, if any identified.

9. These Recreation Clubs are circumventing the provisions of the Tamil Nadu Societies Registration Act, 1975, Tamil Nadu Prohibition Act, 1937 and various other laws for the purpose of selling liquors in the clubs under the guise of supplying liquor to its members. Whether the list of members is submitted before the Registrar of Societies, the genuinity of the members is ascertained and the objectives of the Recreation Clubs are made in consonance with the by-laws or not have not been verified by any of these authorities. No doubt, the word “Recreation” has not been defined either under the Tamil Nadu Societies Registration Act, 1975, or under the other Acts. However, the Tamil Nadu Societies Registration Act, 1975, is an Act to register a Society, which would function for the betterment of the society and to develop the communal living in accordance with law. Therefore, the word

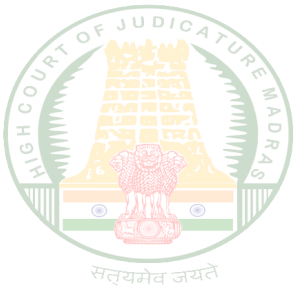


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“Recreation” cannot be misinterpreted for the purpose of selling liquor alone in the Recreation Clubs. These Recreation Clubs are becoming greater nuisance to the nearby residents and to the society at large. These Recreation Clubs are circumventing the TASMAL Shops fully owned by a Corporation of the State Government. However, the Government authorities are paving way for these private individuals to operate retail liquor vending shops and allow them to sell liquor to the members and non-members. Since the owners of these Recreation Clubs are either belonging to political parties or influential persons in that locality, the corrupt activities in these Recreation Clubs cannot be overruled.

10. Some of the by-laws of the Recreation Clubs produced before the Courts show that the objectives are noble, but, it do not speak about the selling of liquor in retail by obtaining FL2 licenses. The objectives of these Recreation Clubs appear to be for the well-being of its members and the activities of selling liquor is not at all incorporated in the by-laws. These aspects are neither verified by the Registrars, Police Department and the other competent authorities.

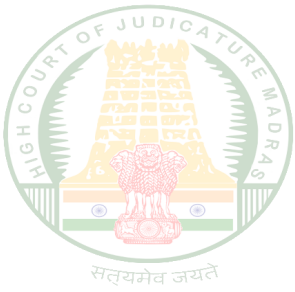


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11. The Tamil Nadu Prohibition Act, 1937, has been introduced for prohibition of the manufacture, sale and consumption of intoxicating liquors and drugs in the State of Tamil Nadu. The very objective of the Prohibition Act, 1937, is to comply with the directive principles under Part-IV of the Constitution of India. However, the Welfare State is expected to effectively implement the Tamil Nadu Prohibition Act, 1937, and its objectives in its letter and spirit by effectively preventing such private individuals to circumvent the TASMAC retail liquor vending shops and also establishing liquor shops by obtaining FL2 license and selling liquor to not only the members, but also to the non-members.

12. A holistic reading of the provisions of the Tamil Nadu Prohibition Act, 1937, enumerates “punishment for being found in a state of intoxication. As per Section 4-A of the Tamil Nadu Prohibition Act, 1937, whoever is found in a state of intoxication in any public place and whoever, not having been permitted to consume any liquor or intoxicating drug in pursuance of the Tamil Nadu Prohibition Act, 1937, is found in a state of intoxication in any private place shall be punished with imprisonment for a term which may extend to three months or with fine, which may extend to one



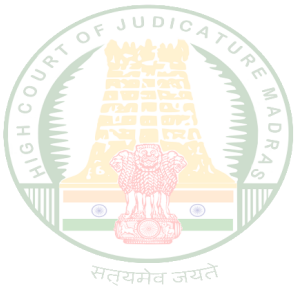
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thousand rupees. However, in order to defeat the very provisions of the the Tamil Nadu Prohibition Act, 1937, the private individuals are establishing liquor shops in the name of Recreation Clubs and selling liquor in retail to the members as well as to the non-members and residents of the locality. Thus, complaints are made against such Clubs frequently.

13. The writ petitioners have stated that these Recreation Clubs are causing greater nuisance to the residents and people of that locality. No inspections are conducted by the police officials regarding the illegalities and offences being frequently committed inside these Recreation Clubs. The authorities remain mute spectator and therefore, an inference is to be drawn that either corrupt activities are going on or the police officials and other authorities have hand in glove with these influential persons and the political persons, who are all owners of these Recreation Clubs.

14. The learned counsels appearing for the Recreation Clubs denied the allegations raised by the petitioners. However, this Court is of the considered view that these nature of complaints may not be raised ordinarily by the common men / residents in that locality unless they suffer nuisance or

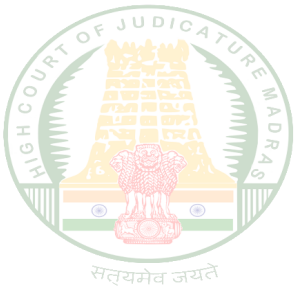


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threat from and out of the activities of the Recreation Clubs, more specifically, selling liquors to the members and non-members. There may be some excessiveness in projecting the allegations. But, such complaints in entirety cannot be brushed aside. The activities of these Recreation Clubs are now commonly made known to the public domain. Thus, mere denial of the allegations by the Clubs would be insufficient. But, the competent authorities are duty bound to conduct frequent surprise inspections to ascertain the activities of these Recreation Clubs.

15. No doubt, consumption of liquor is an individual choice of a person. However, such liquor shops causing nuisance or posing threat to the residents of that locality must be looked into and appropriate actions are to be initiated by conducting surprise inspections and verifying the licences, registration and other documents etc. 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. Thus,

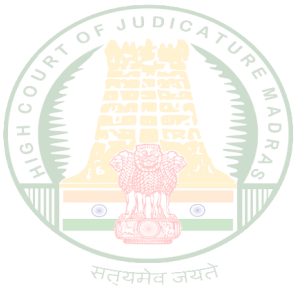


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the District Registrar concerned is bound to verify the activities of the Recreation Clubs and the list of members in the context of the by-laws approved. In the event of identifying any irregularity, illegality or violation of the by-laws, actions are to be initiated by conducting inspections and criminal prosecution is to be launched. Sale of liquor inside the Recreation Clubs must be in accordance with the statutes, rules and the approved by-laws in force. The conditions stipulated in the licence by the Prohibition and Excise Department to sell liquor are also to be scrupulously followed.

16. Mere incorporation of the word “Recreation” in the by-laws would be insufficient. The activities undertaken by these Clubs must be specifically stated in the by-laws and to be approved by the District Registrars under the Tamil Nadu Societies Registration Act, 1975. The Prohibition and Excise Department is bound to verify the approved by-laws before granting FL2 licenses to these Societies. While considering the applications for grant of FL2 licences, locations, restrictions, prohibitions all are to be considered by the competent authorities. The Inspector General of Registration is bound to ensure that the Recreation Clubs, which do not have incorporated the sale of liquor by obtaining FL2 licences, are dealt with in accordance with the

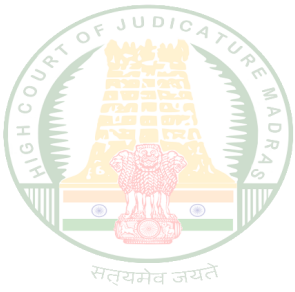


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provisions of the Tamil Nadu Societies Registration Act, 1975, for violations. Enquiry is to be conducted by the District Registrars. The objectives as stated in the by-laws and approved by the authorities concerned are being complied with or not is to be verified by the competent authorities under the Tamil Nadu Societies Registration Act, 1975. On identification of any illegality or non-compliance, enquiry, as contemplated under Sections 36 and 37 of the said Act, is to be initiated and by following the procedures, appropriate orders are to be passed.

17. The Commissioner of Prohibition and Excise Department shall not grant FL2 licence to these Recreation Clubs in a routine manner. Prohibited locations, number of Recreation Clubs seeking FL2 licences, genuinity of the by-laws, incorporation of necessary clauses in the by-laws are all to be verified before considering the applications seeking FL2 licences for selling liquor to the members of the Club. In the name of Recreation Clubs, retail selling of liquor cannot be allowed in a routine manner so as to infringe the rights of the residents of the locality and affecting the public health. Maintaining public health is the duty of the State Government under the Constitution. “Public Health” is the State subject and therefore, the State

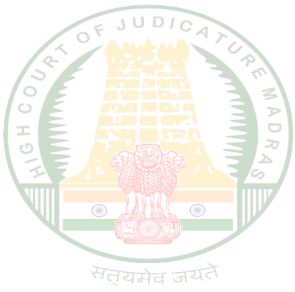


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Government is expected to regulate the activities in public interest and for maintenance of “Public Health” in the society as enumerated in the Constitution and under various laws. Establishing Recreation Clubs for selling liquor nearby the hospitals, educational institutions, religious institutions etc., are to be verified before granting FL2 licence. No FL2 licence is to be granted in such prohibited areas to the Recreation Clubs.

18. It is brought to the notice of this Court that several Recreation Clubs registered in one district are getting their FL2 licences transferred to other districts and running retail vending liquor shops alone in the name of the Recreation Clubs. Such transfer is impermissible. FL2 licence alone cannot be transferred. Transfer of Recreation Clubs from one place to other place is to be done by following the procedures as contemplated under the statutes and rules in force. If there is no provision, such Recreation Clubs may not be allowed to function. Any illegality in the matter of transfer of FL2 licence from one district to another district cannot be considered and such activities would lead to anomalous situation resulting in illegality. The police officials, authorities of Prohibition and Excise Department must periodically monitor these activities and prosecute the offenders and cancel the FL2



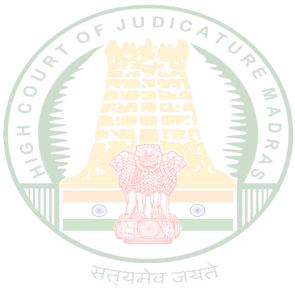
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licences by initiating all appropriate and necessary actions.

19. In view of the facts and circumstances of the case, this Court is inclined to issue the following directions:

- (i) The Inspector General of Registration is directed to ensure that the Recreation Clubs selling liquor have incorporated a specific clause in their by-laws, which must be approved by due verification and in accordance with the laws in force. In the absence of any such clause in the by-laws, registration of such Recreation Clubs is to be cancelled.
- (ii) In view of the facts and circumstances, this Court is of the view that it would be appropriate to *suo motu* implead the Director General of Police as a party respondent in this matter. Accordingly, the Director General of Police, No.4, Dr.Radhakrishnan Salai, Mylapore, Chennai-600 004, is *suo motu* impleaded as a party respondent in W.P.(MD) No.7409 of 2024. Mr.T.Senthil Kumar, learned Additional Public

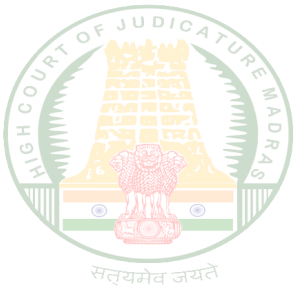


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Prosecutor, takes notice for the newly impleaded Director General of Police. Registry is directed to carry out the impleadment.

- (iii) The Director General of Police is directed to ensure that periodical surprise inspections are conducted by the police officials in the Recreation Clubs and its licences, documents and the activities inside the Clubs are verified and in the event of identifying any offence or illegality, the offenders are to be prosecuted. The criminal actions taken by the police authorities must be intimated to the concerned District Registrar of the Registration Department for the purpose of initiation of action under the Tamil Nadu Societies Registration Act, 1975.
- (iv) The competent authorities, on receipt of information or complaint, are directed to conduct inspections in the Recreation Clubs and verify the validity of the FL2 licences and the conditions stipulated therein



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and initiate appropriate actions in the manner known to law.

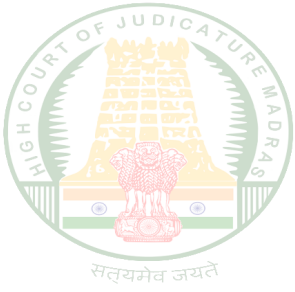
- (v) The activities of these Recreation Clubs, genuinity of the objectives approved in the by-laws under the Tamil Nadu Societies Registration Act, 1975, all are to be monitored closely by the police authorities, authorities of the Registration Department and Prohibition and Excise Department, so as to ensure the right to life of the residents in that locality and in order to maintain public health by the State, which is a mandate under the Constitution of India and the fundamental rights ensured to the citizens in general.

20. With the above observations / directions, these writ petitions are disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

[S.M.S., J.]

[G.A.M., J.]

18.08.2025



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NCC : Yes / No
Index : Yes / No
Internet : Yes / No

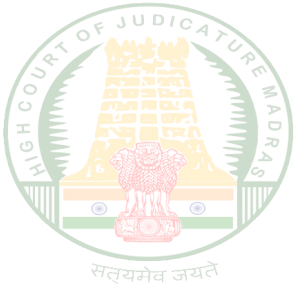
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Note to Office:

Carry out impleadment as directed in Paragraph No.19(ii) and mark a copy of this order to the Director General of Police, No.4, Dr.Radhakrishnan Salai, Mylapore, Chennai-600 004.

To:

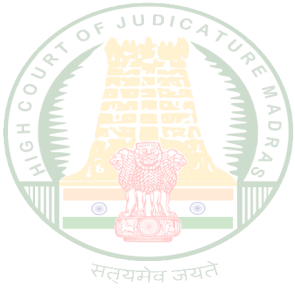
- 1.The District Collector,
The Collectorate,
Virudhunagar District.
- 2.The Revenue Divisional Officer,
Office of the Revenue Divisional Officer,
Sivakasi Taluk,
Virudhunagar District.
- 3.The Assistant Commissioner (Excise),
Office of the Assistant Commissioner (Excise),
Virudhunagar District.
- 4.The Commissioner,
Commissionerate of Prohibition and Excise,
2nd Floor, Ezhilagam Building,
Chepauk
Chennai-600 005.
- 5.The Superintendent of Police,
Virudhunagar District,
Virudhunagar.



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- 6.The District Registrar,
Virudhunagar District,
Virudhunagar.
- 7.The District Collector,
Tiruchirappalli District,
Tiruchirappalli-620 001.
- 8.The Revenue Divisional Officer,
Sri Rengam Division,
Tiruchirappalli-620 005.
- 9.The Commissioner of Police,
Trichy City.
- 10.The Secretary,
Department of Home,
Prohibition and Excise,
State Government of Tamilnadu,
St.George Fort, Chennai.
- 11.The Secretary,
Department of Revenue and
Disaster Management,
State Government of Tamilnadu,
St.George Fort, Chennai.
- 12.The Secretary
Department of Commercial
Tax and Registration,
State Government of Tamilnadu,
St.George Fort, Chennai.
- 13.The Inspector General,
Tamilnadu Registration Department,



W.P.(MD) No.8038 of 2019 etc. batch

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100, Santhome Road,
Chennai-600 028.

14.The Commissioner,
Department of Prohibition
and Excise,
Kadaperi, Tambaram,
Chennai.

15.The District Collector,
Office of the Collectorate,
Ramanathapuram.

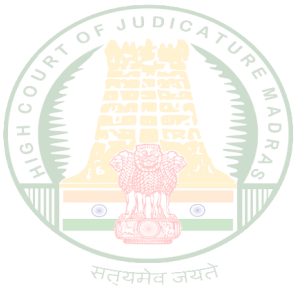
16.The Sub Collector,
Office of the Sub Collector,
Paramakudi,
Ramanathapuram District.

17.The Thasildar,
Taluk and Office,
Paramakudi,
Ramanathapuram District.

18.The District Collector,
Madurai.

19.The Assistant Commissioner of
Prohibition and Excise,
Madurai.

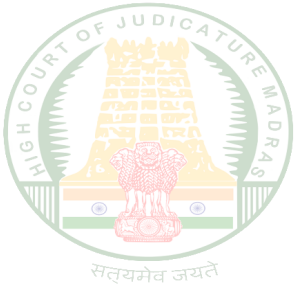
20.The District Collector,
Nagercoil
Kanyakumar District.



W.P.(MD) No.8038 of 2019 etc. batch

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- 21.The Assistant Collector,
Excise Collectorate,
Nagercoil, Kanyakumari District.
- 22.The Superintendent of Police,
Surveyor Colony, Madurai.
- 23.The Tahsildar,
Thirumangalam Taluk,
Madurai.
- 24.The Revenue Division Officer,
Thirumangalam Taluk,
Madurai.
- 25.The Deputy Director,
District Town and Country Planning,
Anaiyur,
Kudakkathan Main Road,
Koodalpudur,
Opp Vaigai Apartments,
Madurai-625 017.
- 26.The District Collector,
Pudukottai District,
Pudukottai.



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W.P.(MD) No.8038 of 2019 etc. batch

S.M.SUBRAMANIAM, J.
and
G.ARUL MURUGAN, J.

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W.P.(MD) Nos.8038 of 2019, 19890 of
2020, 7409, 25271, 26471 of 2024,
16476, 18756, 21754 & 22021 of 2025
and
W.M.P.(MD) Nos.6346 of 2019, 6822,
21465, 22417 of 2024, 16844, 12517,
14385, 14459 & 17125 of 2025

18.08.2025

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