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* IN THE HIGH COURT OF DELHI AT NEW DELHI

% *Reserved on: 30th January, 2026*
Pronounced on: 24th March, 2026

+ **RFA 847/2024, CM APPL. 71003/2024, CM APPL. 71006/2024**

ROHAN BOOK COMPANY PRIVATE LIMITEDAppellant
Through its Authorized Representative
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Through: Ms. Aishwarya Raj, Advocate

Versus

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Through: Mr. Anshul Sharma, Advocate

CORAM:
HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

J U D G M E N T

NEENA BANSAL KRISHNA, J.

CM APPL. 71003/2024 (delay of 132days in filing the appeal)



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1. This application has been filed seeking condonation of delay of 132 days in filing the Appeal.
2. For the reasons stated in the Application, the delay of 132 days in filing the Appeal, is condoned.
3. The Application is disposed of, accordingly.

CM APPL. 71006/2024 (delay 18 days in re-filing appeal)

4. This Application has been filed seeking condonation of delay of 18 days in re-filing the Appeal.
5. For the reasons stated in the Application, the delay of 18 days in re-filing the Appeal, is condoned.
6. The said Application is disposed of, accordingly.

RFA 847/2024:

7. The Regular First Appeal under Section 96 read with Order XLI of the Code of Civil Procedure, 1908 (*hereinafter referred to as "CPC"*) has been preferred by the Appellant challenging the Order dated 08.02.2024, of the *learned Additional District Judge, Delhi*, whereby the Suit of the Appellant seeking damages for defamation, was *rejected under Order VII Rule 11(a) of the CPC*, as not disclosing any ***cause of action***.
8. A Civil Suit bearing CS No. 950/2023, was filed by the plaintiff/Appellant, seeking damages in the sum of Rs. 10,00,000/-, on account of ***defamation***.
9. ***Briefly stated***, the averments made in the Suit were that the Appellant/Plaintiff, Rohan Book Company Pvt. Ltd., is a Company engaged in the business of publication and distribution of books across Delhi and other parts of the country. The Respondent/Defendant was issued an



Appointment letter dated 16.08.2019 for the post of Zonal Sales Manager, which was accepted by the Respondent on 06.09.2019. The Respondent also executed a ***Non-Disclosure Agreement, Non-Compete Agreement, Non-Solicitation Agreement and an Employment Bond*** dated 16.08.2019, in favour of the Appellant Company.

10. Under the terms of Appointment the responsibilities of the Respondent included developing and maintaining relationships with schools within his assigned zone and reporting to the Accounts Department regarding monies received from such clients. He was placed on Probation and his employment was never confirmed.

11. According to the Appellant, during the course of his employment, the Respondent began neglecting his duties and failed to comply with various obligations stipulated in the Appointment Letter, including submission of weekly work Reports and adherence to the Company's protocols. Complaints were also allegedly received by the Management regarding instances of misbehaviour by the Respondent with female employees.

12. In March, 2020, due to the outbreak of the **COVID-19 pandemic**, the Appellant's business operations were severely affected. Consequently, by Letter dated **11.05.2020**, the Appellant informed its employees including the Respondent, that their salaries would be temporarily reduced. The Respondent acknowledged the same and continued to work, under the revised salary structure.

13. On 28.11.2020, the Plaintiff came to know, that the Respondent/Defendant had met representatives of competing Companies, including Next Education India Pvt. Ltd. and Orange Education, and had disclosed confidential information relating to the Appellant's clientele and



business practices.

14. Upon receiving this information, the Appellant convened a Meeting with the Respondent on 01.12.2020, during which he was confronted with the allegations regarding disclosure of confidential information and his declining work performance.

15. On 02.12.2020, the Respondent addressed an email to the Management of the Plaintiff and was also marked to Nitin, an employee of the Appellant, seeking clearance of his alleged pending salary and travelling allowances with effect from 01.03.2020, stating that he was facing financial difficulties and would be able to perform his official responsibilities effectively, only after receipt of the outstanding dues. The Respondent also referred to the difficulties caused during the COVID-19 pandemic and expressed grievance regarding the manner in which he was treated in the office.

16. The Appellant/Plaintiff asserted that the Respondent had earlier acknowledged the Appellant's communication dated 11.05.2020, whereby he had been informed of a reduction in salary on account of the closure of business activities during the COVID-19 pandemic, and had continued to work thereafter. According to the Appellant, the said communication amounted to a resignation, without serving the mandatory Notice period.

17. The Appellant thereafter, called upon the Respondent to report to the office on 03.12.2020 to hand over Company documents and assets; however, he allegedly failed to do so.

18. The Plaintiff asserted that the Respondent began communicating with certain employees of the Appellant, namely, Deepali Mahajan, Gulzar Khan and Anup Bhardwaj, with a view to mislead and influence them, against the



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Appellant and its management.

19. It was further alleged that the Respondent made *defamatory and derogatory statements against the Appellant firm and its Directors*. The Appellant claimed to have learnt from other employees, that the Respondent *had been contacting them and making such statements with the intent to lower the reputation of the Appellant and its management*.

20. In view of the above, the Appellant issued a **Legal Notice dated 05.12.2020** asking the Respondent, to cease making defamatory communications. Despite receipt of the said legal Notice, the Respondent continued to make derogatory statements against the Appellant and its Directors and communicated the same to employees of the Appellant as well as to competing Companies.

21. The Appellant also alleges that the Respondent, in his email dated **14.12.2020** sent in response to the Legal Notice, admitted that he was in contact with certain former employees of the Appellant Company. The Respondent also sent complaints through email, to the **District Magistrate, Ghaziabad**, the **Chief Judicial Magistrate, Ghaziabad**, as well as to the **Labour Authorities**, making false allegations against the Appellant and its Director, and circulated copies of such communications to employees of the Appellant company.

22. The Appellant claimed that by making such allegations and communications to employees, clients, authorities and other stakeholders, the Respondent had damaged the reputation and goodwill of the Appellant Company, which had been built over several years in the publication and distribution sector.

23. The Plaintiff/Appellant thus, instituted a Suit for damages of



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₹10,00,000 on 21.01.2021 before the Court of the learned Additional District Judge, Delhi.

24. The Suit was initially registered as *CS No. 73/2021*, however, *vide* Order dated 09.02.2021, the learned Additional District Judge directed that the matter be placed before the learned Principal District & Sessions Judge for determination as to whether the Suit was of a commercial nature. Thereafter, *vide* Order dated 16.02.2021, it was directed that the matter be filed as a commercial Suit.

25. The Suit was sent to Commercial Court and registered as *CS (Comm.) No. 94/2021*. Subsequently, the Respondent filed an *Application under Order VII Rule 11 CPC*. By Order dated 02.03.2023 passed in, the learned District Judge, Commercial Court-01, held that the Commercial Court lacked jurisdiction and returned the Complaint under Order VII Rule 10 of CPC for presentation before the court of competent jurisdiction.

26. Pursuant thereto, the complaint was presented before the learned Additional District Judge, Shahdara District and registered it as **CS No. 950/2023** titled "*Rohan Book Company Pvt. Ltd. v. Sachin Tyagi*".

27. The learned Trial Court, in the **Impugned Order dated 08.02.2024**, held that averments made in the complaint, did not disclose *cause of action for defamation* and that permitting the suit to proceed would amount to an abuse of the process of the Court, and ***the Suit was rejected***.

28. Aggrieved by the aforesaid Order, the present **Appeal has been preferred by the Appellant**. The ***grounds of challenge*** are that the learned Trial Court erred in holding that no serious allegation amounting to defamation, was made against the Appellant. According to the Appellant, the Complaint disclosed that the Respondent had spread false and derogatory



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remarks against the Appellant Company and its directors amongst its employees, competitors and clients, thereby causing damage to the Appellant's business and reputation.

29. It is further urged that the ingredients of **defamation** as envisaged under Section 499 of the Indian Penal Code, 1860 (*hereinafter referred to as "IPC"*), namely *publication of an imputation, falsity of such imputation, and knowledge of its harmful effect*, stand satisfied from the averments in the plaint.

30. The Appellant asserts that the plaint, when read as a whole, discloses a cause of action inasmuch as the Respondent was in touch with employees, clients, and competitors of the Appellant and allegedly made false imputations with an intent to harm its reputation.

31. Reliance is placed on an earlier Order dated 02.03.2023, passed in CS (Comm.) No. 94/2021, wherein the learned District Judge had observed that *the cause of action persisted in favour of the plaintiff for claiming damages of ₹10 lakhs*. It is urged that the Impugned Order dismissing the Suit as frivolous and vexatious, was passed without adequate reasoning.

32. The Appellant has relied upon the decisions of the Hon'ble Supreme Court in Kamala & Ors. vs. K.T. Eshwara Sa & Ors 2008 12 SCC 661, Liverpool & London S.P. & I Association Ltd. vs. M.V. Sea Success I&Anr. 2004 9 SCC 512 and Hardesh Ores (P.) Ltd. v. Hede & Co. 2007 5 SCC 614, to contend that for the purpose of Order VII Rule 11 CPC, the plaint must be read as a whole and its averments treated as correct at that stage, without embarking upon an enquiry into the truth of the allegations.

33. It is submitted that the learned Trial Court contrary to the settled law, erred in examining the merits of the plaint, instead of confining itself to



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whether the plaint disclosed a cause of action.

34. The Appellant, thus, seeks setting aside of the Impugned Order dated 08.02.2024.

Submissions heard and record perused.

35. The short question which arises for consideration in the present Appeal is: *whether the plaint, read as a whole and assuming the averments therein to be correct, disclose a cause of action for defamation*, so as to warrant interference with the Order passed by the learned Trial Court, rejecting the Plaint under Order VII Rule 11(a) CPC.

36. It is well settled that while considering an Application under Order VII Rule 11 CPC, the Court must confine its examination to the averments contained in the plaint and the documents relied upon therein. The defence taken by the Defendant is not to be examined, at this stage. The Supreme Court in Hardesh Ores (P) Ltd. (supra) explained that the Plaint can be rejected only when on a meaningful reading of the averments, without addition or subtraction, the Court finds that no cause of action is disclosed.

37. In order to constitute a cause of action for defamation, as envisaged under section 499 IPC, the Plaint must disclose *firstly*, the existence of a defamatory imputation, *secondly*, that such imputation refers to the Plaintiff, and *thirdly*, its publication to a third party is done in a manner capable of lowering the reputation of the Appellant/Plaintiff in the estimation of others.

38. A careful reading of the plaint along with the documents relied upon therein, indicates that the case of the Appellant is essentially founded on allegations of misconduct arising out of the employment relationship, which have been sought to be clothed as a claim for defamation. The series of



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allegations attributed to the Respondent, may be broadly summarised as under:

- i) The Respondent's *work performance had declined* and he failed to discharge his obligations under the Appointment Letter;
- ii) The Respondent/Defendant met representatives of competing Companies, including *Next Education India Pvt. Ltd.* and *Orange Education*, and *disclosed confidential information* relating to the Appellant's clientele and business practices;
- iii) The Respondent began communicating with certain employees of the Appellant, namely *Deepali Mahajan, Gulzar Khan and Anup Bhardwaj*, with a view to mislead and influence them, against the Appellant and its management;
- iv) The Respondent made defamatory and derogatory statements against the Appellant firm and its Directors and *contacted employees with the intent to lower the reputation* of the Appellant and its management;
- v) Lastly, despite receipt of a Legal Notice dated 05.12.2020 calling upon him to desist from making defamatory communications, the Respondent continued to make derogatory statements against the Appellant and its Directors and communicated the same to employees of the Appellant as well as to competing Companies.

39. With respect to allegation (i), regarding decline in work performance and failure to discharge obligations under the Appointment Letter, it relates purely to the *inter se* employment relationship between the parties. These assertions neither constitute nor disclose any imputation capable of lowering



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the reputation of the Appellant, in the estimation of third parties.

40. The allegation (ii) is *that the Respondent met representatives of competing Companies, including Next Education India Pvt. Ltd. and Orange Education, and disclosed confidential information*, the plaint relies upon the Appointment Letter and the accompanying Agreements, including the Non-Disclosure Agreement, Non-Compete Agreement, Non-Solicitation Agreement, etc. to substantiate this allegation. Even if the said allegation is assumed to be correct, it pertains to an alleged breach of confidentiality and contractual obligations arising out of the employment relationship and such conduct does not, by itself, disclose any defamatory imputation. *At best, it may give rise to contractual or employment-related claims, but does not disclose any defamatory imputation published to a third party so as to constitute a cause of action for defamation.*

41. The allegation (iii), is *that the Respondent communicated with certain employees of the Appellant, including Deepali Mahajan, Gulzar Khan and Anup Bhardwaj, with a view to mislead or influence them.*

42. These allegations are not supported by any particulars. The Plaint does not disclose what was communicated, to whom it was communicated, or in what context. The plaint, fails to disclose the contents or substance of any such communication. Mere contact or communication with employees, ***in the absence of specific defamatory statements***, does not constitute publication of a defamatory imputation to a third party.

43. The email dated 02.12.2020, relied upon by the Appellant, merely raises issues relating to pending salary and allowances and reflects personal grievances of the Respondent.



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44. The Appellant itself relied upon the Reply dated **14.12.2020** sent by the Respondent in response to the Legal Notice dated **05.12.2020**, to assert that the Respondent himself admitted that he was in contact with certain former employees of the Appellant Company.

45. The Appellant has placed reliance on para 8 of the Reply, wherein the Respondent stated:

“Point 8: I have never used any vulgar language with any of your employees ever, but do not worry I'll give you proof that how professionally you and your other stakeholders behaves. I'll also show you how your old employees use pathetic language for you.”

46. The Reply dated 14.12.2020, on a plain reading, contains a denial of allegations levelled against the Respondent and raises grievances relating to his employment, including non-payment of dues. The contents of the Reply do not disclose any statement capable of lowering the reputation of the Appellant or its Directors in the estimation of others. It primarily reflects disputes arising out of the employment relationship between the parties.

47. The mere fact that the Respondent was in contact with former employees does not, by itself, disclose any defamatory imputation or publication capable of lowering the reputation of the Appellant. In law, there is nothing to prevent an employee from remaining in touch with former colleagues, and such contact, *without the pleading of particular defamatory words or their publication to third parties*, cannot constitute defamation.

48. In relation to *allegations (iv) and (v)*, namely that *the Respondent made defamatory and derogatory statements against the Appellant and its Directors, contacted employees and competitors to lower its reputation, and*



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continued to do so even after receipt of the Legal Notice dated 05.12.2020, the Plaintiff fails to disclose the necessary particulars.

49. The Appellant has relied upon the Legal Notice dated 05.12.2020, the Reply dated 14.12.2020, the email dated 02.12.2020 and the alleged Complaints addressed to public authorities. ***However, no specific statement, imputation, or words alleged to be defamatory have been set out or reproduced, either in the plaint or in any of the aforementioned documents.***

50. The Legal Notice dated 05.12.2020 sets out the allegations of the Appellant and cannot, by itself, establish any defamatory communication by the Respondent.

51. Likewise, the alleged complaints addressed to the District Magistrate, Chief Judicial Magistrate and Labour Authorities, have neither been reproduced nor particularised in the plaint. **The Defendant/ Respondent, on the other hand, has annexed the same, but they cannot be looked into at this stage in view of Order VII Rule 11 CPC.** In any event, communications made to lawful authorities in the course of raising grievances, ordinarily fall within the ambit of qualified privilege, unless specific malice is pleaded. The Plaintiff, however, does not contain any pleading of malice nor does it disclose how such Complaints would per se, constitute defamatory imputations. The mere fact that Complaints were made to public authorities cannot, by itself, give rise to a cause of action for defamation.

52. The Appellant alleges that the Respondent spoke to employees of the Company with the intent to mislead and influence them, approached certain clients and made complaints to authorities. Yet, the plaint ***does not***



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reproduce the contents of any such email, complaint or communication.

No specific clients are named and no date-wise defamatory statements, are extracted. In the absence of precise statements and particulars of their publication, the essential ingredients of defamation are not disclosed from the pleadings. Though certain individuals have been named, the plaint does not set out or reproduce what was allegedly communicated to them, nor are any such statements annexed. A bare assertion that “***defamatory and derogatory statements***” were made, without specifying the words used or showing how they were conveyed to a third party, is insufficient in law to sustain a cause of action for defamation.

53. Furthermore, the reliance placed by the Appellant on Kamala & Ors. (supra) and Liverpool & London S.P.(supra), does not advance its case. While those decisions reiterate that the averments in the plaint must be taken as correct at the stage of Order VII Rule 11 CPC, they equally require that the plaint must nonetheless, disclose a cause of action. In the present case, even assuming the averments in the Plaint to be true, the essential ingredients of defamation are not made out.

54. The reliance placed by the Appellant on the Order dated 02.03.2023 passed in CS (Comm.) No. 94/2021, is also misconceived. The said Order merely directed return of the Plaint on the ground that the Commercial Court lacked jurisdiction to entertain the Suit. Any observation made therein regarding the subsistence of a cause of action, was only incidental to the issue of jurisdiction and was not a conclusive determination that the Plaint disclosed a legally sustainable claim for defamation. The observations made *vide* Order dated 02.03.2023, ***were neither final nor determinative of the***



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existence of a legally sustainable cause of action, and were made only in the context of deciding the issue of jurisdiction.

55. ***To sum up***, apart from the bald assertion of reputational injury, no particulars are provided regarding loss of clients, cancellation of contracts, revenue decline, or any specific financial injury suffered by the Appellant. In cases alleging injury to corporate reputation, ordinarily at least some factual foundation demonstrating reputational or commercial harm, must be disclosed.

56. Upon a meaningful reading of the plaint, along with the documents relied upon therein, this Court finds that the allegations are ***vague and general in nature*** and devoid of the necessary particulars required to constitute a cause of action for defamation. The plaint neither discloses the ***precise defamatory statements*** allegedly made by the Respondent, nor how such statements were allegedly published, or the manner in which the reputation of the Appellant was harmed.

57. ***The pleadings oscillate between allegations of misconduct and assertions of defamation, but never descend into the concrete particulars required to sustain a cause of action in law.***

58. Even if the averments contained in the Plaint are assumed to be correct, the essential ingredients necessary to constitute a cause of action for defamation, are not disclosed.

59. The learned Trial Court rightly applied the principle laid down in T. Arivandandam v. T.V. Satyapal (1977) 4 SCC 467, that clever drafting cannot substitute for a clear right to sue, and that vexatious pleadings must be nipped in the bud. The Plaint, even if taken at face value, does not disclose a cause of action in law.



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60. The learned Trial Court was therefore, justified in concluding that the Plaintiff did not disclose a cause of action and in rejecting the same under Order VII Rule 11 CPC.

Conclusion:

61. In view of the foregoing discussion, this Court finds no infirmity in the Impugned Order dated 08.02.2024 of the learned Additional District Judge, in rejecting the Suit of the Plaintiff/Appellant.

62. **The Appeal is accordingly, dismissed.** Pending Applications, if any, are also disposed of.

(NEENA BANSAL KRISHNA)
JUDGE

MARCH 24, 2026
JYH