



ABDUL QUDDHOSE, J.

.. Applicant

1.M/s.Libra Productions Pvt. Ltd.,

rep. by its Managing Director

Ravindar Chandrasekaran

2.Ravindar Chandrasekaran

3.iGene Media Solution Private Limited

.. Respondents

This application has been filed under Section 9 of the Arbitration and

Conciliation Act, 1996, seeking for an order of injunction to restrain the

respondents and the garnishee from releasing the film, titled "Kadhal

Conditions Apply".

2.The applicant has financed to the first respondent a sum of Rs.30,00,000/- and he has entered into a loan agreement dated 09.07.2022 with the first respondent for the said purpose. As per the loan agreement, the first respondent will have to pay a monthly interest of Rs.1,00,000/- to the applicant. According to the applicant, the first respondent has paid interest only for four months and has not paid interest for the subsequent months. The last part payment made by the first respondent was in the month of October, 2022.



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3. Along with the loan agreement to secure the interest of the applicant, the first respondent has also entered into a sale agreement dated 09.07.2022. One of the conditions in the sale agreement dated 09.07.2022 stipulates that the first respondent shall not release any other movie without settling the dues of the applicant under the loan agreement dated 09.07.2022. The relevant clause in the sale agreement dated 09.07.2022 is extracted hereunder:

"6. Commencement of another film: In the event the vendor commences the production / direction of any other film prior to the release of the film, the vendor undertakes to obtain prior written consent from the purchaser prior to the sale / assignment of any rights in respect of such other film to any third party / person. In such an event, till the release of the film as contemplated under this Agreement, the vendor, agrees and confirms that the purchaser shall have the first charge / lien on all rights in respect of the subsequent film (s) produced / directed by the vendor."

4. The first respondent has also admitted its liability to the applicant by its letter dated 28.08.2023. As seen from the said letter, the first respondent has reiterated that they have borrowed a sum of Rs.30,00,000/- from the applicant and they have also admitted that they have paid interest



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only for a period of four months and they have admitted the amount outstanding to the applicant at Rs.40,00,000/-. In the admission of liability by letter dated 28.08.2023, the first respondent has also confirmed that they shall settle the entire amount due to the applicant before the release of the movie, titled "Kadhal Conditions Apply" or any other movie to be produced by them.

5.The learned counsel for the applicant would now submit that an advertisement has been issued by the first respondent, desiring to release the movie titled "Kadhal Conditions Apply". The copy of the advertisement is also enclosed as a document along with this application.

6.Being an admitted amount and the first respondent having undertaken that they will not release any movie produced by them before settling the dues of the applicant, this Court is of the considered view that a *prima facie* case has been made out by the applicant and the balance of convenience is also in his favour for grant of an injunction as prayed for in this application. Irreparable loss will be caused to the applicant if an injunction is not granted.



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7. This Court, in order to give an opportunity to the first respondent to settle the dues of the applicant, by its order dated 31.08.2023, directed the first respondent to furnish security to the extent of the claim amount i.e. Rs.40,00,000/- on or before 07.09.2023 and made it clear in the said order that in the event of failure on the part of the first respondent to furnish the security on or before 07.09.2023, this Court will be constrained to pass further orders in this application.

8. Notice was ordered to the respondents returnable by 08.09.2023. The respondents were duly served in this application. This Court, by its earlier order dated 08.09.2023, directed the registry to print the name of the respondents and post the matter for today's hearing. Names of the respondents are also printed in the cause list today. Till date, the respondents have not furnished security to the extent of the claim amount, i.e. Rs.40,00,000/-. The relief sought in this application is for the grant of an order of injunction to restrain the respondents and the garnishee from releasing the film titled "Kadhal Conditions Apply". Since the respondents have not furnished security to the extent of the claim amount i.e. Rs.40,00,000/- on or before 07.09.2023 as directed by this Court,



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necessarily this Court will have to allow this application. The respondents are set exparte. Despite having received the notice in this application, they have chosen not to appear in this matter.

9.For the foregoing reasons, this Court allows this application by granting an order of injunction restraining the respondents and the garnishee from releasing the film titled "Kadhal Conditions Apply" until further orders.

12.09.2023

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Note: Issue order copy on 13.09.2023



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