IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED: 29-05-2026**

CORAM

**THE HON'BLE MR JUSTICE G. R. SWAMINATHAN**

**WP No. 20835 of 2026**

T.Seeni Baskaran

..Petitioner

Vs

1. The Secretary to Government
   Home, Prohibition and Excise Department,
   Government of Tamil Nadu,
   Fort St.George, Chennai - 600 009.

2. The Managing Director
   Tamil Nadu State Marketing corporation Ltd.
   (TASMAC)
   CMDA Tower II, 4th Floor,
   Gandhi Irwin Bridge Road,
   Egmore, Chennai - 600 008.

3. The District Manager
   Tamil Nadu State Marketing Corporation Ltd.
   Kanchipuram (North) District, IMFS Depot,
   Bangalore High Road, Chembarambakkam
   Village, Thiruvallur District - 600 123.

4. The District collector
   Kanchipuram District
   Thaiyar Kullam, Kanchipuram - 631 501.

..Respondents

Writ Petition filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus, to direct the respondents to consider the petitioner's representation dated 18.05.2026 in accordance with law and to direct the respondents to refrain from taking any coercive action, including the closure, sealing or disruption of TASMAC Shop No. 4069 and its attached bar.

For Petitioner : Mr.S.R.Jothinath

For Respondents : Mr.T.Gowthaman,
Additional Advocate General
assisted by Mr.K.Sathish
Government Counsel [R1 & R4]

Mr.K.Balakrishnan,
Standing Counsel for TASMAC [R2 & R3]

**ORDER**

Heard both sides.

2. The writ petitioner is a bar licensee. The authorities have taken a policy decision to close down the TASMAC shops, to which the bar is attached. The grievance of the writ petitioner is that without serving any proceedings such an arbitrary action has been taken. Hence, the writ petition has been filed for directing the authorities not to take such coercive action of closure or ceiling of the shops and the attached bars.

3. The learned Additional Government Pleader points out that similar writ petitions were filed by the licensees in W.P.No.14245 of 2026 and etc., batch, wherein, the Madurai Bench of this Court has declined to grant the relief sought for by the writ petitioners therein. I am inclined to adopt the very same approach. For ease of reference, the order passed in W.P.No.14245 of 2026 and

etc., batch reads as follows:

*"2. The factual background in which these writ petitions arise is that, in exercise of its powers under the Tamil Nadu Prohibition Act, 1937 and the rules framed thereunder, the State of Tamil Nadu has monopolized retail liquor vending throughout the State. For that purpose, it has been establishing retail liquor vending shops through the State~owned corporation, namely, Tamil Nadu State Marketing Corporation Limited (TASMAC).*

*3. It is the contention of the petitioners that following a change of Popular Government, by way of a press release, an announcement was made that 717 retail liquor vending shops were to be closed. These petitioners have licences to sell snacks and water bottles and to collect empty bottles in the respective shops that are now being chosen and closed. The licence is awarded by a tender. The licence period is up to 30.06.2026. When the petitioners had legitimate expectations of carrying on their avocation up to 30.06.2026, the shops were suddenly and abruptly closed, without any opportunity or any proper written order. The petitioners were consequently ordered to shut the bars and close down their business. Under these circumstances, the petitioners haveapproached this Court. Apart from this, some of the landlords who have let out their shops to run the TASMAC retail outlet are also before this Court.*

*4. The learned counsel for the petitioners would submit that Rule 8 of the Tamil Nadu Liquor Retail Vending (in Shops and Bars) Rules, 2003 (hereinafter Rules), prohibits shops from being* *located within 50 metres and 100 metres, respectively, in municipal areas and other areas, with reference to educational institutions, places of worship, etc. However, in contravention of the Rules, the Government has now decided to close shops up to a distance of 500 metres. Without amending Rule 8, this cannot be carried out. Further, without taking a proper decision, the entire process has been undertaken solely on the Hon'ble Chief Minister's announcement and the issuance of a press release. Therefore, through executive action, the same ought not to have been done.*

*5. It is their further contention that the selection of the shops for closure has not been properly carried out, and that some of the shops have been picked and chosen arbitrarily. The information on their location is also not recorded correctly, and the shops are being arbitrarily closed. Therefore, the petitioners pray that the respondents be prohibited from closing these shops. In addition, the learned counsel appearing on behalf of the licensees also submits that some of them have paid the entire licence fee up to 30.06.2026. Therefore, when the licensees abruptly ended 40 days before, the proportionate fee had to be refunded to them.*

*6. Per contra, the learned Advocate General appearing on behalf of the State of Tamil Nadu would submit that the entire business of liquor sale is res extra commercium. The petitioners are not even licensees of the excise authorities. They are only permitted by TASMAC itself to sell snacks and water and to collect the empty bottles. As per licence condition No. 2, their activity will come to an end as and when the shop is closed. Only with that condition have the petitioners had become licensees. As far as the* *fee is concerned, it has to be paid on a month~on~month basis. Therefore, if only some of the petitioners have paid for June, the same should be considered. Otherwise, only for the month of May, for these ten days for which the shop is closed, if any extra is paid, the same has to be considered.*

*7. The learned Additional Advocate General appearing for TASMAC, would also draw the attention of this Court to the licence conditions. He would submit that the shops have been properly identified and are closed.*

*8. I have considered the rival submissions made and perused the material records of the case.*

*9. Article 47 of the Directive Principles of State Policy endeavours to bring about the prohibition of intoxicating drinks, except for medicinal purposes. Considering the right to carry on trade under Article 19(1)(g) and Article 47, and the constitutional scheme, the Hon-ble Supreme Court of India has categorised the business of selling, manufacturing, and distributing potable liquor as a beverage as res extra commercium, that is, outside ordinary commerce, because it is considered inherently injurious to public health and public welfare. Consequently, no citizen or any person can claim any unrestricted fundamental right to trade in liquor under Article 19(1)(g); the State may prohibit, monopolise, license, ration, regulate, or progressively reduce the liquor trade in furtherance of Article 47. Reference shall be made to the Judgment of the Hon-ble Supreme Court of India in Khoday Distilleries Ltd. V. State of Karnataka1, Nashirwar V. State of M.P.,2 Hari Shankar*

*V. Deputy Excise of Taxation Commissioner.*

*10. When the State monopolised the retail liquor vending business through TASMAC, the object was twofold. Firstly, if the same were licensed to a private person, they would make every effort to lure people to consume, and such practices would be stopped. Secondly, the revenue arising from this can be regulated and maximised for the State-s purposes. With these two objects in mind, the State monopolised the sale of liquor in Tamil Nadu. When the shops are run by TASMAC and when the Government and TASMAC want to close down the shops, the petitioners, being the licensees only to sell snacks, or the landlords who let out their shops, can in no way compel the State to continue the shops. As a matter of fact, such a prayer is illegal and falls foul of the constitutional principles. Therefore, the prayer to continue these shops cannot be countenanced, and the prayer in these writ petitions, inasmuch as they pray to continue the shops, are straight away rejected.*

*11. A further argument is made with reference to Rule 8(1) of the Rules. Rule 8 (1) prohibits the location of shops within 50 metres and 100 metres, respectively. That does not deter or fetter the Government from following a broader principle, namely that shops with even greater distances, such as 100 meters or 500 metres, will also be closed. It is only a welcome step and cannot be said to violate Rule 8(1). What is prohibited by Rule 8(1) is locating a shop within the prohibited metres, and Rule 8 does not prohibit closing the shop at a larger distance. Therefore, the argument is also flawed and, as such, is rejected.*

*12. As far as the contention relating to legitimate expectation and the procedural violation in the issue of the executive order is concerned, as stated supra, the trade is one related to liquor and, as such, is res extra commercium. Therefore, the Court will not consider the doctrine of legitimate expectation or other procedural violations as in ordinary commerce. When the business itself is considered harmful to public health and public welfare, any step towards closing the shop is only welcome, and the law leans in favour of upholding the said exercise and will not be set aside on procedural or technical grounds or on the ground of legitimate expectation of a person selling snacks and water.*

*13. As far as the licence fee is concerned, even under licence condition No. 1, it has to be paid month on month. Therefore, these petitioners would have paid for the entire month of May 2026. When the shop was closed prematurely before the end of the month, it goes without saying that they will be entitled to a refund of the proportionate excess fee paid. If any of the licensees have also paid for the month of June in advance, the same amount should also be refunded to them. In this regard, since this writ petition is disposed of at the admission stage itself, the relief is moulded, directing the respondents to consider the individual representations of each of the licensees and pass orders thereon, specifically mentioning the excess amount and the refund, etc. Such orders in each individual case where the shop is being closed can be passed by considering the representations already made. If representations are not already made within one week from the* *date of receipt of the web copy of the order, fresh representations can also be made. The orders can be passed by the respondents within a period of three weeks thereafter.*

*14. In the result:*

*(i) The prayers made in these writ petitions to forebear the respondents from closing the shops or to continue the shops shall stand negatived;*

*(ii) The individual representations of the licensees, namely, the persons licensed to sell snacks, water, and collect bottles, etc., shall be considered only with reference to the refund of excess fee, if any, collected, and final orders shall be passed;*

*(iii) If any of the licensees have not already made representations, they can also make representations within two weeks from the date of receipt of the web copy of the order;*

*(iv) Final orders relating to the refund shall be passed within a period of three weeks from the date of making such representation or the date of receipt of the web copy of the order without waiting for the certified copy of the order;*

*(v) With reference to the security deposit that is obtained from these licensees, the refund of the same shall also be considered and refunded as per the licence conditions;*

*(vi) As far as the landlords are concerned, their rights are determined as per the lease deed and claim, if any, with reference*

*to any damages or refund of advance, etc., has to be made before the appropriate civil Court. No costs. Consequently, the connected miscellaneous petition is closed.*

Accordingly, this writ petition is dismissed. There shall be no order as to costs.

**29-05-2026**

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

gpa/mp

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**G.R.SWAMINATHAN, J.**

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