



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 23.12.2021

CORAM:

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THE HONOURABLE MRS. JUSTICE V.BHAVANI SUBBAROYAN

S.A. (MD)No.116 of 2009

1.Dr. R. Palaniappa

2. M. Ashok

... Appellants/ Respondents /Plaintiffs

Vs.

1.S.H.N.E. School Committee

through its President,

S.H.N. Edward Higher Secondary

School, Main Road, Sattur,

Virudhunagar District

2.S.H.N.E. School Committee

through its Secretary,

S.H.N. Edward Higher Secondary

School, Main Road, Sattur,

Virudhunagar District

... Respondents/Appellants/Defendant

PRAYER: Second Appeal is filed under Section 100 of Civil Procedure Code, against the judgment and decree, dated 14.09.2007 made in A.S.No.29 of 2006 on the file of the Subordinate Judge, Sivakasi, reversing the Judgment and decree, dated 20.06.2006, made in O.S.No.64 of 2001, on the file of the District Munsif, Sattur.

For Appellants : Mr. S. Subbiah, Senior Counsel for
Ms. Jeese Jeeva Priya

For Respondents : Mr. J. Baradhan for
Mr. T. R. Jayapalan

JUDGMENT

The appeal is directed against the judgment and decree, dated 14.09.2007 made in A.S.No.29 of 2006, on the file of the learned Subordinate Judge, Sivakasi, reversing the judgment and decree, dated 20.06.2006, made in O.S.No.64 of 2001, on the file of the learned District Munsif, Sattur.

2. For the sake of convenience, the parties are referred to, as described before the trial Court.



3. The averments made in the plaint, in brief, are as follows:-

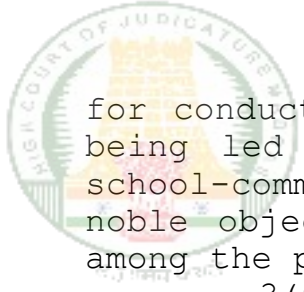
3(a). The first defendant 'Sattur Hindu Nadars Edward School Committee' is registered under the Companies Act in the year 1919 with an object of advancing education, literary, technical and physical activities and to inculcate sound moral principles in the pupils in order to make them efficient citizens. With this avowed object, the Articles of Association and Memorandum of Association were registered on 15.3.1919 itself before the Registrar of Companies at Madras.

3(b). To achieve the above object, the generous and philanthropic minded people from Hindu Nadar community were contributing funds and other resources to the first-defendant-committee. Thus, the first-defendant-school grew from an elementary school to a Higher Secondary School level, educating hundreds of pupils every year. Now, the Government of Tamil Nadu is also extending aid to this defendant-school.

3(c). The first-defendant-school-committee consists of 24 members, out of them 20 members shall be selected directly from ;the General Body of Voters maintained by the first-defendant-committee. The remaining four members to be elected indirectly by those 20 elected members from among the voters list maintained by the first-defendant. There will be six board of directors, out of them three will be ex-officio board of directors, who will act as President, Vice-President and Secretary and the remaining three will be elected from among the committee members. As per clause V of the Articles of Association, all the adult males, who are above the age of 18, from the Hindu Nadar community of Sattur are eligible for membership of the committee with voting right. It is significant to note that an application from an adult male member of the Hindu Nadar Community of Sattur is a condition precedent to enlist him as a member of the first-defendant committee. This condition is prescribed by the founding fathers of the committee in order to maintain a transparency in the membership and also make large-scale of male members of Hindu Nadars of Sattur to have active participation in the committee, thereby serving the avowed object for which the school-committee was formulated.

3(d). The grievance of the plaintiffs is that for the past two decades, people with vested interests have got control of the committee and have given a go-by to the democratic methods to be followed in the election of members, on the other hand engaged their own yes-men. Thus the present President and Secretary are the inheritors of such persons with vested interests and the present committee members are thus selected through back-door methods with foul means.

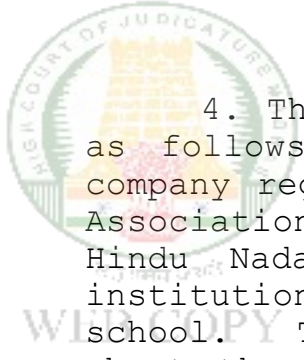
3(e). The further grievance of the plaintiffs is that resultant effect of the mismanagement with rampant corruption is that the educational institutions of the school-committee lost their stature and there is disharmony among its teachers and employees leading to chaotic atmosphere. The school campus which was known



for conducting tournaments, has now become a den of immorality and being led by people with vested interests who have hijacked the school-committee and keeping it as their captive and thereby the noble object of the committee to inculcate sound moral principles among the pupils is lost.

3(f). The plaintiffs state that the first plaintiff is a doctor by profession and the second plaintiff is a business man with equally good qualification. Both of them are with reputation and respect in Sattur. They along with other reputed Hindu nadars of Sattur approached the committee several times requiring them to conduct election and maintain transparency in the membership, as per the terms of the Articles and Memorandum of Association, but those requests gone to the deaf years. Therefore, the first plaintiff, supported by 105 eligible Hindu Nadars of Sattur, together with the second plaintiff, had issued legal notices dated 23.9.2000 to all the six Directors of the Committee requiring them to refrain from improperly conducting the affairs of the Committee, but it was not heeded to. Thereafter, the first plaintiff had sent complaints dated 6.5.2001 to the District Collector, Virudhunagar and Tahsildar of Sattur in public interest, seeking their intervention for retrieving the School-Committee from the illegal clutches of the defendants and their minions. In view of this, a Conciliarly meeting was held on 18.6.2021 with the participation of DSP and Tahsildar of Sattur, the first plaintiff and the defendants herein, the minutes of which was reduced in writing, signed by all participated, wherein, the defendants herein had promised that they would conduct elections to the members of the Committee before 17.7.2001, as per the terms of the Articles and Memorandum of Association, but despite their written promise, the defendants continued their illegal course of action. Therefore, finally the plaintiffs individually had sent applications on 31.8.2001 through registered post to the first-defendant seeking to register their names as voters in the electoral rolls of the Committee and to permit them to participate in the ensuing election. It is learnt that some other eligible Hindu Nadars of Sattur also had applied to the first defendant for being registered as voters. Despite receiving all the applications, the first-defendant did not care to comply with the demand or even to give a reply to the applicants.

3(g). The grievance of the plaintiffs is that due to the illegal attitude and conduct of defendants, hundreds of eligible members of the Sattur Hindu Nadar community, including the plaintiffs, are deprived of their inalienable right of becoming electors and get elected to the Committee, which is ensured to them by the Memorandum and Articles of Association and the Rules laid thereunder. Hence the suit for declaration that the plaintiffs and the others, whom they represent, are qualified voters to get entry in the Register of Voters and for a mandatory injunction directing the defendants to include the names of the plaintiffs and the others whom they represent in the Register of Voters as per the election Rules of Articles of Association.



4. The averments made in the written statement, in brief, are as follows:- Sattur Hindu Nadars Edward School Community is a company registered under the Companies Act, 1913. The Articles of Association of the company was amended on 16.05.2001. If any adult Hindu Nadar of Sattur is willing to become a member of the institution, he has to make an application to the Secretary of the school. The executive committee of the institution will decide about the eligibility of the applicant to become a member of the institution. The plaintiffs have not made any application to the company for their membership. The suit has been filed on the basis of old Memorandum and Articles of Association and hence not maintainable.

4 (a). It is incorrect to state that all the adult male members of Hindu Nadars who are above 18 years will automatically become members, for the reason that the adult hindu Nadars of Sattur who are residents of Sattur, residing at Sattur for the last three years and above and who are willing to become the members of the committee have to make applications for membership and their eligibility to become members will be decided only by the executive committee. As per articles VI (b) and ©, the executive committee will form the election committee to conduct the election. All the members of the company, whose names are entered in the register of members, shall automatically become eligible to attend and vote at the general body meeting. There is no register of voters, on the other hand there is only a register of membership. Any suit against a company can be filed in the High Court or a District Court, which is empowered by High Court and therefore the Trial Court before which the suit was filed has no jurisdiction.

4(b). As per the Articles of Association only the members of the company can pass resolution and it does not permit intervention of any outsiders in the affairs of the company. Therefore, the plaintiffs being outsiders, will not and cannot be permitted to enter into the affairs of the company at any level. Further, the Articles of Association clearly mentions about the procedure for voting and conducting election. Hence, neither the President nor the Secretary of the School committee can act against these norms for the convenience of the plaintiffs or for the convenience of the defendants either. It is only the Board of Directors of the company who can question about the affairs of the company. If the members think that the affairs of the company are prejudicial to the public, they can convene General Body Meeting and remove the Board of Directors and restrict the powers of the Board. Therefore, the general public, the District Collector or the Tahsildar cannot interfere in the affairs of the company, because they are not the appropriate persons to interfere in the matter. The Companies Act regulate the conduct of the company and if any Member is aggrieved by any act of the company, appropriate forum for redressal is provided in the Companies Act. The plaintiffs, who are more than 20 in number, when seek relief with respect to an educational institution, ought to have registered under the Societies



Registration Act, 1975, because an unregistered body cannot maintain a suit representing the members and as such the suit is not maintainable in law.

5. The plaintiffs, in support of their case, before the trial Court, have examined themselves as P.W.1 and PW3 respectively and one Sankaralingam as P.W.2, and marked Exs.A1 to A18. On the side of the defendants, D.Ws. 1 to 3 were examined and Exs. B1 to B11 were marked.

6. On the basis of the above pleadings, the trial Court framed necessary issues viz.,

'1. Whether the plaintiffs have become members on submitting applications as per rules?

2. Whether there is right for the plaintiffs and others, who are eligible like plaintiffs, to be included in the list of voters maintained by the defendants?

Whether the plaintiffs are entitled to the relief of declaration as prayed for in the suit?

3. Whether the plaintiffs are entitled for the relief of mandatory injunction as prayed for in the suit?

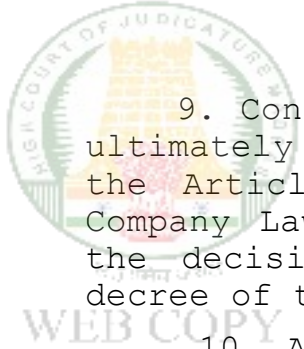
4. To what other relief?'

7. The Trial Court, after considering the various aspects of the evidence, both oral and documentary, held that on the basis of Exs. A2, A3 and A14 the plaintiffs have properly submitted their applications to the defendants to become members of the School Committee and the plaintiffs have the right to be included in the list of voters. The Trial court further granted the relief of declaration as prayed for by the plaintiffs relying upon the documents filed by the plaintiffs and disbelieving the documents Exs. B1 to B11 filed by the defendants and also granted the relief of mandatory injunction as prayed for and finally decreed the suit as prayed for.

8. Aggrieved by the judgment and decree of the trial Court, the defendants preferred an appeal in A.S.No.29 of 2006, before the learned Subordinate Judge, Sivakasi. The lower Appellate Court, on entertaining a very strong doubt with regard to the jurisdiction of the Civil Court in Company Law matters, framed the following issues:

'1. Whether the plaintiffs are entitled to get the reliefs as prayed for?

2. To what other relief?'



9. Considering the facts of the case, the lower Appellate Court ultimately held that the Civil Court has no jurisdiction to eschew the Articles of Association, which was already approved by the Company Law Board. Thus, the lower Appellate Court disagreed with the decision of the trial Court and consequently set aside the decree of the trial Court and allowed the appeal.

10. Against the conflicting findings of the courts below, the unsuccessful plaintiffs before the lower appellate court, have filed the present appeal before this Court.

11. At the time of admission of the Second Appeal on 15.10.2009 the following substantial questions of law arose for consideration:

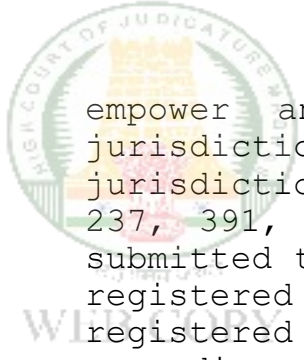
'1. whether the provisions of Section 10 of the Companies Act specifically oust the jurisdiction of the civil court to try and determine a civil nature regarding the declaratory and mandatory injunction relief?

2. When the declaration regarding the right of the membership does not fall within the jurisdiction of either this court sitting in the company jurisdiction or district court or company law board, is not the jurisdiction of the civil court to declare such a right is barred under Section 10 of the companies Act ?

3. When Section 10 of the Companies Act does not specifically or impliedly bar the jurisdiction of the civil court regarding the nature of the relief prayed for in the suit. is not the judgment of the lower appellate court holding that the civil court has no jurisdiction to try the suit under Section 10 of the Companies Act is correct?

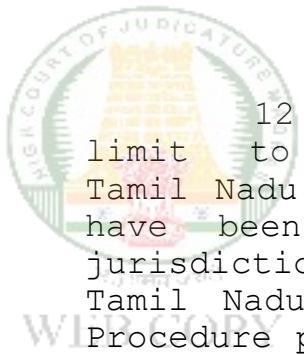
4. Simply because the members to be enrolled would be numerous, is it open to the court to deny a right to a member of the community who is otherwise eligible and entitled to be enrolled as members , on the ground of plurality of the members for such enrolment ?'

12. The learned counsel appearing for the appellants/plaintiffs would submit that the Civil Court has got jurisdiction to try the claim made by the appellants on the ground that as per section 10 of the Companies Act (a) the High Court has jurisdiction in relation to the place at which the registered office of the company concerned is situate, except to the extent to which jurisdiction has been conferred on any District Court or District Courts subordinate to that High Court in pursuance of sub-section (2), and as per sub-section (2), the Central Government may



empower any District Court to exercise all or any of the jurisdiction conferred by the Act upon the Court, not being the jurisdiction conferred in respect of companies generally by sections 237, 391, 394, 395 and 397 to 407. The learned counsel further submitted that for the purpose of jurisdiction to wind up companies, registered office means the place which has longest been the registered office of the company during the six months immediately preceding the presentation of the petition for winding up. The learned counsel also submits that as per the 1956 Act, only three forums are vested with the power to decide the disputes, namely High Court, District Court and Company Law Board and further submits that there is no other provision in the Act, which confers powers upon any other forum, in relation to the matters other than to which, the High Court, the District Court and the Company Law Board were vested with the powers to deal with the same. The High Court is empowered to decide upon the issues covered by sections 391, 394 and 395, whereas the powers under sections 237 and 397-407 have been conferred upon the Company Law Board, while limited powers were made available to the District Court, in relation to certain matters as provided under GSR No.663 dated 29.5.1959 and they can deal with only such matters falling under sections 89, 113, 118, 144, 163, 196, 219, 234, 304, 307 and 614. The learned counsel further argued that the Company Law Board is also vested with powers to deal with matters arising under specific provisions. The learned counsel further submits that when there are specific provisions empowering the three forums, namely, the High Court, District Court and the Company Law Board with certain matters, and when there is no exclusion of the powers of the Civil Court in relation to matters, which are not covered by these three forums, certainly, in the absence of specific exclusion, the civil court alone will have definite jurisdiction to entertain those matters, which do not fall within the ambit of the above three forums. The learned counsel argued that with regard to the enforcement of the right of the plaintiffs as per the Articles of Association, as it stood prior to the amendment under Ex.B1, none of the three forums, namely, High Court, District Court and the Company Law Board were vested with any such power to deal with directing the company for the enrolment of the members to the committee and the election to such committee as per the Articles of Association.

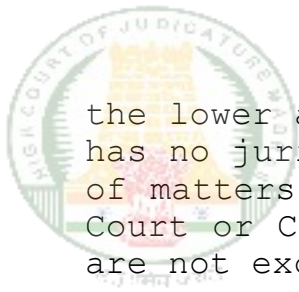
12(a). The learned counsel for the appellants submits that under section 9 of the Code of Civil Procedure, the Courts shall have jurisdiction to try all suits of a civil nature, excepting suits of which their cognizance is either expressly or impliedly barred. Thus, the learned counsel further argues that as provided under section 9 of the Code, the jurisdiction of the civil court to decide the issue involved in the suit has not been ousted either explicitly or impliedly, as there is no other provision conferring such powers on any other forum.



12(b).The learned counsel further submits that there is no limit to the powers given to the civil Court, though under the Tamil Nadu Civil Court Act, the jurisdiction of the various Courts have been given relating to the pecuniary and territorial jurisdictions and the same can be found in sections 10 to 12 of the Tamil Nadu Civil Courts Act. Section 15 of the Code of Civil Procedure provides that every suit shall be instituted in the Court of lowest grade competent to try it, while sections 16 to 20 deal with the place of jurisdiction and cause of action. He further submitted that what is to be decided by a civil court is to be considered in the light of the provisions contained in the Specific Relief Act. Section 4 of the Specific Relief Act provides that relief can be granted only for the purpose of enforcing individual civil right and not for the mere purpose of enforcing any penal law and the civil rights have got to be granted power to try matters as provided under the Specific Relief Act. The learned counsel further argues that section 34 of the Specific Relief Act provides for the declaration of status or right, in the following specific terms:

"Discretion of Court as to declaration of status or right:--Any person entitled to any legal character, or to any right as to any property, may institute a suit against any person denying, or interested to deny, his title to such character or right, and the court may in its discretion make therein a declaration that he is so entitled, and the plaintiff need not in such suit ask for any further relief. Provided that no court shall make any such declaration where the plaintiff, being able to seek further relief than a mere declaration of title,.. omits to do so."

12 (c). The learned counsel for the appellants/plaintiffs further argued that a civil right falling under section 34 of the Specific Relief Act has got to be made as provided under section 15 of the Code and the competence of the lowest grade civil court, which is the District Munsif's Court at Sattur, depends upon its pecuniary and territorial jurisdiction. As both the defendants are in Sattur town; the registered office of the defendants is only at Sattur and the relief claimed by the plaintiffs is only against the defendant-company, within the territorial jurisdiction of District Munsif's Court, Sattur, the suit filed by the plaintiffs comes within the territorial jurisdiction of District Munsif's Court at Sattur. The learned counsel further argues that the District Munsif's Court at Sattur also exercises pecuniary jurisdiction for the reason that the relief sought for by the plaintiffs does not have any market value as it does not pertain to any immovable property and accordingly the value of the relief was adopted at Rs.400/- and court-fee had been paid under section 25(d) of the Tamil Nadu Court Fees and Suits Valuation Act, 1955. Thus, according to the learned counsel for the appellants, the finding of



the lower appellate court that the District Munsif's Court at Sattur has no jurisdiction is erroneous and further submits that in respect of matters not specifically empowered upon the High Court, District Court or Company Law Board, the powers of the Hon'ble Supreme Court are not excluded.

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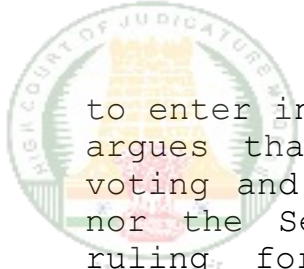
13. Per contra, learned counsel for the respondents/defendants submitted that Sattur Hindu Nadars Edward Committee is a company registered under the Companies Act 1913 with registration number 2684. The Articles of Association was amended on 16.5.2001, along with the Memorandum of Association. As per the amended Memorandum and Articles of Association, if any adult Hindu Nadar of Sattur is willing to become a member of the institution, he has to make an application to the Secretary of the institution. The executive committee of the institution will decide about the eligibility of the applicant to become member of the institution. The plaintiffs in the suit have not individually made any application to the company for their membership, on the other hand they have filed the suit without any basis. As the suit has been filed on the basis of old Memorandum and Articles of Association, the same is not maintainable and liable to be dismissed.

13(a). The learned counsel for the respondents/defendants further argued that the approach of the appellants/plaintiffs that all the adult male members of Hindu Nadars of Sattur, who are above the age of 18 are eligible for membership of the school committee and every such person has right to vote in the election of the committee and shall also be eligible to be a member of the committee is altogether incorrect. On the other hand, apart from being adult Hindu Nadars of Sattur, they ought to be residents for the last three years and above at Sattur. Further, if they are willing to become the members of the committee, they have necessarily to make applications for membership and their eligibility to become members will be decided only by the executive committee. As such it is not automatic that all the adult male Hindu Nadars who are above 18 years will become the members of the company as per the Articles of Association.

13(b). The learned counsel for the respondents/defendants further argued that as per the Articles of Association, the executive committee will form the election committee to conduct the election and all the members of the company whose names are entered in the register of members shall automatically be eligible to attend and vote at the General Body Meeting. There are no register of voters, as the company has only register of membership.

13(c). The learned counsel further submitted that the District Munsif's court at Sattur has no jurisdiction to try the present suit against a company, when it can be filed only before the High Court or a District Court empowered by the High Court. The learned counsel further argued that as per the Articles of Association only the members of the company can pass resolution and it does not permit intervention of any outsiders in the affairs of the company and according to the plaintiffs who are outsiders could not be permitted

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to enter into the affairs of the company. The learned counsel also argues that the Articles of Association bears the procedure for voting and conduct of election and therefore neither the President nor the Secretary of the school committee can act against this ruling for the convenience of either the plaintiffs or the defendants themselves.

13(d). The learned counsel further argued that it is only the Board of Directors of the company who can question about the affairs of the company. If the members think that the affairs of the company are prejudicial to the public interest they can convene General Body Meeting and remove the Board of Directors and restrict the powers of the Board. Therefore, the general public, the District Collector and the Tahsildar cannot interfere in the affairs of the company, as they are not the appropriate persons to interfere in the affairs of the company. The Companies Act regulate the conduct of the company and if any person, who is a member, aggrieved by any act of the company, the Companies Act provide appropriate forum for redressal.

13(e). The learned counsel also argues that when the plaintiffs seek relief against an educational institution being more than 20 in number, they ought to have registered themselves under the Societies Registration Act, 1975, because an unregistered body cannot maintain a suit representing the members and as such the suit is not maintainable in law. The learned counsel further argued that the plaintiffs not being members of the company are not eligible to become voters and accordingly the claim in the suit for such a prayer cannot be granted in favour of the plaintiffs.

14. I have carefully considered the submissions made by the learned counsel for the Appellants/Plaintiffs as well as the learned counsel for the respondents/defendants and perused the materials available on record.

15. As per section 10(1)(a) of the Companies Act, 1956, the jurisdiction is conferred on the High Court in relation to the place at which the registered office of the company concerned is situate, except to the extent to which jurisdiction has been conferred on any District Court or District Courts subordinate to that High Court in pursuance of sub-section (2) and as per which, the Central Government may empower any District Court to exercise all or any of the jurisdiction conferred by the Act upon the Court, not being the jurisdiction conferred in respect of companies generally by sections 237, 391, 394, 395 and 397 to 407. As per section 10(3), for the purpose of jurisdiction to wind up companies, registered office means the place which has longest been the registered office of the company during the six months immediately preceding the presentation of the petition for winding up. In the Companies Act, 1956, only three forums are vested with the power to decide the disputes, namely High Court, District Court and Company Law Board and there is no other provision in the Act, which confers powers upon any



High Court, the District Court and the Company Law Board were vested with the powers to deal with matters relating to a company.

15(a). In the case of *Aruvipuram Dharma Paripalan Yogam and others Vs. K. Karunakaran* reported in (2012) 2 MLJ 657, learned single Judge of this Court K. Venkataraman, J. has elaborately discussed about the bar on Civil Court's jurisdiction to entertain suits pertaining to matters of mal-administration and mis-administration of a company and the binding nature of memorandum and articles of associations in paragraphs 20 and 21 of the judgment, which is extracted below:

"20. Before adverting to the said issue, it would be useful to re-produce section 10-GB of the Companies Act and the same is extracted hereunder:

"10-GB. Civil Court not to have jurisdiction: (1) No civil Court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Tribunal or the Appellate Tribunal is empowered to determine by or under this Act or any other law for the time being in force and no injunction shall be granted by any Court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act or any other law for the time being in force.

The respondent, being a member of the Chennai SNDP Union, if aggrieved over the mal-administration or mis-administration respectively of the first-petitioner Yogam and Chennai SNDP Union, should have approached the Company Law Board under sections 397 and 398 of the Companies Act....."

After extracting sections 397 and 398 of the Companies Act, the learned Judge has further observed as follows at paragraph 21 of the said judgment:

"21. Section 36 of the Companies Act envisages that the memorandum and articles would bind the company and the members thereof. In the case on hand, the respondent claims to be a member of Chennai SNDP Union and hence, he is also bound by the memorandum and articles of the first-petitioner. If so, the respondent should have instituted the suit before the Court of Kollam as per Rule 71(a) of the said Rules or should have sought for arbitral proceedings as required under Rule 71(a) of the Rules. In fact,

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each one of the members including the respondent



has signed the application for membership of Chennai SDP Union, wherein they have simultaneously taken oath to abide by SNDP Yogam Rules. Having undertaken to abide by the rules, the respondent cannot be heard to say that he will bye-pass the rules and file the suit before the civil Court at Chennai....."

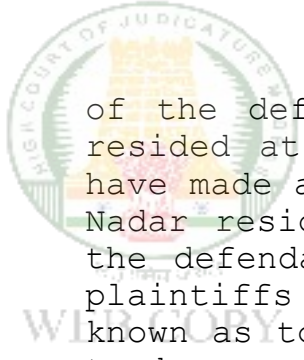
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15 (b). From a reading of the above, it is clear that no civil Court shall have jurisdiction to entertain any suit or proceeding in respect of any matter pertaining to the affairs of a company, when exclusively the High Court, District Court and Company Law Board are vested with powers to deal with those issues and further if members of a company are aggrieved over the mal-administration or mis-administration of the company, they should approach the Company Law Board under sections 397 and 398 of the Companies Act.

15(c). In the 1956 Act, only three forums are vested with the power to decide the disputes, namely High Court, District Court and Company Law Board and there is no other provision in the Act, which confers powers upon any other forum, and it is incorrect to state that in the absence of specific exclusion, the civil court will have jurisdiction to entertain matters relating to the affairs of a company.

15(d). It is seen that Sattur Hindu Nadars Edward committee is a company registered under the Companies Act 1913 with registration number 2684. The Articles of Association was amended on 16.5.2001, along with the Memorandum of Sattur Hindu Nadars School Committee. If any adult Hindu Nadar of Sattur is willing to become a member of the institution, he has to make an application to the Secretary of the institution. The executive committee of the institution will decide about the eligibility of the applicant to become member of the institution. The plaintiffs in the suit have not made any individual application to the company for their membership. It is argued on behalf of the respondents/defendants that as the suit has been filed on the basis of old Memorandum and Articles of Association, the same is not maintainable and liable to be dismissed.

15(e). It is not in dispute that the first-defendant is a company registered under the provisions of the Companies Act, 1956. It is also not in dispute that Ex.B1 is the Memorandum and Articles of Association, governing the activities of the first-defendant-company and it is also not in dispute that the new Memorandum and Articles of Association is in force, with all its amended clauses with regard to enrolment of membership. As per the new Memorandum and Articles of Association, if a male Hindu Nadar of Sattur, who has completed the age of 18 years and more, wants to become a member



of the defendant-school-committee, specifically he ought to have resided at Sattur for a period three years and more and ought to have made an application for the said purpose. Thus, a male Hindu Nadar residing in Sattur will not automatically become a member of the defendant-school committee, for the reason, as admitted by the plaintiffs themselves in the witness box, that it is not exactly known as to the exact number of male hindu nadars in Sattur. It is to be seen that when the plaintiffs, being more than 20, sought relief against an educational institution, they ought to have registered themselves under the Societies Registration Act, 1975, because an unregistered body cannot maintain a suit representing a group of members.

15(f). It is admitted fact that at the time of filing the suit, the plaintiffs were not the members of the company. As per the Articles of Association, the members are not eligible to vote automatically. Accordingly, the plaintiffs without getting themselves enrolled as members of the defendant company, cannot expect to have a right to vote in the General Body. Thus, the plaintiffs, without adopting the due procedure as contemplated in the Memorandum and Articles of Association to enroll themselves as members, are not automatically become eligible as voters and accordingly the claim in the suit for such a prayer cannot be granted in favour of the plaintiffs. As per the Articles of Association only the members of the company can pass resolution and it does not permit intervention of any outsiders in the affairs of the company. Thus, the plaintiffs who are outsiders do not become eligible to enter into the affairs of the company. Further, when the Articles of Association bears the procedure for voting and conduct of election, every one including the parties to the suit have to adopt only such procedure.

16. In view of the foregoing discussions, all the questions of law are answered against the appellants/plaintiffs and in favour of the respondents/defendants. In the result, the Second Appeal is dismissed, confirming the judgment and decree, dated 14.09.2007 made in A.S.No.29 of 2006, on the file of the learned Subordinate Judge, Sivakasi and setting aside the Judgment and decree, dated 20.06.2006, made in O.S.No.64 of 2001, on the file of the learned District Munsif, Sattur. However, there shall be no order as to costs.

Sd/-

Assistant Registrar (CS-II)

// True Copy //

/ /2022

Sub Assistant Registrar(CS)



1.The Subordinate Judge,
Sivakasi.

2.The District Munsif,
Sattur.

3.The Record Keeper, (2C)
Vernacular Section,
Madurai Bench of Madras High Court,
Madurai.

+1 CC to M/s.T.R.JEYAPALAM, Advocate (SR-40100[F] dated
23/12/2021)

S.A. (MD) No.116 of 2009
23.12.2021

KMK (CO)
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