

**DALAM MAHKAMAH PERSEKUTUAN MALAYSIA**

**(BIDANG KUASA RAYUAN)**

**RAYUAN SIVIL NO: 02-4-2004 (P)**

ANTARA

1. JOCELINE TAN POH CHOO
2. THE GROUP EDITOR, NEW STRAITS TIMES ... PERAYU-
3. THE NEW STRAITS TIMES PRESS (M) BHD ... PERAYU

DAN

V. MUTHUSAMY ... RESPONDEN

[ Dalam Perkara Mahkamah Rayuan Malaysia di Kuala Lumpur  
(Bidang Kuasa Rayuan) Rayuan Sivil No. P-02-854-2000

Antara

1. Joceline Tan Poh Choo
2. The Group Editor, New Straits Times ... Perayu-
3. The New Straits Times Press (M) Bhd. ... Perayu

Dan

V. Muthusamy ... Responden ]

( Dalam Perkara Mahkamah Tinggi Malaya di Pulau Pinang  
Guaman Sivil No. 22-147-1992

Antara

V. Muthusamy ... Plaintiff

Dan

1. Joceline Tan Poh Choo
2. The Group Editor, New Straits Times ... Defendan-
3. The New Straits Times Press (M) Bhd. ... Defendan )

Coram: RICHARD MALANJUM, CJSS  
ALAUDDIN MOHD SHERIFF, FCJ (now CJM)  
ABDUL AZIZ MOHAMAD, FCJ  
HASHIM YUSOFF, FCJ  
AZMEL MAAMOR, FCJ

### **JUDGMENT OF THE COURT**

1. By this motion the respondent, who is an advocate and solicitor, relying on rule 137 of the Rules of the Federal Court 1995, applies to have reviewed and set aside a decision of this court of 3 March 2004 and another of 13 May 2005. By the latter decision this court allowed the appeal of the appellants against the decision of the Court of Appeal dismissing the appellants' appeal against the decision of the High Court in favour of the respondent in a defamation action brought by the respondent against the appellants. The earlier decision was a decision granting the appellants leave to appeal to this court. In paragraph 13 of their written submission the appellants agree, as the respondent contends, that, as reflected in rule 137 and as this court held in *Chan Yock Cher v Chan Teong Peng* [2005] 4 CLJ 19 at 39 c, this court has inherent powers, in the words of the rule, "to hear any application or to make any order as may be necessary to prevent injustice or to prevent an abuse of the process of the Court" to the extent even of reviewing its own decisions, but the appellants contend that there has been no injustice or abuse of process involved in

either of those two decisions. To avoid confusion, from now on we will refer to the respondent as “the plaintiff” and the appellants as “the defendants” and the references to them in extracts from the judgments at the appeal stages of this case will be modified accordingly.

2. At the outset, we have to say that the question of reviewing the leave decision of 3 March 2004 does not merit consideration and will not be gone into. As for the appeal decision of 13 May 2005 the plaintiff has advanced various grounds to justify its review and setting aside but most of them do not merit consideration and will not be gone into. If the plaintiff succeeds in showing a case for a review of the appeal decision, he wants the defendants’ appeal to this court to be reheard by a differently constituted panel of this court.

3. The plaintiff’s defamation action arose out of an earlier action in the High Court at Penang in which one Paramasivam a/l Varatharajoo sued one Varlivell alias Vadiveloo s/o Varatharajoo, as the first defendant, and the plaintiff, as the second defendant, for various reliefs in connection with the transfer of Paramasivam’s land. 11 September 1991 was the first day of the trial of this earlier action, which will be referred to as “Paramasivam’s action”. Next day, 12 September, there appeared in the defendants’ newspaper, *The New Straits Times*, relative to the first day of

the trial, a report containing statements which became the subject of the plaintiff's defamation action. The statements may be summarized as a claim by Paramasivam that the plaintiff, a lawyer, whose photograph was published with the report, and Varlivell, a trader, had conspired to cheat Paramasivam, an illiterate man and the plaintiff's client, by allowing Paramasivam's land to be transferred to a businessman without his knowledge and permission. The report bore a heading in bold letters: "Lawyer and trader conspired to cheat me, claims driver".

4. The defendants' only defence was that the report was absolutely privileged by virtue of section 11(1) of the Defamation Act 1959, which, as far as material for the present motion, provides as follows:

“(1) A fair and accurate and contemporaneous report of proceedings publicly heard before any court lawfully exercising judicial authority within Malaysia ... shall be absolutely privileged ...”

To be qualified for absolute privilege under section 11(1), a report has to be, in the first place, the report of proceedings publicly heard before a competent court. That is the subject of the report. In the second place, it has to be fair and accurate and contemporaneous. That is the quality of the report. If it is not fair or not accurate or not contemporaneous, it fails as to quality and does not qualify for absolute privilege. If the report is not a report of proceedings publicly heard before a competent court, it fails as to subject and does not qualify for absolute privilege and the question as to

quality, whether it is fair, accurate or contemporaneous, does not arise and is irrelevant, or it does not matter whether it is or is not fair, accurate or contemporaneous. The question as to quality arises and is relevant or matters only if the report is the report of proceedings publicly heard before a competent court, that is, it qualifies as to subject.

### **The High Court judgment**

5. To appreciate the plaintiff's grounds for review that we consider merit consideration, it is necessary to examine the findings made respectively by the High Court, the Court of Appeal and this court. At the High Court, it would appear, from pages 12 and 14 of the grounds of judgment of Wan Adnan Mohamad J (now JCA), that the defendants, to justify their contention that the report was "of proceedings publicly heard" before the High Court, attempted to show, through the testimony of the first defendant (SD1), who was the reporter, that the report was of matters that came out in open court in the opening speech of Paramasivam's counsel, Mr. Karpal Singh (SD4), and through the trial judge's reference to the contents of the statement of claim.

6. At page 13, Wan Adnan Mohamad J referred to the reporter's admission that her "summary" was based on the statement of claim given to her by Paramasivam's counsel. At page 14 he said that the reporter's

evidence that the trial judge in Paramasivam's action referred to the statement of claim was unfounded and that he could not accept that there was an opening speech by Paramasivam's counsel. One might be inclined to conclude from this that the learned trial judge was going to find or was impliedly making a finding that the report was not of matters that came out in open court on 11 September 1991 and therefore, for the purposes of section 11(1), was not "of proceedings publicly heard" before the High Court. But at page 19 he asked the question whether what was reported was based on what happened in the proceedings (*"adakah apa yang direport tersebut berdasarkan apa yang berlaku dalam prosiding?"*). The answer that immediately followed was as follows:

*"... Dari keterangan yang ada jelas bahawa apa yang disiarkan dalam C1 adalah sebahagian sahaja. Ini diakui sendiri oleh defendan 1 yang dia buat report berasas apa yang kononnya dikata oleh SD4 dalam 'opening speech' dan juga dibuat summary daripada Statement of Claim. SD1 gagal untuk kemukakan nota summary yang asal bagi menunjukkan apa yang dicatat adalah contemporaneous.*

*Lagi pun pada pendapat saya report yang dibuat itu bukan 'fair and accurate' ..."*

(... From the evidence available it is clear that what was published in C1 was only a part. This was admitted by defendant 1 herself that she made the report based on what supposedly was said by SD4 in the opening speech and what was made a summary of from the Statement of Claim. SD1 failed to tender the original summary notes to show that what was noted down was contemporaneous.

Moreover in my opinion the report that was made was not fair and accurate ...)"

7. There was no clear and express answer and finding that the report was not of what transpired during the proceedings. The answer given was that it was clear from the evidence that what was published in the report was a part only (*adalah sebahagian sahaja*). What could that mean? Could it mean a finding that only a part of the report was of what transpired in court? But which part was it? It could not be the reference to the statement of claim allegedly made by the trial judge, because a finding had already been made that the reporter's evidence to that effect was unfounded. It could not be the opening speech, because there had already been an expression of inability to accept that there was an opening speech.

8. There then followed, as may be seen from the passage quoted, the learned trial judge's opinion that the report was not a fair and accurate report. At page 21 he said that it was clear that the report was not accurate. And at page 23 he stated his opinion to the effect that the defence of absolute privilege under section 11 failed because the report failed to satisfy the requirement of the section that it be fair, accurate and contemporaneous, that is to say, failed to qualify as to quality. The reasons for the finding need not be stated here because the correctness or otherwise of the finding is not in issue in the present motion.

9. The fact that the learned trial judge made that finding could be an indication that the learned trial judge found in his mind that the report was “of proceedings publicly heard” before the High Court on 11 September 1991, because if he had found otherwise the defence of absolute privilege would have already failed without there being a need to find whether the report was fair, accurate and contemporaneous. On the other hand it could have been an “in any event” finding which served to deprive the defendants of the defence of absolute privilege even be it assumed, the learned trial judge being uncertain whether it was so, that the report was “of proceedings publicly heard” before the High Court on that day.

10. The High Court awarded the plaintiff RM300,000 as compensatory damages, RM50,000 as aggravated damages, and interest at 8% per annum from the date of judgment. The defendants appealed to the Court of Appeal against the finding of liability and as regards quantum. The plaintiff appealed as regards quantum and interest.

### **The Court of Appeal judgment**

11. The judgment of the Court of Appeal (Mokhtar Sidin, Arifin Zakaria, Rahmah Hussain JJCA), written by Arifin Zakaria JCA (now FCJ), was delivered on 1 August 2003. In paragraph 4 he said, without discriminating between the subject and the quality of the report, that the

learned trial judge “came to the finding that the [defendants] failed to prove that the report was a fair and a contemporaneous report of the proceedings publicly heard before a court” and in paragraph 11 he said, again without so discriminating, that the critical issue in the appeal was “whether the impugned report was a fair and accurate and contemporaneous report of the proceedings that had taken place in the open court on 11.9.1991” and forthwith posed the question: “Firstly, can the report be considered as contemporaneous?”. He gave the answer at the end of paragraph 11, after considering the meaning of “contemporaneously”, that “the report would certainly pass the test of contemporaneity as explained above”. The question of contemporaneity having been disposed of, he said in paragraph 12 that the next issue was whether the report could be regarded as “a fair and accurate report of proceedings publicly heard before a court”. The issue being put that way, one would have thought that he was going to consider the question whether, although the report was contemporaneous, it was also fair and accurate, which Wan Adnan J had answered to the contrary. But it was not so, because Arifin Zakaria JCA went on directly to say: “The point in contention here is whether the report should only be confined to what was publicly heard in open court and not to matters contained in documents filed in court, and not read in open court”. What he was going to consider

was the question whether the report was “of proceedings publicly heard before any court”, that is to say, whether it qualified as to subject.

12. On that question, Arifin Zakaria JCA said, in paragraph 15:

“ Based on the above it is clear that the statement as contained in the impugned report could only have been derived from the amended statement of claim filed in the court which was admittedly made available to the 1st [defendant] by Mr. Karpal Singh.”

In paragraph 16 he expressed the Court of Appeal’s opinion that the finding of the learned trial judge “that the impugned report was primarily based on the amended statement of claim rather than on what had taken place in the open court”, which finding we have not been able to notice, was fully supported by the evidence before him. And in paragraph 17 he expressed the Court of Appeal’s conclusion “that the publication by the [defendants] of part of the amended statement of claim which has not been read out in open court is not within the scope of the protection given by s. 11(1) of the Act”. The Court of Appeal therefore affirmed the High Court’s finding as regards liability. The affirmation was made on the basis that the High Court’s finding was that the report did not qualify as to its subject for absolute privilege. The Court of Appeal did not come to any conclusion as regards the quality of the report, that is, whether it was a fair and accurate report, which Wan Adnan J had found was not. With their conclusion as to the subject of the report, it was not necessary for the

question of liability for the Court of Appeal to arrive at a conclusion as to the quality of the report. But the High Court's finding as to the quality of the report, that it was not a fair and accurate report, remained intact and undisturbed at the Court of Appeal stage.

13. The Court of Appeal dismissed the defendants' appeal as regards liability but allowed their appeal as regards quantum by reducing compensatory damages from RM300,000 to RM100,000 and setting aside the award of aggravated damages of RM50,000. The plaintiff's appeal as regards quantum was consequently dismissed, but his appeal as regards interest was allowed by allowing interest to be from the date of publication of the report.

14. On 3 March 2007 this court dismissed the plaintiff's application for leave to appeal to it but allowed the defendants' application for leave to appeal to it on the following question:

“Whether a fair and accurate report of the proceedings publicly heard before the High Court may include an extract of the pleadings and if so, whether the pleadings should be read out in the course of the proceedings before publication can be made of the pleadings.”

Although the question as framed presupposed “a fair and accurate report”, that is a report that qualifies as to quality, the target of the question was the subject of the report. Even the defendants accept that it was so when in

paragraph 10 of their written submission dated 9 October 2006 for this motion they say that the question as framed was “obviously in response to the observations made in the Judgment of the Court of Appeal when dismissing the defendants’ appeal on the issue of liability”, which observations are set out in that paragraph and are the observations and findings in paragraphs 15, 16 and 17 of the Court of Appeal judgment that we have set out earlier, namely, findings as to the subject of the report, that is to say, that the report was not “of proceedings publicly heard” before a court. As for the presupposition of a fair and accurate report, that is to say, of the quality of the report, we have already observed that at the stage of the Court of Appeal the finding of the High Court that the report in this case was not a fair and accurate report remained intact and undisturbed.

15. Going by the way in which the question was framed, an answer on the question of subject of the report that might be given in favour of the defendants could be that a “report of proceedings publicly heard before any court” includes, for the purposes of section 11(1), a report of an extract of the pleadings for such proceedings, even though the extract was not read out in the course of the proceedings, and such a report therefore qualifies for absolute privilege. But even if the question were answered by this court in that or a similar manner in favour of the defendants, they would

still, in order for the report to enjoy the immunity given by section 11(1), have to have an answer in their favour on the question of the quality of the report, in face of the answer given against them by the High Court, which was not disturbed by the Court of Appeal.

**This court's judgment**

16. The judgment of this court (Abdul Malek Ahmad PCA, Steve Shim Lip Kiong CJSS, Siti Norma Yaakob FCJ) was written by Abdul Malek Ahmad PCA and was read out by the Deputy Registrar on the morning of 13 May 2005.

17. In paragraphs 17, 18 and 19 of the judgment Abdul Malek Ahmad PCA said as follows:

“17. The real issue in this case is whether the report published by the [defendants] was a fair and accurate and contemporaneous report of the proceedings heard before the High Court at Penang on 11th September 1991. The crucial words of section 11(1) of the Act are the opening words, that is, ‘A fair and accurate and contemporaneous report ...’ and not the words ‘publicly heard’. Only reports that are fair and accurate and contemporaneous are absolutely privileged. Not all reports of proceedings publicly heard would be absolutely privileged. In other words, the defence of absolute privilege would be available only if a report of proceedings publicly heard is fair and accurate and contemporaneous.

18. Applying this test to the facts of this case, it is clear from the submissions of the [plaintiff] that regardless of where the source for the report was from, whether it was from the amended statement of claim or from the notes of the

witnesses' testimony, the report published by the [defendants] was clearly an unfair and inaccurate report of the proceedings held on 11th September 1991. Consequently he maintained that the Court of Appeal was right to dismiss the appeal on the issue of defamation. Since leave to cross-appeal was dismissed, he reiterated that the judgment of the Court of Appeal must be wholly upheld.

19. In *Sri Kelangkota-Rakan Engineering JV Sdn Bhd & Anor v Arab-Malaysian Prima Realty Sdn Bhd & Ors* [2003] 3 MLJ 257, this court held that even assuming for a moment that the Court of Appeal erred in the application of the principles of law to the particular set of facts in the instant appeal, there is no room for this court to reverse the concurrent findings of fact made by the High Court and the Court of Appeal since it is trite that the appellate court is not prepared to interfere with the concurrent findings of fact made by the courts below. (See *Lim Geak Liang v East West UMI Insurance Bhd* [1997] 3 MLJ 517 at page 523). Therefore, in the final analysis and following the natural order of things, the fact remains that the [defendants] should be held liable for libel and in the premises, the appeal by the [defendants] should be dismissed with costs.”

18. It is clear from paragraph 17 that Abdul Malek Ahmad PCA placed importance on the quality of a report, that is, on its being fair, accurate and contemporaneous. The emphasis he placed on the quality of the report might in some measure have been influenced by what he said in paragraph 18 the [plaintiff's] submission to be, namely, that in this case, irrespective of the question of the subject of the report, the report was “an unfair and inaccurate report”. In paragraph 19 Abdul Malek Ahmad PCA spoke of the concurrent findings of fact made by the High Court and the Court of Appeal and of there being “no room for this court to reverse the concurrent

findings of fact”. In view of what had been said in paragraphs 17 and 18, the concurrent findings that were intended must have been the finding of the High Court that the report was not a fair and accurate report which was seen to be also the finding of the Court of Appeal, which, as has been shown, was not so. The last sentence of paragraph 19 expressed the conclusion that the defendants’ appeal should be dismissed, which was the natural consequence of the fact that the report was not a fair and accurate report and therefore did not qualify for absolute privilege under section 11(1).

19. The appeal panel of this court nevertheless considered it necessary to consider the question posed, which was a question as to the subject of the report. This may be seen in the first two sentences of the paragraph following, paragraph 20: “However, it is still necessary to answer the question posed to this Court. In *Raphael Pura v Insas Bhd & Anor* [2003] 1 MLJ 513, it was held that since leave to appeal was granted, this Court ought to consider and answer the question posed at the leave stage”. It would be fair to conclude from the manner in which those two sentences were worded that the answer to the question posed was not for deciding the appeal, the decision on which had already been indicated in the last sentence of paragraph 19, but was only for the academic purpose of laying down the law for the future. A number of authorities were considered in

paragraphs 21 to 33 in order to answer the question posed. The question was answered in paragraph 34, in favour of the [defendants] in the following words:

“34. Having considered the authorities and the arguments, we are of the view that a report of the proceedings publicly heard before the High Court may include an extract of the pleadings and it is not necessary that the pleadings should first be read out in the course of the proceedings before publication can be made of the pleadings. Thus, our opinion is that, we would answer the first part of the question in the positive and the second part of the question in the negative, but we must reiterate that the essence of section 11(1) of the Act is whether the report published is a fair and accurate and contemporaneous report of the proceedings.”

20. It is to be observed that notwithstanding the answer to the question as to the subject of the report, emphasis was still placed on the quality of the report as the essential requirement of section 11(1). This emphasis was repeated in paragraph 35:

“35. Having answered the question in that manner, we would add that it is possible to publish a fair and accurate and contemporaneous report with or without including an extract of the pleadings. The ultimate question is whether the report is a fair and accurate and contemporaneous one and in this regard, section 11(1) of the Act is abundantly clear in statutorily declaring that a fair and accurate and contemporaneous report of court proceedings shall enjoy absolute privilege against an action for defamation.”

21. Then, as though the answer to the question as to the subject of the report was decisive of the appeal and the quality of the report was not

important and there had been no finding of fact that the report was not a fair and accurate report, the judgment concluded in paragraph 36 with the words: “The appeal is accordingly allowed and the order of the Court of Appeal is set aside”. That conclusion was against the tenor of the whole judgment and particularly conflicted with the conclusion in the last sentence of paragraph 19.

22. At 4.00 p.m. of the day on which the judgment was read out, the Deputy Registrar telephoned the plaintiff, who had acted in person in the appeal in this court, and informed him that Abdul Malek Ahmad PCA had made two amendments to the judgment that had been read out. One amendment was the deletion of that last sentence of paragraph 19. The other amendment was to include in paragraph 36 the setting aside of the orders of the High Court.

23. The amendment did not affect the ultimate decision in paragraph 36 that the appeal be allowed. The deletion of the last sentence of paragraph 19 was undoubtedly to remove the conclusion in it that conflicted with the ultimate decision. The deletion of that sentence, however, still leaves the ultimate decision going against the tenor of the whole remainder of the judgment, with its emphasis on how important it is that the report be a fair, accurate and contemporaneous report, particularly the recognition in

paragraph 19 that the High court and the Court of Appeal had made concurrent findings of fact which could not be reversed and which, as we have stated, must have been intended to refer to the finding, made by the High Court only and undisturbed by the Court of Appeal, that the report was not a fair and accurate report.

24. The plaintiff, who also, like Abdul Malek Ahmad PCA, perceived that the High Court and the Court of Appeal had made concurrent findings that the report was not a fair and accurate report, is therefore justified in complaining in paragraph 26 of his affidavit dated 8 June 2005 as follows:

“26. Therefore, when the learned PCA allowed the appeal with costs, it is contradictory with his earlier findings that the report is not a fair and accurate report. The question framed by Court has no relevance with the concurrent finding of the High Court and the Court of Appeal.”

The defendants' only reply to this grievance is in the third paragraph of paragraph 4(x) of their affidavit dated 24 May 2006, and is to the effect that the concurrent findings of the High Court and the Court of Appeal were only in respect of the subject of the report. As has been shown, the fact is that the High Court did make a finding that the report was not a fair and accurate report, which finding remained intact and undisturbed at the Court of Appeal stage. If the appeal panel of this court had found, as apparently they did, that the High Court and the Court of Appeal had made concurrent findings that the report was not a fair and accurate report which

could not be disturbed, it should follow that the appeal be dismissed, and it is manifestly unjust that the appeal was allowed merely on the finding in favour of the defendants as to the subject of the report.

25. The circumstances of this case, therefore, warrant a rehearing of the appeal for the purpose of reconsidering whether there had been concurrent findings by the High Court and the Court of Appeal that the report was not a fair and accurate report, or whether there had been a finding by the High Court only to that effect which, however, remained intact and undisturbed at the Court of Appeal stage, and if there had been such concurrent findings, or such a finding by the High Court only, what their effect is on the appeal. This conclusion is the outcome of the views that we have formed of the judgments of the High Court, of the Court of Appeal and of this court in this case. For the rehearing to be meaningful, it is important that it be conducted on the basis that the views expressed in this judgment are not the ultimate views of this court. The ultimate views will be those of the panel rehearing the appeal, formed after hearing the submissions or arguments of the parties.

26. We have, by all the foregoing, in effect already undertaken a review of the decision of this court of 13 May 2005. It reveals that the decision was, on the face of it, an unjust decision. Apart from its being the course

that the plaintiff himself seeks, a rehearing of the appeal is necessary as the outcome of the review, so that there may be made, by submission and argument, an examination – one that is fuller than what has taken place on the hearing of this motion – of the area from which we perceive the apparent injustice to have arisen, and so that, according to the ultimate finding of this court on such examination, a decision will be made on the appeal, whether it be for or against the plaintiff, that will not appear to be unjust.

27. We accordingly allow this motion by setting aside the orders of this court made on 13 May 2005 and ordering that the defendants' appeal be reheard, for the aforesaid purpose, by another panel of this court constituted for the purpose. The costs of this motion shall follow the outcome of the rehearing.

Dated: 14 September 2007

**DATO' ABDUL AZIZ BIN MOHAMAD**  
Judge  
Federal Court Malaysia

Counsel for the appellants: J.A. Yeoh together with J.J. Chan

Solicitors for the appellants: Shearn Delamore & Co

Counsel for the respondent: Darshan Singh together with  
C.V. Prabhakaran

Solicitors for the respondent: V. Muthusamy & Associates