

M/S Nsl Sugars Limited vs Mr. Bala Srinivasa Rao Namburi on 2 June, 2021

Author: M.S. Ramachandra Rao

Bench: M.S.Ramachandra Rao

HONOURABLE SRI JUSTICE M.S.RAMACHANDRA RAO
AND
HONOURABLE SRI JUSTICE T. AMARNATH GOUD

Interlocutory Application No.1 of 2021
in
Civil Miscellaneous Appeal No.141 of 2021
and
Civil Miscellaneous Appeal No.141 of 2021

JUDGMENT :

(Per Hon'ble Sri Justice M.S. Ramachandra Rao) This Civil Miscellaneous Appeal is filed under Order XLIII Rule (r) of the Code of Civil Procedure, 1908 challenging order dt.19.01.2021 passed in I.A.No.486 of 2020 in O.S.No.252 of 2020 on the file of the XXVI Additional Chief Judge, City Civil Court, Hyderabad.

2. The appellant herein is plaintiff in the said suit. The case of the appellant / plaintiff in the suit:

3. The appellant / plaintiff filed the said suit against the respondent for a perpetual injunction restraining the respondent from making false, frivolous, defamatory and derogatory accusations and allegations against it by way of and in the form of letters, representations, e-mails and any other medium of communication.

4. In the above suit, it is the contention of appellant that it is a Company incorporated under the Companies Act, 1956 having range of business activities, and the respondent who was its Chief Financial Officer from 01.04.2017 to 12.04.2019, and who had signed a Non-

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Disclosure Agreement dt.02.06.2017, was under an obligation to maintain secrecy in respect of sensitive information relating to the appellant-Company which would come to his knowledge during the course of his employment.

5. The appellant contended that it discovered that respondent had committed breach of trust and committed large-scale financial irregularities, misappropriated crores of rupees of money belonging to appellant and committed breach of trust, defrauded and cheated the appellant.

6. It further contended that thereafter the appellant conducted a detailed enquiry through an internal enquiry committee constituted on 05.04.2019 which gave a report on 16.04.2019 finding respondent guilty of commission of financial irregularities and embezzlement of funds to the tune of Rs.5.72 crores in the appellant-Company, and also guilty of transmitting confidential data of the appellant to third parties.

7. It also alleged that when the respondent was questioned on 05.04.2019 by the said Committee, the respondent admitted his guilt and when asked to put the same in writing, he sent his resignation through e-mail and left the appellant-Company.

8. It is contended that the audit committee of the Board of the appellant and its sister concern conducted an internal enquiry and also appointed a Chartered Accountant Firm by name Sagar and Associates (Chartered Accountants) and got conducted special audits MSR,J & TA,J ::3:: cma_141_2021 of the appellant and its sister concern, and the said auditors have also submitted a report on 16.04.2019 finding him guilty of financial irregularities and embezzlement of funds of Rs.5.72 crores and transmitting confidential data of the appellant to the third parties, tampering with tax deductions and in-subordination, etc.

9. It also alleged that it appointed a Retired District Sessions Judge as an internal enquiry officer to conduct an unbiased domestic enquiry, but the respondent did not come forward to attend the said enquiry in spite of being given ample opportunity and the enquiry officer submitted enquiry report on 23.10.2019 holding the respondent guilty of misconduct and financial irregularities.

10. It contended that it lodged a police complaint on 18.04.2019 before the Banjara Hills Police Station, Hyderabad and an FIR No.308/19 dt.19.04.2019 was also registered by the said police against respondent for offences under Sections 408 and 420 of I.P.C., and the same was pending investigation. It stated that respondent was arrested on 23.04.2019 and remanded to judicial custody by the III Additional Chief Metropolitan Magistrate, Hyderabad, and later the respondent secured bail and got released on 06.05.2019.

11. It contended that respondent committed similar offences in the sister concern and another complaint dt.09.05.2019 was also filed before the Banjara Hills Police Station, Hyderabad against the respondent, and since the police failed to register a case, a private MSR,J & TA,J ::4:: cma_141_2021 complaint was lodged before the III Additional Chief Metropolitan Magistrate, Hyderabad and the matter was referred to under Section 156(3) Cr.P.C. to the Police Station, Banjara Hills to register an FIR and investigate the matter; and subsequently, a Crime No.602/2019 dt.05.07.2019 for offences under Sections 406, 408 and 420 I.P.C. were registered and a charge-sheet was also filed on 12.10.2019.

12. Reference is also made to a complaint dt.18.05.2019 by the appellant to the Dy. Secretary, Disciplinary Directorate, Institute of Chartered Accountants of India against respondent for fraud committed by him, and also to a complaint dt.19.07.2019 before the Special Judge for Economic Offences, Nampally, Hyderabad for the offences under the penal provisions of the Companies Act and that C.C.No.150 of 2019 was registered against respondent.

13. Another C.C.No.11 of 2019 was registered against respondent on the basis of complaint dt.26.07.2019 filed by the sister concern of the respondent by the Special Judge for Economic Offences, Nampally, Hyderabad.

14. Reference is also made to FIR No.581 of 2019 filed before the Cyber Crime Police Station, C.C.S., Hyderabad, against respondent for offences punishable under Section 66 R/w Section 43 of the Information Technology Act, 2008.

15. It further contended that after having been found guilty of committing various offences, the respondent started employing black-

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mailing tactics against the appellant with an intention to pressurize the appellant to withdraw the cases, and the respondent started defaming the appellant, its promoters, Managing Directors and Board Directors with a dishonest and mala fide intention to bring down their reputation in the eyes of several Banks and Financial Institutions and other public bodies.

16. It stated that it has also filed CCSR.No.8185/2019 before the XII Additional Chief Metropolitan Magistrate, Kukatpally, Hyderabad alleging that respondent committed offences under Sections 499 and 500 of I.P.C.

17. It further alleged that respondent, with an intention of maligning the reputation of the appellant-Company and its sister concern sent a letter dt.27.06.2019 to the Central Vigilance Cell, Reserve Bank of India alleging bank fraud, financial irregularities, various false accusations, derogatory and defamatory allegations which were also false, and respondent also sent a letter dt.27.06.2019 to various Government Bodies, Statutory Authorities and Public Offices with the sole aim and intention of harassing and arm-twisting the appellant so that the appellant would withdraw the cases and stop pursuing legal remedies.

18. It made a detailed reference to the contents of letter dt.27.06.2019 written by respondent to the Dy. Director, Serious Fraud Investigation Office (SFIO), to the Secretary, Ministry of MSR,J & TA,J ::6:: cma_141_2021 Corporate Affairs, Government of India, New Delhi, to the Regional Director and the Registrar of Companies, Hyderabad, to the Deputy Commissioner of Income Tax,

Mangalore, and to the Superintendent of Central Bureau of Investigation, Hyderabad, etc against itself and its officials.

19. It alleged that respondent gave another letter dt.27.06.2019 to Commissioner of Hyderabad, GST Commissionerate, Hyderabad, to Assistant Commissioner of Commercial Taxes (Koppa & Aland Units), to Assistant Commissioner of GST and Central Excise, Bhokardan, Jalna, and to the Regional Director, Corporate Bhavan, R.R. District, Hyderabad making false and defamatory allegations which were also scandalous and malicious.

20. It referred to another letter dt.16.08.2019 written by respondent to the Central Vigilance Commission at New Delhi making similar allegations and letter dt.15.08.2019 to the Secretary, NCLT alleging fraud and financial irregularities committed by the appellant.

21. It also referred to the letter dt.01.08.2019 written by respondent to the Director / Head, Banking Securities and Fraud, CBI, repeating false allegations of alleged banking fraud and financial irregularities said to have been committed by appellant, and other correspondence addressed to C.B.I. and G.S.T. Authorities, C.V.C., etc.

22. It also contended that it had adopted a 'Whistle-Blower' Policy in the 127th Board meeting held on 28.08.2014 and under the said MSR,J & TA,J ::7:: cma_141_2021 policy, the respondent, in his capacity as C.F.O., should have notified the audit committee or the Board or the notified vigilance officer of the appellant, but he did not do so, and it is therefore clear that respondent was not writing these letters with clean hands and it shows that he is not a bona fide Whistle-Blower.

23. It also alleged that the tactics adopted by respondent to brow- beat it and harass it was only to cover up financial crimes committed while in the service of appellant, and there was clearly ill-will and antipathy against appellant since it had initiated criminal proceedings against the respondent.

24. It stated that the allegations contained in the letters addressed by respondent were false and defamatory with the sole aim and intention of wrecking vengeance and harming the appellant and to tarnish the reputation and goodwill of appellant, which was built up over the past 20 years.

25. It therefore filed the suit in November, 2020 against respondent for a perpetual injunction restraining respondent from making false, frivolous, defamatory and derogatory accusations and allegations against it by way of and in the letters, representations, e-mails and any other medium of communication stating that unless such injunction is granted, there is no way to stop the respondent from tarnishing its reputation.

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26. The appellant contended that it is also entitled to sue the respondent for damages for defamation and disrepute brought to it by his actions and is reserving its right to initiate appropriate proceedings, and that it has also filed an application under Order II Rule 2 C.P.C. to reserve its right in that regard.

27. The appellant filed I.A.No.486 of 2020 under Order XXXIX Rule 1 and 2 C.P.C. for grant of an ex parte temporary injunction to restrain the respondent, his agents, henchmen and any other persons acting under him or claiming through him from making false, frivolous, defamatory and derogatory accusations and allegations against the appellant by way of and in the form of letters, representations, e-mails and any other medium of communication.

28. It reiterated the contents of the plaint and alleged that the facts and documents relied upon by it establish strong prima facie case in its favour against the respondent and balance of convenience also lies in its favour. In case, temporary ex parte ad interim injunction is not granted in its favour against the respondent, it would suffer irreparable loss and grave injury.

Counter-affidavit filed by respondent :

29. The respondent filed counter-affidavit opposing grant of interim relief to the appellant stating that the intention of the appellant is only MSR,J & TA,J ::9:: cma_141_2021 to harass him and stop him from reporting corporate crime of Rs.850 crores banking fraud which the appellant had allegedly committed.

30. He stated that the appellant cannot seek injunction against him restraining him from reporting a crime to the statutory authorities, and any such restraint violates his right to free speech, the rights enumerated under the Cr.P.C. and Section 41 of the Specific Relief Act, 1963.

31. He alleged that the NSL Group owes huge amounts of debts to banks and financial institutions and there are cases that are pending investigation by various authorities including the Income Tax authority for evasion of tax; that respondent had discovered foul play of appellant where they have duped banks and farmers alike to the tune of Rs.850 crores and therefore the appellant is filing false and frivolous cases only to refrain the respondent from reporting their foul play to government authorities; that appellant is a group company of Mandava Holdings Pvt. Ltd., and the group including the appellant company has defaulted huge amount of loans to various public sector banks due to which the company was declared as a N.P.A (Non Performing Asset) and subsequently the company had to adopt a restructuring scheme; that appellant company has also defaulted in making payments to farmers due to which the farmers protested widely and the same is reported in the Press frequently.

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32. He further alleged that the respondent was inducted in the appellant company in the position of C.F.O. vide appointment letter dt.05.04.2017 and that the respondent was associated with appellant from 01.04.2007 to 12.04.2019; that at the time of induction, the respondent apart from agreeing to the terms of employment also signed a Non Disclosure Agreement (NDA) dt.02.06.2017; that the respondent had always complied with the terms of employment and the NDA; that it had submitted that the NDA did not lay an embargo on the respondent to report a fraud to the government authorities and therefore the respondent has not violated any of the terms of the said NDA; that none of the professional and business standards refrained the respondent from reporting a corporate fraud that appellant company has committed to the governmental authorities.

33. He also alleged that the respondent never violated any of the provisions of the said Non-Disclosure Agreement and that the said Non-Disclosure Agreement never put any embargo on the respondent refraining him from reporting a corporate fraud to the authorities. He denied that he betrayed the trust of appellant company and committed large scale financial irregularities, misappropriated crores of rupees of crucial money belonging to appellant company, committed breach of trust, defrauded the appellant company, cheated appellant company and indulged in criminal conspiracy.

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34. According to him, the internal enquiry report dt.16.04.2019 finding him guilty of financial irregularities and embezzlement of funds., cannot be accepted and there are several lacunae in the said enquiry report, and he is not dealing with the same as it would hamper and affect his defence in criminal proceedings.

35. According to him, there is no evidence to back up the allegations leveled against him by the appellant.

36. He also contended that even the special audit report dt.17.04.2019 had no sanctity as it was conducted by employees of the appellant and has no evidentiary value.

37. According to him, the disciplinary enquiry conducted by the retired District and Sessions Judge and the enquiry report dt.23.10.2019 given by him on the basis of which he was dismissed from service on 31.10.2019, do not bind him because there were several infirmities in the report and the enquiry officer did not examine any witness and there is no evidence produced to show that consultants have given money to the respondent. He alleged that there were violation of principles of natural justice and the enquiry is not independent and impartial.

38. He also gave several reasons why his conduct cannot be found fault with by the respondent and why he was entitled to make complaints to various authorities regarding alleged banking fraud

committed by the appellant, and duping of farmers by it. He also MSR,J & TA,J ::12:: cma_141_2021 contended that the criminal cases filed against him by the appellant and its sister concern have no substance and were filed only to harass him.

39. According to him, he did not pass on any sensitive information to any one for his personal benefit, but has only brought out the wrong doings of the appellant to the notice of statutory authorities thereby effectively reporting a crime, and the same cannot be termed as data theft. According to him, reporting details of the fraud committed by the appellant to Governmental and Statutory authorities would not violate any of the terms of employment or the non-disclosure agreement as he had not shared any data with any private parties. According to him, his complaints to Statutory and Government authorities are backed by cogent evidence and he is ready and willing to provide it to them as and when required.

40. He alleged that basing on his representation, various statutory authorities started investigation of the appellant and also requested appellant to provide certain information and he had provided the same; and in order to stop him from handing over proof to the Statutory and Governmental authorities, the appellant is harassing him by filing multiple cases on the same set of facts.

41. According to him, he raised the issue of irregularities in the appellant company and brought the same to the notice of the Board of it's Directors in the 143rd Board meeting held on 28.06.2018, and in MSR,J & TA,J ::13:: cma_141_2021 spite of the same, the appellant failed to take corrective action, and so the respondent was constrained to approach the Government authorities.

42. He denied that his intention was to sling mud against the appellant without any reason only with an ill intention to defame, tarnish its image and that because of such illegal acts of the respondent, many people were reluctant to deal with the appellant in business.

Rejoinder filed by the appellant :

43. The appellant filed a rejoinder to the counter filed by the respondent denying all the allegations leveled against it. It submitted that the respondent has not produced any evidence to prove the allegation of fraud of Rs.850 crores before any authority, agency or department; that Section 41 of the Specific Relief Act, 1963 would not apply to the facts of the present case since respondent sought injunction from making further false, defamatory and derogatory statements against the company; that appellant sought relief to a limited extent and not a vague one seeking a blanket ban on the respondent; that respondent is indulging in such practices with an intention to target the reputation of appellant company with a mala fide intention; that the company's image and reputation and goodwill was tarnished by the letters, complaints addressed by the respondent with frivolous acquisitions; that the goodwill of a corporate entity is MSR,J & TA,J ::14:: cma_141_2021 also sacrosanct as that of an individual which has to be protected; that the appellant company, for the last 20 years, had built up a formidable reputation in the society which is being tarnished by the respondent which needs to be protected by granting injunction against the respondent; and therefore, prayed for grant of temporary injunction, pending disposal of the suit.

The order dt.19.01.2021 in I.A.No.486 of 2020 in O.S.No.252 of 2020 passed by the Court below :

44. Before the Court below, the appellant filed Exs.P.1 to P.43, and the respondent filed Exs.R.1 to R.4.

45. Initially, on 30.12.2020, the Court below had granted an interim order and ultimately after hearing both sides, dismissed I.A.No.486 of 2020.

46. After referring to the contentions of the parties and the judgments cited by the parties, the Court below observed that the judgments cited by the appellant are not applicable to the instant case in view of the fact that the complaints, letters and representations of the appellant are pending consideration and they are not indicated as false, frivolous or defamatory; and till they are decided and adjudicated as false, the respondent cannot be said to have made false and frivolous complaints to defame the reputation of the appellant- Company through his letters.

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47. It also alleged that whatever letters had been issued by the respondent, they had not been published in the Press or in any media which prima facie shows that the respondent had no intention to cause disrepute of the appellant; and complaint made against each other by the parties are pending adjudication. It stated that it cannot go into the merits of the letters / complaints and other proceedings to decide their nature.

48. It then referred to the decisions cited by the respondent and observed that they would apply, and a complaint made to a lawful authority is not actionable if it is not defamatory per se unless it is established that the complaint is false and defamatory.

49. It then referred to Sections 41(b) & (d) of the Specific Relief Act, 1963 and observed that the appellant is not entitled for injunction to restrain the respondent from initiating legal proceedings, and it can file a suit for damages in the event the respondent is found to have filed false and frivolous complaints and defamed the appellant; that balance of convenience is in favour of the respondent; and no irreparable injury would be caused to the appellant if injunction is not granted during the pendency of the suit.

The present C.M.A.

50. Assailing the same, the present Appeal is filed.

51. Heard, Sri A. Venkatesh, counsel for appellant and Sri R. Sushanth Reddy, counsel for the respondent.

52. The counsel for appellant contended that the order of the Court below is contrary to law, that the appellant had only sought to restrain the respondent from making false, frivolous, defamatory and derogatory allegations against it, and has not sought to restrain him from approaching any court of Law or restrain him from instituting or prosecuting any proceeding in a criminal matter, and so, the bar under Section 41 (b) and (d) of the Specific Relief Act, 1963 is not applicable.

53. He also relied on the report dt.07.09.2019 (Ex.P.37) of the Commissioner for Cane Development and Director of Sugar, Government of Karnataka that the appellant had not sold over and above the quota of sugar over and above the quota allotted by the Government of India, and Minutes of Meeting Ex.P.38 dt.11.02.2020 of the Consortium of Bankers that the Financial Institutions had arrived at a consensus that there was no diversion of funds / fraud as per the Forensic Audit Report.

Counsel for appellant contended that the above documents show that the respondent was indulging in mud-slinging and maligning the reputation of the respondent to force the appellant to withdraw the cases filed against him and so ought to have granted injunction in favour of the appellant.

He also contended that merely because there is no publication of the complaints made by the respondent against the appellant in the MSR,J & TA,J ::17:: cma_141_2021 Press or in any media, it cannot be presumed that the respondent has no such intention to defame the company, and that he will not make any further complaints.

He also contended that the Court below was not right in holding that the appellant can file a suit for damages for defamation if the complaints of the respondent are adjudicated to be false and frivolous.

54. Sri R. Sushanth Reddy, counsel for respondent, refuted the above contentions and supported the order passed by the Court below. According to him, the court below had rightly applied Section 41(b) and (d) of the Specific Relief Act, 1963 to deny interim relief to the appellant. He denied that informing governmental or statutory authorities of the fraud committed by the appellant can be termed as 'defamatory' and stated that till the contents of the complaints made by the respondent against the appellant are found to be false, there was no cause of action to file the suit.

Consideration by the Court :

55. We have noted the contentions of both sides.

56. While it is true that freedom of speech and expression is a fundamental right guaranteed under Article 19(1)(a) of the Constitution of India, the said right is not absolute, and as per Sub- Clause (2)

of Article 19, it would not protect defamatory statements.

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57. Reputation of an individual or an institution is equally valuable like any other asset. In *Som Mittal v. Govt. of Karnataka*¹, the Supreme Court declared:

"The reputation of a person is a valuable asset for him just as in law the goodwill of a firm is an intangible asset. In *The Gita* Lord Krishna said to Arjun:

For a self-respecting man, death is preferable to dishonour.

(*The Gita*, Chapter 2, Shloka 34)"

58. This was reiterated in *Deepak Bajaj v. State of Maharashtra*.²

59. The fact that Companies also have a right of reputation which is to be protected has received statutory recognition in Explanation No.2 to Sec.499 IPC defining the offence of "defamation".

60. It states:

"499. Defamation.--Whoever, by words either spoken or intended to be read, or by signs or by visible representations, makes or publishes any imputation concerning any person intending to harm, or knowing or having reason to believe that such imputation will harm, the reputation of such person, is said, except in the cases hereinafter expected, to defame that person.

Explanation 1 :...

Explanation 2.--It may amount to defamation to make an imputation concerning a company or an association or collection of persons as such."

(2008) 3 SCC 753, at page 767 (2008)16 SCC 14 MSR,J & TA,J ::19:: cma_141_2021

61. In *Reliance Petrochemicals Ltd. v. Proprietors of Indian Express Newspapers Bombay (P) Ltd*³, the Supreme Court considered the question of continuance of an injunction granted by it to restrain the respondents from publishing in the press certain allegations regarding the publication of articles, comments and reports on the validity or legality of the various consents, approvals and permissions obtained by Reliance in relation to the debenture issue. While holding on facts that there is no such necessity to continue the injunction granted by it earlier, the Supreme Court said:

"34. We must see whether there is a present and imminent danger for the continuance of the injunction. It is difficult to lay down a fixed standard to judge as to how clear, remote or imminent the danger is. The order passed on 19-8-1988 as reiterated on 25-8-1988 stated that there must be no legal impediment in the issue of the debentures or in the progress of the debentures, taking into account the overall balance of convenience and having due regard to the sums of money involved and the progress already made. It is necessary to reiterate that the continuance of this injunction would amount to interference with the freedom of press in the form of preventive injunction and it must, therefore, be based on reasonable grounds for the sole purpose of keeping the administration of justice unimpaired. In the words of Mr Justice Brandeis of the American Supreme Court concurring in *Charlotte Anita Whitney v. People of the State of California*⁴ there must be reasonable ground to believe that the danger apprehended is real and imminent. This test we accept on the basis of balance of convenience. This Court has not yet found or laid down any formula or test to determine how the balance (1988) 4 SCC 592, at page 615 :

71 L Ed 1095 1106 MSR,J & TA,J ::20:: cma_141_2021 of convenience in a situation of this type, or how the real and imminent danger should be judged in case of prevention by injunction of publication of an article in a pending matter. In the context of the facts of this case we must judge whether there is such an imminent danger which calls for continuance of the injunction...."

62. Thus the test of 'imminent danger' is prescribed for application in cases where an injunctive relief is sought in relation to publication of defamatory articles.

63. So it cannot be disputed that the appellant company has a right to approach a court and seek injunction to restrain the respondent who is allegedly making defamatory statements which are alleged to be false.

64. Next, it is important to note that the suit filed by the appellant against the respondent is not for damages for alleged defamatory statements / complaints made by the respondent against the appellant company, but is a suit seeking perpetual injunction restraining the respondent from making defamatory or derogatory accusations against the appellant company. The appellant has reserved its right to seek damages in future against the appellant for the letters / complaints already made in 2019 by the respondent against the appellant to various governmental or statutory authorities.

65. In our opinion, the Court below ought to have looked at the conduct of the respondent who was facing several criminal complaints filed by the appellant in regard to his conduct when he was employed MSR,J & TA,J ::21:: cma_141_2021 as C.F.O. in the appellant-Company such as Exs.P.14, P.16, P.20, P.21, P.23, P.24 and also Ex.P.8-Report dt.16.04.2019 of the enquiry committee on financial irregularities committed by the respondent; and also the fact that the complaints Exs.P.25 to P.37 made by the respondent are all subsequent to the complaints made to the police by the appellant. Thus there is prima facie evidence of the respondent having animosity and ill will towards

the appellant and it is possible that he made the complaints to the Governmental or Statutory authorities with motive to malign the appellant.

66. There is till date, no material produced by the respondent that his complaints were found to have any merit though almost 2 years have elapsed since his complaints were sent.

67. On the other hand the appellant relied on (a) Ex.P.38 Minutes of Meeting of Consortium of Bankers of the appellant dt.11.02.2020 giving a clean chit to the appellant by stating that there was no diversion of funds / fraud as per the forensic audit report received by them and (b) that even the Cane Commissioner of Karnataka in his letter dt.07.09.2019 (Ex.P.37) to the Joint Secretary, Government of India, Ministry of Consumer Affairs, Food and Public Distribution, to whom complaint had been made by the respondent about excess billing by appellant more than monthly quota / irregularities in sale of sugar by the appellant was referred to, stated that the appellant had not MSR,J & TA,J ::22:: cma_141_2021 sold over and above the quota allotted to it by the Government of India.

These facts show that the allegation of respondent that the appellant has committed bank fraud or cheated the farmers or the Government is not prima facie true.

68. In this back ground of facts, in our opinion, there is real and substantial danger that the respondent may make in future similar allegations even in press or electronic media or social media. The fact that he has not done so till date, is not a guarantee that he will not do so in future. In such an event, the reputation of the appellant in the business circles is likely to suffer substantial detriment and might lead to loss of business. Such loss cannot be accurately assessed in terms of damages even if the appellant were to later seek damages for loss of reputation/defamation.

69. Admittedly, the appellant has not sought for any interim injunction restraining the respondent from instituting or prosecuting any proceeding in a Court not subordinate that from which the temporary injunction is sought in this I.A. or to restrain the respondent from instituting or prosecuting any proceeding in a criminal matter. But the Court below in para 5 and 31 of it's order proceeded on this basis erroneously and denied interim relief to the appellant.

70. Therefore, we are of the opinion that the order passed by the Court below cannot be sustained.

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71. The Appeal is partly allowed; and a temporary injunction is granted restraining the respondent, his agent, henchmen and any other person acting under him from making false, frivolous, defamatory and derogatory accusations and allegations against M/s. NSL Sugars Limited by way of and in the form of letters, representations, e-mails and any other medium of communication, except

in the form of a criminal complaint. The respondent is also permitted to furnish to the Government and statutory authorities to whom he has already lodged complaints against the appellant, evidence in support of his allegations. No costs.

72. Consequently, I.A.No.1 of 2021 in Civil Miscellaneous Appeal No.141 of 2021 is allowed.

73. As a sequel, miscellaneous petitions pending if any, in this Appeal, shall stand closed.

----- M . S . R A M A C H A N D R A R A O , J
_____ T. AMARNATH GOUD, J Date: 02.06.2020 Ndr