BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 12.11.2025

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P(MD)Nos.25502 & 28958 of 2025
and
W.M.P(MD)Nos.22441 & 22442 of 2025

in W.P(MD)No.25502 of 2025:

Madurai Maavata Bar Opandatharargal
Nalasagam rep. by its President,
K.Murugan S/o.Krishnan,
No.32 C, Nandhavanam,
Kuruvikaran Salai,
Madurai – 09. ... Petitioner

Vs.

1.The Secretariat to the Government of Tamil Nadu,
Secretariat (Prohibition of
Excise Department),
CMDA Complex, Egmore,
Chennai – 600 008.

2.The Managing Director,
Tamil Nadu State Marketing Corporation (TASMAC),
CMDA Complex, Egmore,
Chennai – 600 008.

3.The District Collector,
Office of the District Collectorate,
Collector Office Road, Madurai.

4.The Senior Regional Manager,
Tamil Nadu State Marketing Corporation (TASMAC),
Anna Nagar, Madurai – 625 020.

5.The District Manager,
Tamil Nadu State Marketing Corporation (TASMAC),
Madurai South, SIPCOT, Kappaloor,
Madurai District.

6.The District Manager,
Tamil Nadu State Marketing Corporation (TASMAC),
Madurai North, Manalur,
Sivagangai District. ... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus, directing the respondents 1st to 4th herein to pay the refund sum of Petitioner's Association members, on day to day basis, at the time of closing accounts Rs.10/- Per bottle, as per the "**Empty Liquor Bottle Buy Back Scheme**" to the petitioner's Association members, on day to day basis, at the time of closing accounts by the TASMAC Supervisor everyday by considering the representation sent by the petitioner on 04.09.2925 within the time frame that may be fixed by this Court.

For Petitioner : Mr.Niranjan S.Kumar

For Respondents : Mr.M.Lingadurai
Special Government Pleader
for R.1 & R.3

Mr.J.Ravindran
Additional Advocate General
Assisted by Mr.H.Arumugam
for R.2, R.4 to R.6

in W.P(MD)No.28958 of 2025:

D.Dineshkumar ... Petitioner

Vs.

1.The District Manager /
Assistant Manager (Accounts),
Tamil Nadu State Marketing Corporation,
Kanyakumari District.

2.The Senior Divisional Manager,
Tamil Nadu State Marketing Corporation,
Madurai Division,
Madurai District. ... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, to call for the records of the impugned Notice in Na.Ka.No.2588/2025/A3 dated 29.09.2025 on the file of the first respondent and quash the same.

For Petitioner : Mr.S.Selva Aditya

For Respondents : Mr.S.Sivanesan
Standing Counsel

COMMON ORDER

The petitioner in W.P(MD)No.25502 of 2025 is in association of licensees who are running the bars attached to TASMAC liquor outlets. The petitioner in W.P(MD)No.28958 of 2025 is an individual licensee. The writ petitioners have a common grievance. The members of the association and the petitioner in W.P(MD)No.28958 of 2025 were granted license to run the bars attached to the liquor outlets on payment of license fees. As per the terms of the license, the rent for the bars will have to be paid only by the individual licensees ; the licensees have the right to collect the empty liquor bottles left behind by the consumers and are allowed to sell snack items within the bar premises.

2.While so, the Special Bench of the Madras High Court comprising Their Lordships Mr.Justice N.Sathish Kumar and Mr.Justice D.Bharatha Chakravarthy, taking serious note of animals, particularly, the elephants getting lacerated by bottles that are recklessly thrown away by the consumers, directed the Government as well as the TASMAC to introduce what is known as “Buy Back Scheme”. The direction issued by the Hon'ble Forest Bench in W.P No.15120 of 2019 has since come into effect. As per the said scheme, the liquor outlet would charge Rs.10/- over and above the MRP per bottle ; the buyer can return the empty liquor bottle to the shop and collect Rs.10/- per bottle. Likewise, those who go to the bar and consume liquor there can also collect Rs. 10/- from the bar licensee. A sticker in the form of QR code will be affixed on each liquor bottle. The licensee has to peel off the QR code / sticker and hand over the same to the concerned Tasmac shop manager for reimbursement. As per the system now in vogue, the bar licensee gets refund on a consolidated basis either at the end of the month or once in fifteen days.

3.The grievance of the licensees is that while they have to make spot payment to the consumers, there is no contemporaneous refund. According to them, only at the end of the month, their accounts are settled. They give an illustration. If on the first day of a given month, 100 consumers come to the bar and collect Rs.1000/- in all, this amount has to be paid by the licensee on the same day. But this 1000 rupees will be refunded to the licensee only 29 days later. The learned counsel for the petitioners called upon this Court to grant relief as prayed for.

4.The respondents have filed counter affidavit and the learned Additional Advocate General took me through its contents. He submitted that the writ petition filed by an association is not maintainable. His second contention is that in writ proceedings, contractual disputes cannot be adjudicated. He made a fervent plea that the scheme itself was conceived by the Hon'ble Division Bench and is being implemented in letter and spirit. According to him, any interference with the enforcement of the scheme would in effect run counter to the direction of the Hon'ble Division Bench. He pressed for dismissal of the writ petition.

5.I carefully considered the rival contentions and went through the materials on record. The objection regarding maintainability can be disposed of easily. There are two writ petitions before me raising a common question of law. The second writ petition has been filed by an individual. Even if the first writ petition is dismissed on the ground of maintainability, the legal issue will have to be adjudicated and it will obviously apply to all the licensees. Secondly, the petitioner-association is a registered body (145 of 2018). It has been registered under the Tamil Nadu Societies Registration Act, 1975. Certificate of registration has been annexed. An association has no fundamental right and therefore, it cannot maintain a writ petition under Article 32 of the Constitution of India (vide ***Mohinder Kumar Gupta v. UOI (1995) 1 SCC 85)***. But a writ petition filed under Article 226 of the Constitution can be maintained for enforcing a statutory right or for any other purpose. The writ petitioner need not demonstrate the existence of any fundamental right. It is enough that there is locus standi. The petitioner-association would definitely pass muster on that count. This writ petition has been filed to espouse the cause of the members of the association. The Hon'ble Supreme Court in the decision reported in ***(1983) 1 SCC 305 (D.S.Nakara v. UOI)*** upheld the locus standi of a registered society to take up the cause of its members by seeking remedy through judicial process. The same approach was adopted by the Hon'ble Supreme Court in ***Confederation of Ex.Servicemen Associations v. UOI (2006) 8 SCC 399***. The Hon'ble Division

Bench of the Madras High Court in the decision reported in ***(2006) 2 CTC 705 (Vellakoil Vattara Vari Seluthuvor Nalvalvu Sangam v. State of T.N***) held that writ petition filed by a registered society for the benefit of its members is very much maintainable. The preliminary objection raised by the learned Additional Advocate General is rejected.

6.It is well settled that the parties to the contract are governed by its terms. There can be no unilateral alteration of the contractual obligations to the prejudice of one party. But in the case on hand, an added obligation has been cast on the licensees by a judicial order. The licensees have not chosen to challenge the same. Therefore, they cannot complain that implementation of the buy back scheme goes beyond the license conditions. But they are definitely entitled to contend that the scheme directed to be implemented by Tasmac is enforced in such a manner that no injury or loss is caused to the licensees. The State having collected Rs.10 over and above the MRP per bottle does not suffer any loss whatsoever on account of the buy back scheme. What is collected in excess is returned to the buyer. The licensee also will be placed likewise if he is refunded Rs.10./-

immediately after the affixed sticker is handed over to the shop manager. There cannot be any difficulty on this score. When the consumer hands over the bottle, spot payment is made. In the case of the licensee, the bottle is not returned because as per the license terms and conditions, he is entitled to collect the leftover bottles. As far as the licensee is concerned, he has to peel off the sticker from the liquor bottle and hand over the same to the shop manager to claim refund. Instead of an empty bottle, the Tasmac shop manager will receive the affixed sticker.

7.The respondents plead some difficulties. They point out that the Hon'ble Division Bench had directed that refund will be made only through banking channels. Thus, in the very nature of things, the fund transfer has to be on a consolidated basis. But this settlement of accounts has to be contemporaneous ie., the accounts should be settled on the same day or by the next day. If such settlement is not done, certainly, the licensee stands lose financially. The illustration set out above speaks for itself. Belated settlement of accounts does operate to the prejudice of the licensee.

8.As already mentioned, the peeling off the stickers and making spot payments and claiming refund were not the part of the original terms and conditions. Of course, the Government as well as the TASMAC are obliged to implement the scheme since it has been directed by the Hon'ble Forest Bench. But then, the scheme must be implemented in such a manner so as to not cause any financial loss to the individual licensee. The scheme, as it is being implemented entails financial loss for the individual licensee. Every shop supervisor would be aware of the amount payable to the bar licensee. This amount can be remitted to the bank account of the licensee on the next day. This alone would ensure that the licensee is not put on any financial loss. The so-called difficulties projected in the counter affidavit cannot be the concern of the licensee. It is the lookout of the Tasmac to devise appropriate measures. The licensee cannot be concerned with the alleged difficulties that may be experienced by Tasmac if directed to settle accounts contemporaneously.

9.The respondents 1 and 2 are directed to implement the “Buy Back Scheme” in the aforesaid manner. The impugned order is interfered with to the extent mentioned above.

10.These Writ Petitions are allowed accordingly. No costs. Consequently, connected miscellaneous petitions are closed.

12.11.2025

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

To

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Secretariat (Prohibition of Excise Department),
CMDA Complex, Egmore, Chennai – 600 008.

2.The Managing Director,
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G.R.SWAMINATHAN, J.

SKM

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