IN THE HIGH COURT OF SINDH AT KARACHI

Suit No. 69 of 2011

A. L. Alamchandani
....
Plaintiff

Versus
Versus

M/s. NCEL Building Management Limited & others
Defendants

A.L. Alamchandani, Plaintiff in person
Syed Wajahat Abbas Advocate for Defendants
Defendants

Date of hearing
:<</td>
29th August 2024

Date of judgment : 11th October 2024

JUDGMENT

Omar Sial, J.: A.L. Alamchandani (the Plaintiff) was appointed Chief Executive Officer (C.E.O.) of the National Commodity Exchange Limited (NCEL), on contract for three years commencing on 01.01.2010. He claims that during his tenure as C.E.O., NCEL's Chairman and Company Secretary asked him to do unlawful and illegal things, which he refused to do. His refusal upset the Chairman, and therefore, he was asked to either resign, or he will be terminated. The Plaintiff opted to resign. Immediately after his resignation, he insisted that his resignation should not be accepted until NCEL's Board of Directors had accepted it. On 04.06.2010, the Board resolved that his resignation should be accepted.

2. Alamchandani filed this Suit on 13.01.2011, claiming that NCEL's actions taken pursuant to the 04.06.2010 meeting of the Board of Directors be declared null and void. He also prayed that he be given Rs.16,699,100 due to his service arrears and damages.

- 3. On 03.04.2018, the following issues were settled:
 - (i) Whether the suit is maintainable in law?
 - (ii) Whether all the acts done by the Defendants on 04.06.2010 as pleaded in the Plaint, are they illegal? If so, what is the effect?
 - (iii) Whether the Plaintiff is entitled to recovery of service dues, other benefits, and damages in Rs.16,669,100?
 - (iv) Whether the Defendants act on 04.06.2010, acceptance of resignation letter given by Plaintiff and extract of Board Resolution of the Governing Board is unlawful, arbitrary, malafidely, and with unclean hands?
 - (v) Whether the plaintiff is entitled to payment of Rs.16,699,100/- on account of service dues and damages, etc.
 - (vi) What should the Decree be?

4. At trial, Alamchandani appeared as his witness. He reiterated what he had written in the plaint. The gist of his testimony was that:

- No meeting of the Board was held in which his resignation was accepted; hence, he was entitled to salary for seven months, from June 2010 to December 2010.
- (ii) For the same seven-month period, he should also be given money for the petrol and mobile expenses to which he was entitled.
- (iii) NCEL should also pay him damages for the mental anguish that its actions caused him.

5. He conceded that he had tendered his resignation but alleged that it was obtained through duress and at gunpoint. However, he admitted that when he swore his affidavit-in-evidence, he had not mentioned that he had resigned due to duress and gunpoint. He also admitted that he had not returned the vehicle or the mobile phone that NCEL had given him. He did not produce an iota of evidence in support of his verbal allegations. 6. I have reviewed the record and heard the Plaintiff, who opted to argue in person. My observations and findings are as follows.

Issue No. 1

7. The first issue pertains to the maintainability of the suit. Even though the Plaintiff has brought forth nothing concerning it, I see no cavil with its maintainability. Hence, the same is decided in the affirmative.

Issues No. 2 and 4

8. The Letter of Appointment that Alamchandani exhibited at trial shows that it was issued on 16.12.2009. It stipulated that the contract would be "initially for a period of 3 (three) years and can be terminated by either side by giving 2 (two) months advance notice." The contract, unless terminated earlier, would have expired on 15.12.2012. Alamchandani produced his Letter of Resignation, which he had tendered to NCEL on 04.06.2010. In this letter, he writes, "I hereby tender my resignation w.e.f Monday 07. 2010 for which 2 months' notice may be please be counted from that date." On the very same date, i.e., 04.06.2010, Alamchandani was informed by NCEL that the Board had accepted his resignation with immediate effect. Alamchandani's contract with NCEL finished on 04.06.2010 when the Board accepted his resignation. The record reflects that through a letter dated 10.08.2010, he was asked by NCEL to take his dues and return the car and mobile in his possession. While Alamchandani took the money, he did not return the vehicle or mobile to NCEL.

9. NCEL's Company Secretary, Syed Qaiser Azam, was examined at trial. Qaiser reiterated that Alamchandani had resigned on 04.06.2010 and that the Board of Directors accepted his resignation the same day. The requisite resolution was also passed through circulation the same day. Alamchandani has not been able to bring forth any evidence to substantiate that the acceptance of his resignation by NCEL was unlawful or that there was anything wanting in the Board Resolution

accepting such resignation. Accordingly, issues 2 and 4 are answered in the negative.

Issue No. 3 and 5

10. Alamchandani could not produce any evidence to support his allegation that he was made to resign at "gunpoint." It also seems that he did not raise this point during his examination-in-chief. Be that as it may, even if there was an allegation of coercion, it was solely against the Chairman. No explanation was given for why the entire Board would accept his resignation, even though Alamchandani seemed busy canvassing support for himself on the Board by then. Regarding his claim that the Board did not meet on 04.06.2010 nor did it accept his resignation, NCEL disproved the same by producing at trial the requisite resolution and the Company Secretary testifying that it was passed per by-laws. Further, no evidence of coercion or undue influence has been brought forth as required under sections 15 and 16 of the Contract Act, 1872, to demonstrate that the resignation is wrongful. Accordingly, Alamchandani is estopped by his conduct from pursuing the extent claim with no basis. In this regard, I find support in Enayat Sons Limited v Government of Pakistan (2007 SCMR 969).

11. Neither did Alamchandani produce any evidence that he had suffered mental anguish, nor did he provide any basis for calculation of the amount he sought as damages. Be that as it may, the question of damages would have been relevant had his resignation from service been unlawful. He was not terminated but had opted to resign. In this situation, the two-month notice also becomes irrelevant as he was obliged to give a two-month notice if he chose to resign and NCEL invoked the condition. This was not the case.

12. When asked in Court why he was forced to resign, he replied that the Chairman had wanted him to steal computers, but because he declined, he was forced to leave. His explanation and how it was

delivered make it highly dubious. No evidence was produced at trial that the Chairman asked Alamchandani to steal computers. It is an afterthought. It is improbable that the NCEL's Chairman would ask his Chief Executive to steal a couple of computers. Therefore, issues 3 and 5 are also answered in the negative.

Issue No. 6

13. Alamchandani failed to justify his case, let alone prove it. The Suit is dismissed, and Rs.1,000,000/- (Rupees one million) costs are imposed on Alamchandani. He will pay NCEL this amount within one month.

JUDGE