



IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 20.09.2024

Pronounced on : 03.10.2024

CORAM:

THE HONOURABLE MR. JUSTICE RMT.TEEKAA RAMAN

C.S.No.236 of 2022

and

A.No.2247 of 2023

and

O.A.Nos.697 and 698 of 2022

V.G.Roshan Rujath
Plaintiff

..

/versus/

1. Shri All India Swethamber Sthanakwasi Jain Conference,
Jain Bhavan, No.12, Sahid Bhagad Singh Marg,
Gole Market,
New Delhi -110 001.
2. Shri Anandmal Challani Jain,
Defacto National President,
Shri All India Swethamber Sthanakwasi Jain Conference
Son of Jawarilal Challani,
3rd Floor, Challani Plaza,
No.36, Veerappan Street,
Sowcarpet, Chennai - 600 079.
3. Shri Rajendra Prasad Kothari Jain,
4. Shri Atul Jain,
General Secretary,



WEB COPY

Shri All India Swethamber Sthanakwasi Jain Conference
45/3/1, Main Church Road,
Thaper farm, Vasant Kunj,
New Delhi - 110 070.

5. Padamchand Kantaria,
Treasurer,
Shri All India Swethamber Sthanakwasi Jain Conference
No.24, Vanniyar Street,
Porur, Chennai - 116.
6. Shri Prasanna Kumar Sanchethi,
7. Shri Mahaveer Chand Ranka Jain
8. Shri Dharmichand Dhanraj Khabiya Jain
(Election 2021-2023)
The National Chief Election Officer (Election 2021-2023)
Shri All India Swethamber Sthanakwasi Jain Conference
Jain Bhavan, No.12, Sahid Bhagad Singh Marg,
Gole Market, New Delhi - 110 001.
9. Shri Ajit Challani Jain,
The National Co-Election Officer (Election 2021-2023)
Shri All India Swethamber Sthanakwasi Jain Conference,
Jain Bhavan, No.12, Sahid Bhagad Singh Marg,
Gole Market,
New Delhi - 110 001.
10. Shri Rajiv Jain
The National Co-Election Officer (Election 2021-2023)
Shri All India Swethamber Sthanakwasi Jain Conference,
Jain Bhavan, No.12, Sahid Bhagad Singh Marg,
Gole Market, New Delhi - 110 001.
11. Shri All India Swethamber Sthanakwasi Jain Conference,
Tamil Nadu State Branch
Represented by its President,
No.150, Brick Kiln Road,



1st Floor, Dhruvi Apartment, Otteri, Chennai - 12.

WEB COPY

12. Shri.Goutam Chand Kataria Jain,
83, Eldams Road,
Teynampet, Chennai - 600 018.

13. Shri Tarachand Dugar,
Tamil Nadu State Election Officer (2021-2023)
Shri All India Swethamber Sthanakwasi Jain Conference,
7th Floor, Dugar Towers,
123, Marshalls Road,
Near Rajarathinam Stadium
Egmore, Chennai - 600 008.

14. Shri Mohanlal Chopra,
Ex-Chairman of Viswast Mandal, Trust of
Shri All India Swethamber Sthanakwasi Jain Conference,
Jain Bhavan,
No.12, Sahid Bhagad Singh Marg,
Gole Market, New Delhi - 110 0001.

.. Defendants

This Civil Suit is filed under Order IV Rule 1 of the Original Side Rules read with Order VII Rule 1 of C.P.C, 1908, prayed for a judgment and decree against the Defendants:-

(i)Declare the resolution of the National Election Committee passed by the defendants 8 to 10 dated 07.08.2021 as arbitrary, illegal, void ab - initio and contrary to bye-laws of 1st defendant;

(ii) Declare the resolution/circular dated 03.10.2021 issued by the National Election Committee comprising defendants 8 to 10, declaring the 2nd defendant as the President of first defendant for the period 2021-2023 as illegal and void ab-initio, ultra vires bye laws of the



WEB COPY

1st defendant society;

(iii) Permanent injunction restraining the defendants 2 to 13 their men, servants, agents or any person claiming through them from in any manner acting as office bearer of 1st defendant society or pass resolutions on behalf of first defendant society;

(iv) Declare the resolution / circular dated 03.10.2021 issued by the 13th defendant declaring the 12th defendant as the State President of 11th defendant for the period 2021-2023 as illegal and void ab-initio, ultra vires the bye laws of the 1st defendant society;

v)Costs of the suit.

For Plaintiff : Mr.G.RM.Palaniappan

For Defendants : Ms.Jayanthi K.Shah

J U D G M E N T

A.No.2247 of 2023 is filed under Order XIV Rule 8 Original Side read with order VII Rule 11(a) and (d) of C.P.C to reject the plaint in C.S.No.236 of 2022.

2. The first respondent in A.No.2247 of 2023 is the plaintiff in the suit.

3. The first plaintiff filed the suit seeking (a) to declare the resolution of National Election Committee passed by the defendants 8 to 10, dated 07.08.2021 as arbitrary, illegal, void ab - initio and contrary to



bye-laws of the 1st defendant.

WEB COPY

(b) to declare the resolution / circular dated 03.10.2021 issued by the National Election Committee comprising defendants 8 to 10, declaring the 2nd defendant as the President of first defendant for the period 2021-2023 as illegal and void ab-initio, ultra-vires the bye laws of the 1st defendant / society;

(c) Permanent injunction restraining the defendants 2 to 13 their men, servants, agents or any person claiming through them from in any manner acting as office bearer of 1st defendant / society or pass resolutions on behalf of first defendant society;

(d) declare the resolution / circular dated 03.10.2021 issued by the 13th defendant declaring the 12th defendant as the State President of 11th defendant for the period 2021-2023 as illegal and void ab-initio, ultra-vires the bye laws of the 1st defendant / society and

(e) Mandatory injunction for appointing a Receiver to take charge of the affairs of the first defendant / society including the 11th defendant / state unit and conduct elections afresh in accordance with bye-laws of the first defendant / society.

4. The defendants D2, D3, D5, D6, D12 and D13 were served.



WEB COPY

5. In the written statement, it is inter-alia contended on the ground that no cause of action arises within the jurisdiction of this Court, stating that the Registered Office of the second respondent / society is at New Delhi and as per bye-law, any litigation concerning the society ought to have been filed only in New Delhi and referred to Clause 20 of the bye-laws which makes the provision of the arbitration clause.

6. In the bye-laws, it is specifically mentioned that any legal dispute with regard to the registered office of the Jain conference located in New Delhi and only the Court at New Delhi will have jurisdiction to decide the said dispute, besides, there is arbitration clause.

7. Heard the learned counsel appearing for the plaintiff and defendants and perused the records.

8. The learned counsel for the defendants contended that the applications are filed under Order VII Rule 11 of C.P.C for rejection of the plaint on the ground that the Society is registered at New Delhi and as per the bye-laws, the jurisdiction lies within the territorial jurisdiction of the Registered Office and there is a specific arbitration Clause. He relied upon a judgment of the Delhi High Court in W.P.(C) 15546 of 2023



WEB COPY

dated 04.12.2023, wherein it has been held that, in view of the arbitration Clause as against the very same defendants herein it was held that in view of the arbitration clause, Civil Suit is not maintainable.

9. In the said case, the matter was referred to arbitrator as per the bye-laws and that was challenged before the Delhi High Court and Delhi High Court concurred that even in the matters relating to the office bearers of the Society, arbitration is the remedy.

10. After perusing the docket order, I found that this Court has granted leave to sue to the plaintiff before this Court.

11. For any dispute in the Jain conference, the complainant must make a complaint to the National President of the Jain Conference. If the complainant is not satisfied with the decision of the National President, they will get their complaint lodged to the National Management Committee. On receipt of the complaint, the National Management Committee will deliberate and form a Arbitration Committee. If they are not satisfied with the decision of the Arbitration Committee, they will be able to go for further legal proceedings.

12. I have the benefit of going through the judgment dated 04.12.2023, passed by the Delhi High Court in the above said W.P.(C)



WEB COPY

No.14221 of 2023.

13. A reading of the bye-laws of the Society shows that there were a two-step machinery that has been provided in respect of any grievance. The first step is a complaint to the National President. If the decision of the National President is not satisfactory, then the complainant can file complaint to the National Management Committee and the National Management Committee will deliberate and form an arbitration Committee.

14. The learned counsel appearing for the plaintiff stated that since the challenge is to the election of National President, the arbitration clause is not an alternative remedy.

15. It remains to be stated that in view of the specific provision as stated supra, the point of jurisdiction lies with the Delhi High Court and the Delhi High Court, on the very same set of facts in respect of election, has taken a view that in view of Clause 20 of the bye-laws of the Society, providing for arbitration application filed therein for referring the matter for arbitration, is just and fair and rejected the contention of the petitioner therein.

16. On a perusal of the arbitration Clause, it demonstrates that



WEB COPY

the bye-laws of the Society cover all disputes arising out of functioning of the Society, including the election.

17. At this juncture, it is relevant to state that Section 8 of the Arbitration and Conciliation Act is clear and it is necessary for the Court to refer the parties to the arbitration in terms of the arbitration clause.

18. In the instant case, Civil Suit has been filed. I find that the order passed by the Delhi High Court cited above squarely covers the issue in respect of dispute relating to election also and the arbitration clause in the bye-laws which shall operate.

19. Besides, the jurisdiction is at Delhi and this factum was not brought to the notice of this Court while this Court has granted leave to sue and I have not hesitation to reject the contention of the learned counsel for the plaintiffs.

20. Hence, in view of the above discussion I find that the jurisdiction is at Delhi and civil Suit is not maintainable here and it can be only as per arbitration Clause as observed by the Delhi High Court in the above cited decision. On both score, this application is allowed.



WEB COPY

21. In the result,

(i) A.No.2247 of 2023 is allowed and C.S.No.236 of 2022 is rejected and consequently, connected applications O.A.Nos.697 and 698 of 2022 are closed.

(ii) It is hereby made clear that rejection of this plaint will not prevent the parties to agitate their rights under the arbitration Clause 20 before the Arbitration Court which has the jurisdiction as per the bye-laws of the Society.

(iii) There shall be no order as to costs.

03.10.2024

nvi

Neutral citation : Yes / No

Index : Yes / No

Speaking order : Yes / No



Judgment in
C.S.No.236 of 2022 and
A.No.2247 of 2023 and
O.A.Nos.697 and 698 of 2022



WEB COPY



03.10.2024