



C.S.No.182 of 2022

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED :28.04.2023

CORAM:

THE HONOURABLE Mr. JUSTICE S.SOUNTHAR

C.S(Comm. Div.).No.182 of 2022

Mr.Balajee Rajaram Naidu,
D1, 4th Floor, Sri Sai Villa,
No.152, Habibullah Road,
T.Nagar, Chennai – 600 017.

...Plaintiff

Vs.

1.Mr.N.Subramanian,
Managing Partner of V Studios,
E6/250, AWHO, Parameswaran Vihar,
No.67, Arcot Road, Saligramam,
Chennai – 600 093.

2.M/s.V Studios,
Rep. By its Managing Partner
Mr.N.Subramanian,
Having office at E6/250, AWHO,
Parameswaran Vihar,
No.67, Arcot Road, Saligramam,
Chennai – 600 093.

3.Mr.K.Ramesh,
Proprietor KKR Cinemas,
No.34/68, Thiruvenkada Puram,
1st Street, Choolaimedu,
Chennai – 600 094

... Defendants



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PRAYER: This Civil Suit is filed under Order VII Rule 1 of Civil Procedure Code, 1908 read with Order IV Rule 1 and 2 of the Rules of the High Court, Madras, Original Side, 1994 and Section 7 of the Commercial Courts Act, 2015 ; praying to pass the judgment and decree:-

a) Directing Defendants 1 to 3 jointly or severally pay the plaintiff a sum of Rs.1,43,35,635/- along with interest at 18% per annum Rs.95,00,000/- as being the commercial transaction from the date of institution of the Suit until realization;

b) For permanent Injunction Restraining the Defendants their men, agents or any person claiming under them from releasing the Tamil Feature film titled samuthirakani in “PUBLIC” / “Samuthirakani in Public” starring Samuthirakani and kaali Venkat and Directed by Raa. Paraman (Brahmma) either through Theatrical, Satellite, OTT and / or through any other Digital Platforms scheduled to be released on any date in future without first clearing the dues to the plaintiff towards Loan Settlement Agreement dated 29th December 2021;

c) For Costs of Suit;

For Plaintiff	:	Mr.Gowtham S.Raman for M/s.Raman and Associates
For Defendants 1 & 2	:	Mr.B.Aravind Srevatsa
For Defendant 3	:	Mr.Arjun Suresh for Mr.Ramaswamy Meyappan



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JUDGMENT

The Plaintiff herein and the Defendant Nos.1 and 2 entered into a compromise dated 07.02.2023 in respect of the suit claim and the same was recorded by this Court on 15.03.2023. As per the terms of the Compromise Memo, the Defendant Nos.1 and 2 agreed to pay a sum of Rs.1,00,00,000/- (Rupees One Crore Only) to the plaintiff and the plaintiff agreed to receive the said amount in full quit of the suit claim. The Defendant Nos.1 and 2 agreed to pay the above said amount on five installments as mentioned in Clause 1 of the agreement.

2. As per the terms of the Agreement, in case of default of any one of the installments by the defendants, the plaintiff shall issue a demand notice, calling them to pay the amount within 30 days from the date of receipt of said notice. As per Clause 9 of the Agreement, in case the Defendant Nos.1 and 2 failed to pay the defaulted amount within 30 days from the date of receipt of notice, the suit shall be decreed automatically for a sum of Rs.1,43,35,635/- together with interest at the rate of 18% per annum on outstanding amount, after deducting any amount paid by the defendants in pursuance of the compromise.



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3. Under Clause 2 of the Compromise, the Defendant Nos.1 and 2 agreed to pay the plaintiff Rs.75,000/- per month towards interest for a period of four months from December 2022 to March 2023.

4. Heard the submissions made by the learned counsel for the plaintiff and the defendants.

5. The learned counsel for the plaintiff submits that the Defendant Nos.1 and 2 committed default in respect of third installment of Rs.20,00,000/- (Rupees Twenty Lakhs) which had to be paid on or before 15.03.2023. The learned counsel further submits that as per Clause 2 of the Agreement, the Defendant Nos.1 and 2 paid Rs.75,000/- for the months of December 2022, January 2023 and February 2023. However, Rs.75,000/- for the month of March 2023 was not paid.

6. The plaintiff has issued the default notice on 17.03.2023 to the Defendant Nos.1 and 2, calling them to pay the third installment of Rs.20,00,000/- (Rupees Twenty Lakhs) within 30 days. As per the tracking



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sheet filed in the typed set of papers dated 24.04.2023, the said default notice was served on the defendants on 20.03.2023. Hence, the said period of 30 days expired on 18.04.2023. Therefore, the learned counsel for the plaintiff submits that the suit has to be decreed in terms of Clause 7 of the Compromise.

7. The learned counsel for the defendants submits that his clients failed to pay the amount as per the Compromise, as they are unable to mobilize the funds. The learned counsel further submits that if time is given till June, the Defendant Nos. 1 and 2 would pay the amount as agreed, including the fourth installment.

8. The learned counsel for the plaintiff by taking this Court the Clause 9 of the Compromise submitted as per the term settled by the parties, in case of default even after issuance of notice on expiry of 30th day, the suit shall be decreed automatically and hence, prayed this Court to pass a decree accordingly.



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9. The Compromise dated 07.03.2023 entered between the parties was already recorded by this Court. The combined reading of Clause 8 and 9 of the said Compromise Memo would make it clear that in case of default of any one of the installments by the Defendant Nos. 1 and 2, the plaintiff shall issue a default notice and the Defendant Nos. 1 and 2 shall pay the defaulted amount within 30 days from the date of receipt of the said default notice.

10. In the case on hand, the Defendant Nos. 1 and 2 defaulted in payment of the third installment, the plaintiff has issued the default notice on 17.03.2023 and the same was received by the Defendant Nos. 1 and 2 on 20.03.2023. The 30 days period stipulated by the Compromise expired on 18.04.2023. Therefore, as per the terms of Compromise Memo already recorded by this Court, the plaintiff is entitled to decree, after deducting the amount already paid by the defendants.

11. It is not in dispute that the Defendant Nos. 1 and 2 paid the first and second installments of Rs.10,00,000/- (Rupees Ten Lakhs) each, it is also not in dispute that the Defendant Nos. 1 and 2 paid Rs.75,000/- each towards interest for the month of December 2022, January 2023 and February 2023.



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Therefore, the plaintiff is entitled to decree for the balance amount namely Rs.1,23,35,635/- (+) Rs.75,000/-. In all the plaintiff is entitled to a decree of Rs.1,24,10,635/- with interest at the rate of 18% per annum from 15.03.2023 to the date of realization. The Suit is decreed accordingly.

28.04.2023

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Index:Yes/No

Speaking Order: Yes/No



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S.SOUNTHAR, J.

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