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WEB C **C.SARAVANAN, J.**

It appears that the parties are willing to resolve the dispute through arbitration in terms of the Arbitration Clause in the agreement signed between the applicant and the respondents dated 18.02.2020. Clause 21 of the agreement reads as under:-

“Clause 21:

In case of any dispute arises between the right holder and the Distributors in respect of this Temporary transfer of copy rights Agreement of Understanding, the same shall be referred to a Sole Arbitrator appointed by the Distributors and the decision of such arbitrator shall be final and conclusive and binds both the parties to this agreement. The venue of such arbitration shall be at Chennai.”

2. At the same time, the learned counsel for the respondents would submit that arbitration Clause in the said agreement will not survive, in view of the fact that the instrument is under stamped in the light of the Hon'ble Supreme Court in **N.N.Global Mercantile Private Limited Vs. Indo Unique Flame Limited and others**, 2023 SCC Online SC 495.



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3. It is the further contention of the learned counsel for the respondents that the application is liable to be dismissed.

4. I have considered the arguments advanced by the learned counsel for the applicant and the learned counsel for the respondents.

5. In so far as under stamping of the instrument is concerned, it is a curable defect under the Indian Stamp Act.

6. Considering the above, Court is inclined to direct the applicant to surrender the original copy of the Temporary Transfer of the Copy Rights Agreement dated 18.02.2020 to the Registrar for being transmitted the Authorities under the Stamp Act for determining whether there is any deficiency in the Stamp duty payable by the applicant. This exercise shall be carried out by the applicant immediately within a period of 7 days from the date of receipt of a copy of this order. The Registrar shall send the aforesaid instrument to the District Registrar or any other Authority under the provisions of the Indian Stamp Act for adjudication of the Stamp duty and



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the penalty to be paid by the applicant. Meanwhile, the dispute between the applicant and the respondents are referred before the learned Arbitrator.

7. Considering the fact that the movie has not been released so far, there shall be an order of interim protection for a period of sixty days from today.

8. During the interregnum, the applicant shall file a claim statement before the learned Arbitrator to be appointed by this order along with application under Section 17 of the continuation of this order.

9. The learned Arbitrator shall enter appearance and proceed to pass appropriate orders under Section 17 and also to pass a final Award within a period of twelve months from the date of receipt of a copy of this order. It is made clear that the Award will be operative, only subject to the applicant paying the deficit Stamp duty, if any, as may be adjudicated by the Authorities under the provisions of the Indian Stamp Act.



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WEB COPY 10. Considering the above, Court is inclined to pass the following order:-

(i) **Mr.A.K.Sriram, Senior Advocate, (Cell No.98410 43004) having Office at New No.28 Old No.81, C.P.Ramaswami Road, Alwarpet, Chennai – 18,** is appointed as an Arbitrator to enter upon reference and adjudicate/resolve the *inter se* dispute between the parties.

(ii) The learned Arbitrator appointed herein, shall after issuing notice to the parties and upon hearing them, endeavour to complete the arbitral proceedings and pass an award strictly in accordance with the provisions of the Arbitration and Conciliation Act, 1996, as expeditiously as possible, preferably within a period of twelve months after the date of completion of pleadings under Sub-Section 4 to Section 23 as is contemplated in Section 29-A of the Arbitration and Conciliation Act, 1996, without getting influenced by any of the observations made by this Court in this order.



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(iii) The learned Arbitrator appointed herein shall be paid fees and other incidental charges as may be fixed with the consent of parties or in accordance with the provisions of the Arbitration and Conciliation Act, 1996, and the same shall be borne by the parties equally. In case, the respondents remain *ex parte*, the petitioner shall pay the entire fee and other incidental charges to the Arbitrator and later recover the same from the respondents.

11. This Original Application is disposed of accordingly.

08.11.2023

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