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O.A.No.497 of 2024
in C.S.(Comm.Div.) No.129 of 2024

SENTHILKUMAR RAMAMOORTHY,J

A Tamil movie called PADAGOTTI was produced by the late G.N.Velumani of Saravana Films. Devi Films (P) Limited (Devi Films) had made a claim in insolvency proceedings initiated in respect of G.N.Velumani. The applicant / plaintiff asserts that exclusive rights to exploit the above mentioned movie were acquired by the predecessor-in-interest of the applicant / plaintiff through a compromise recorded in the insolvency proceedings. Upon discovering that the defendants herein are seeking to exploit rights relating to the above mentioned movie, the present suit and these interim applications were filed.

2. Learned counsel for the applicant relied on the communication dated 12.03.1974 from the Official Assignee and contended that negative rights to the movie PADAGOTTI and



thereby exclusive rights of exploitation were acquired by Devi Films.

By further relying on the order dated 23.08.2002 in C.P.Nos.109 to 111 of 2002, learned counsel contended that Devi Films was amalgamated with the applicant / plaintiff. Consequently, he contends that the plaintiff became the owner of the copyright. He also relied upon several documents indicating that the plaintiff exploited its rights in the movie by undertaking distribution and the like. As regards the defendants, he submits that the first and second defendants are the legal heirs of G.N.Velumani. In view of exclusive rights being acquired by the predecessor-in-interest of the plaintiff, he submits that the first and second defendants do not have any rights over the movie and, consequently, the third defendant, who is the purported assignee of such rights, also has no rights in the movie.

3. In support of these contentions, learned counsel relies upon the following judgments:

(i) *P.Thulasidas v. K.Vasanthakumari* MANU/TN/0904/1991.



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(ii) *M.Padmini and Ors. v. Raj Television Network Limited* 2015-3-

(iii) *Asianet Communications Limited v. Sun TV Limited* 2017(1)

CTC 709.

4. In response to these contentions, learned counsel for the respondents / defendants submits that the documents relied upon by the plaintiff are incomplete. In particular, he submits that the order dated 11.03.1974 of this Court merely granted leave to conclude the compromise. As regards the communications dated 12.03.1974, he submits that the said communications do not specify the term of the negative rights. Unless all relevant orders and documents are placed on record, he submits that it cannot be concluded that the applicant / plaintiff has exclusive rights. He further submits that the balance of convenience is in favour of the respondents because the first and second respondents had assigned rights to Silver Star Communications Limited in 2018 and that such agreement was



subsequently amended in January 2019. He also submits that the movie was exploited on television by the respondents.

5. When the order dated 11.03.1974 in Insolvency Petition No.64 of 1972 is examined along with communications dated 12.03.1974 from the Official Assignee to Devi Films, it appears *prima facie* that negative rights in the Tamil movie PADAGOTTI were transferred to Devi Films towards discharge of the claim made by the said entity in course of insolvency. Because rights in the movie were transferred in order to discharge debts in the course of insolvency proceedings, it also appears *prima facie* that it is not an assignment under the Copyright Act, 1957. This aspect, however, warrants close scrutiny in course of final disposal. The applicant / plaintiff has also placed on record several letters indicating *prima facie* that the rights acquired by its predecessor-in-interest were exploited.



WEB COPY 6. As the producer of the movie, the late Mr.G.N.Velumani owned the copyright in such movie. From the documents referred to above, it appears *prima facie* that his rights in the movie were transferred to Devi Films towards settlement of the debt due from him to Devi Films. As a consequence, it appears *prima facie* that the legal heirs of Mr.G.N.Velumani were not entitled to inherit assets which had been transferred by Mr.G.N.Velumani during his life time. As regards the amended agreement dated 05.01.2019, such agreement appears to be in respect of about 16 movie. At least as regards the Tamil movie PADAGOTTI, such agreement appears *prima facie* to be invalid.

7. In the absence of a right over the movie, it appears *prima facie* that it is not open to the first and second respondents to assign rights in relation to such movie either to the third respondent or to any other person.



WEB COPY 8. The applicant / plaintiff has also placed on record documents indicating that the respondents are planning to release the movie soon. In such event, irreparable hardship would be caused to the applicant. Since the predecessor-in-interest of the applicant agreed for the discharge of its dues in 1974 in lieu of rights over this movie, the balance of convenience is in favour of the applicant. Consequently, O.A.No.497 of 2024 is allowed by granting an order of interim injunction as prayed for by the applicant.

9. List the matter on 27.09.2024.

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