

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 30.07.2019

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THE HONOURABLE MRS.JUSTICE PUSHPA SATHYANARAYANA

O.P.No.573 of 2019

M/s.Shraddha Entertainment
rep. by its Partner
Mrs.Radha Krishnaswamy,
No.2, Seaface Road, Palavakkam,
Chennai-600 041.

.. Petitioner

Vs.

M/s.Shvedh, a Partnership firm
rep. by its Partner Nitinsathya,
29, Bawa Road,
Abhiramapuram,
Chennai-600 018.

.. Respondent

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Prayer : Petition filed under Section 11(6)(a)&(c) of the Arbitration and Conciliation Act, 1996, praying to appoint a Sole Arbitrator to resolve the disputes that have arisen between the petitioner and the respondent in terms of the agreement dated 28.09.2017.

For Petitioner : Mr.R.Murugan
for M/s.Rugan & Arya

For Respondent : Mr.Vijayan Subramanian

ORDER

This Original Petition is filed seeking for appointment of a Sole Arbitrator to resolve the disputes that have arisen between the

petitioner and the respondent in terms of the agreement dated 28.09.2017.

2. The petitioner is a partnership firm engaged in the business of production of films. A partner of the respondent firm approached the petitioner for producing the Tamil film "Jaragandi" under the banner of the respondent and sought for financial aid to the tune of Rs.2.75 Crores. It was agreed to complete the movie and release it by February, 2018, which could not be done and the petitioner by that time paid the entire agreed loan amount, and thus, the petitioner was constrained to advance one more Crore requested by the petitioner, since the entire loan amount was agreed to be repaid from the proceeds of the film. It was also agreed upon that if there is any shortfall in repayment, the same would be done from the next production. The petitioner also financed a sum of Rs.1,58,80,454/- for publicity and release expenses and thus, the total amount financed by the petitioner comes to Rs.5,38,15,455/-. The parties entered into an agreement dated 28.09.2017. Since there was a shortfall in repayment, which led to certain disputes, the petitioner filed O.A.No.548 of 2019 along with A.No.3620 of 2019 seeking for an injunction against respondent from exhibiting the next film and also a direction to render true and proper accounts of the film "Jaragandi".

The respondent resisted the said applications disputing the quantum of finance by the petitioner, so also the amount due to them. It was also stated before this Court that the satellite and digital rights were yet to be sold by them. This Court, while dismissing those applications, directed the parties to initiate arbitral proceedings. Hence, the petitioner is before this Court.

3. Heard the learned counsels on either side. Learned counsel for the parties submitted that they are agreeable for the appointment of a retired Judge of this Court as the sole Arbitrator.

4. Considering the submissions of the learned counsels for the parties, this Court appoints Hon'ble Mr. Justice K.P. Sivasubramaniam, a retired Judge of this Court, residing at No.47, Pulla Avenue, Shenoy Nagar, Chennai-600 030 (Phone No.26208788), as the Sole Arbitrator to enter upon reference and adjudicate the disputes inter se the parties. The learned Arbitrator may, after issuing notice to the parties and upon hearing them, pass an award as expeditiously as possible, preferably within a period of six months from the date of receipt of the order. The learned Arbitrator is at liberty to fix his remuneration and other incidental expenses. The proceedings shall be conducted

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preferably in the Madras High Court Arbitration Centre and in accordance with the Madras High Court Arbitration Rules.

5. The Original Petition is ordered accordingly, leaving the parties to bear their own costs.

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