

SUPREME COURT OF INDIA

Tamil Nadu Chamber of Commerce and Industry Represented
Thr.Its Hony. Secretary

Vs.

P Mahendrael

C.A.No.7421 of 2018

(Kurian Joseph and Sanjay Kishan Kaul,JJ.,)

01.08.2018

JUDGMENT

Kurian Joseph,J.,

SLP(C)No.22402 of 2014

1. Leave granted.
2. The crucial issue raised in this appeal pertains to the steps taken by the appellant-Association for expulsion of certain members from its membership.
3. The aggrieved respondents had taken up the matter before the civil court which went in their favour. This order was challenged before the First Appellate Court as well as before the High Court and both orders are in favour of the respondents; and thus appellant-Association is before this Court.
4. The categorical finding in all the judgments is that steps Retaken by the appellant-Association for expulsion of its members were in violation of the principles of natural justice. There is also a contention on jurisdiction.
5. When the matter came up for hearing before this Court on 14th July, 2017, the following order was passed :

"Learned senior counsel appearing for the petitioners submits that the issue regarding the expulsion can be decided by a retired District Judge, in case the opposite side also agrees.

The respondents are directed to get instruction on the above submission.

List on 24.07.2017.

6. On 24th July, 2017, the Court passed the following order:

"When this matter came up before this Court, on 14.07.2017, this Court passed the following order:-

"Learned senior counsel appearing for the petitioners submits that the issue regarding the expulsion can be decided by a retired District Judge, in case the opposite side also agrees. The respondents are directed to get instruction on the above submission.

List on 24.07.2017."

Learned counsel on both sides submit that a former Judge of the High Court would be better in the fitness of things.

Therefore, we appoint Hon'ble Mr. Justice A.R. Ramalingam, Former Judge of the High Court of Madras for the purpose. We leave it to the Hon'ble Judge to fix his remuneration. The expenses and the remuneration will be shared by the petitioners and the respondents in the proportion of 67:33 per cent. The expelled members will file their reply to the show cause notice dated 5.3.2009, within four weeks. The Hon'ble Judge is requested to send a Report within four months thereafter.

List after five months."

7. Hon'ble Mr. Justice AR Ramalingam, Former Judge of the High Court of Madras, has accordingly conducted an inquiry and submitted a report to this Court. We do not propose to go into the merits of the said Report. In case the respondents are of the view that the said Report is otherwise faulty, it is for them to pursue their remedies in appropriate proceedings before the appropriate forum.

8. However, we hasten to make it clear that the objection that the said Report cannot override the judgment of the court(s), cannot be appreciated since all the parties voluntarily agreed to refer the dispute to Hon'ble judge for an appropriate inquiry after complying with the principles of natural justice.

9. We also make it clear that this judgment shall not stand in the way of the respondents otherwise taking appropriate recourse open to the respondents under the law for membership in the appellant-Association.

10. It will also be open to the respondents to offer an unconditional apology for whatever inappropriate conduct on their part and seek membership in the appellant-Association in which case we are sure that the appellant-Association will magnanimously consider their applications.

11. We further make it clear that we have otherwise considered the matter on merits.

12. The appeal is accordingly disposed of.