



WEB COPY

APPEAL(CAD) No.5 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED: 19-08-2026**

CORAM

**THE HON'BLE MR JUSTICE P. VELMURUGAN**

**AND**

**THE HON'BLE MR.JUSTICE GK.MUTHUKUMAAR**

**APPEAL(CAD) No.5 of 2023**

**and**

**C.M.P.No.1822 of 2023**

M/s. V.Creations  
Rep by its Proprietor S.Thanu,  
No 17, Prakasam Street,  
T.Nagar, Chennai - 600 017.

.. Appellant

Vs

M/s.Mach Data System Private Limited  
Rep by its Director D.B.Timple Rani,  
No 403, Chitra Avenue,  
9, Choolaimedu High Road,  
Chennai 600 094.

.. Respondent

Prayer : Appeal filed under Section 96 of CPC and Section 13 of Commercial Courts Act, 2015, to set aside the Judgment and Decree passed in C.O.S.No.702 of 2022 on the file of the Commercial Court at Chennai dated 16.09.2022.

For Appellant : Mr.T.Pramod Kumar Chopda  
Senior Counsel for  
Mr.Ramesh Kumar Chopra

For Respondent : No appearance



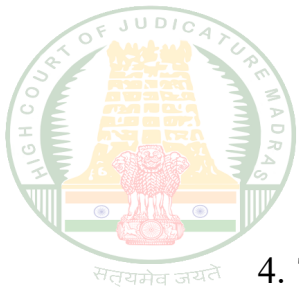
WEB COPY

**J U D G M E N T****(Judgment of the Court was delivered by P.Velmurugan J.)**

The present intra-Court appeal has been filed challenging the judgment and decree dated 16.09.2022 passed in C.O.S.No.702 of 2022 by the District Judge, Commercial Court, Chennai.

2. The plaintiff/respondent instituted C.O.S.No.702 of 2022 against the defendant/appellant seeking recovery of money allegedly due towards the materials supplied for the production of the films ‘Theri’ and ‘Kabali’ and a permanent injunction restraining the defendant from releasing the said films.

3. The plaintiff’s case, in brief, is that the plaintiff Company was engaged in the business of supplying Hard Drivers, RAID Storage and LTOs for film production and had been supplying such items to the defendant since 2010. According to the plaintiff, at the defendant’s request, the said materials were supplied for the production of the feature films ‘Theri’ and ‘Kabali’ from June 2015 onwards, for which, invoices were raised. It was claimed that a sum of Rs.5,62,293/- remained due and payable by defendant, together with interest at 24% per annum.

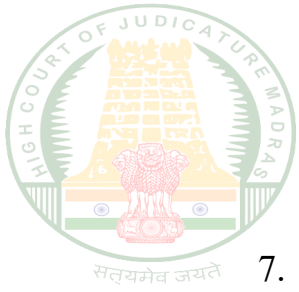


WEB COPY

4. The plaintiff further claimed that despite repeated demands and letters dated 02.02.2016 and 18.03.2016, followed by a legal notice dated 13.03.2016, the defendant failed to clear the alleged dues. The defendant issued a reply dated 31.03.2016 disputing the plaintiff's claims. On these allegations, the plaintiff instituted the suit seeking the reliefs stated supra.

5. The defendant denied the alleged supply of goods and the liability to pay the amount claimed by the plaintiff. It was contended that the invoices relied upon by the plaintiff did not establish actual delivery of the goods and that, upon comparison of the invoices, delivery challans and the materials actually received, there was discrepancies and mismatches. The defendant further contended that there was no written contract or agreement governing the alleged supplies.

6. The defendant also alleged that the plaintiff had, in collusion with one Krishnan, who was employed as accountant with the defendant, committed acts of fraud and misappropriation, and stated that the accounts were being subjected to further enquiry and audit. It was therefore contended that the plaintiff, having already been paid amounts in excess of what was due, had raised a false and baseless claim.



WEB COPY

7. The defendant further denied the existence of any oral or written agreement creating any lien or charge over the film 'Theri' or any other film produced by it, in respect of the alleged claim of Rs.5,62,293/-. It was contended that the plaintiff's attempt to restrain the release of the film was without any contractual or legal basis and was intended to exert pressure upon the defendant.

8. After considering the pleadings, the following issues have been framed by the Court below :

1) Whether the plaintiff is entitled for the recovery of money as prayed for ?

2) Whether the plaintiff is entitled for the relief of permanent injunction as prayed for?

9. In order to prove the case on the side of the plaintiff, one witness was examined as P.W.1, and seven documents were marked as Exs.P1 to P7. On the side of the defendant, one witness was examined as D.W.1, and one document was marked as Ex.B1.



10. On completion of a full-fledged trial, the learned District Judge, Commercial Court, Chennai by judgment dated 16.09.2022, decreed the suit for a sum of Rs.5,62,293/- with future interest at the rate of 24% per annum from the date of plaint till the date of decree, and thereafter with subsequent interest at 6% per annum. Assailing the said judgment and decree, the defendant has preferred the present appeal.

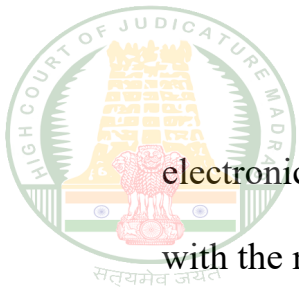
11. The learned Senior counsel appearing for the appellant submitted that the respondent/plaintiff failed to establish the alleged supply and delivery of goods to the appellant/defendant. It was contended that there was no oral or written contract or agreement between the parties for the alleged supply of materials for the production of the Tamil feature films Theri and Kabali. The suit claim was founded primarily on Exs.A1 to A59 invoices. Admittedly, the said invoices were forged and fabricated and did not bear the signature or seal of the appellant or any authorised representative. The invoices themselves did not establish either the placing of orders or the actual delivery of the materials.

12. It was further submitted that, despite the specific demand made by the appellant in the reply dated 31.03.2016 (Ex.A6), the respondent failed to produce any purchase orders, delivery challans, statement of accounts, proof of delivery, or other contemporaneous records evidencing the alleged transactions.



P.W.1 in her cross-examination, admitted that she was unable to identify the person who had received the goods under the invoice bills Ex.A1 series, that the appellant's seal was not found on the invoices, and that the place of delivery was not mentioned. She also admitted that the invoices did not indicate that the materials were supplied for the films Theri and Kabali and that there was no agreement between the parties for such supply. The learned Senior counsel therefore submitted that the respondent/plaintiff had failed to discharge the foundational burden of proving the alleged supply and delivery.

13. It was further contended that the trial Court failed to properly appreciate the evidence of D.W.1, the Manager of the appellant, who categorically deposed that the materials covered under Ex.A1 to Ex.59 were not received by the appellant and that neither he nor any employee of the appellant had signed the said invoices. The appellant had consistently denied the alleged supply in the written statement as well as in counter and also by D.W.1. However, the trial Court, erroneously relied on the answers elicited in the cross-examination of D.W.1, and construed them as an admission of the suit transactions, whereas those answers related only to earlier transactions. It was also submitted that, although P.W.1 claimed that the appellant was liable as per the respondent's accounts, no statement of account or other documentary evidence was produced to establish such liability. Further, Ex.A7, being an



electronic record, could not have been relied upon in the absence of compliance with the requirements of Section 65-B of the Indian Evidence Act, 1872.

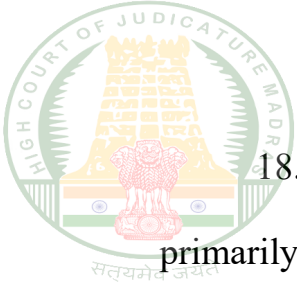
WEB COPY

14. It was therefore contended that the learned trial Judge failed to appreciate that there was no foundational evidence regarding the contract, supply and delivery and had instead placed undue reliance on stray answers in cross-examination of D.W.1. Since the respondent failed to prove the alleged transactions and the appellant's liability, the decree passed on the basis of Exs.A1 to A59 is unsustainable and liable to be set aside.

15. Heard the learned Senior counsel appearing for the appellant and perused the materials available on record.

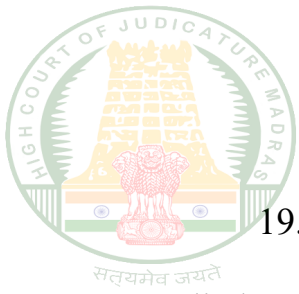
16. Despite service of notice and the respondent's name being printed in the cause list, there is no representation either in person or through counsel.

17. Admittedly, the respondent/plaintiff filed the suit for recovery of a sum of Rs.5,62,293/- with interest at 24% per annum. The suit was decreed for the said sum with future interest at the rate of 24% per annum from the date of plaint till the date of decree and thereafter with subsequent interest at 6% per annum.



18. On a perusal of the records, it is seen that the suit claim was founded primarily on the invoices marked as Exs.A1 to A59. The appellant/defendant consistently denied the alleged supply of goods and specifically disputed the invoices and the signatures appearing therein. It was also contended that none of the invoices bear the seal of the appellant, and that no purchase order, delivery challan, acknowledgment of delivery or any other contemporaneous document was produced to establish that the goods covered under the invoices were actually supplied and delivered to the appellant. In such circumstances, the initial burden was upon the respondent/plaintiff to establish the alleged supply and delivery of the goods. However, the respondent/plaintiff failed to discharge the said burden. The learned trial Judge, however, proceeded to decree the suit by placing reliance on certain portions of the evidence of D.W.1, the manager of the appellant/defendant extracted in paragraph 8 of the judgment, which reads as follows :

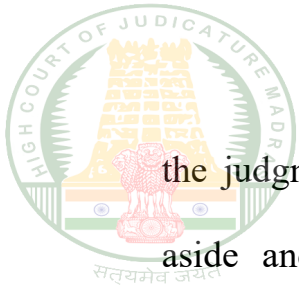
“நாங்கள் சப்ளை செய்த என்ன அயிட்டம் வித்தியாசப்படுகிறது என்று லிஸ்ட் போடவில்லை. அதிகமாக வாதிக்கு கொடுத்ததாக சொல்லப்படும் தொகையைக் கேட்டு வழக்கு எதுவும் போடவில்லை. பிரதிவாதி கேட்டுக்கொண்ட படி அவர்கள் சொன்ன இடத்தில் எல்லாம் அந்த கேட்ட பொருட்களை வழக்கு டெலிவரி சலான் மூலமாக கொடுத்தார்கள் என்றால் சரிதான். ஆனால் அந்தப் பொருட்களை ஆய்வ, செய்த போது நாங்கள் சொன்னவாறு அந்த பொருட்கள் இல்லை அவ்வாறு கேட்ட பொருளை சப்ளை செய்யவில்லை என்று நோட்டீஸ் அனுப்பவில்லை,”



19. On a careful consideration of the said evidence, it is seen that answers relied upon by the learned trial Judge do not amount to an admission by the appellant/defendant of receipt of the disputed invoices or delivery of the goods covered thereunder. The appellant had consistently denied the suit transactions both in the written statement and in the reply notice.

20. It is a well settled principle that the plaintiff must succeed on the strength of his own case and cannot succeed on the weakness of the defendant's case. In the present case, apart from Exs.A1 to A59, no satisfactory documentary evidence was produced to establish the actual delivery of the goods or the corresponding liability of the appellant. No statement of account was produced and exhibited to substantiate the outstanding amount claimed in the suit. Therefore, the finding of the learned trial Judge that there was no contrary evidence to dispute the accounts or the amount claimed cannot be sustained.

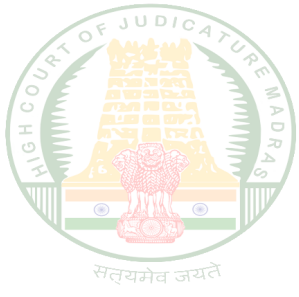
21. In view of the above, this Court is of the considered view that, in the absence of sufficient supporting evidence to establish the alleged supply and delivery of the goods, the learned trial Judge erred in construing certain portions of the evidence of D.W.1 as an admission and consequently decreeing the suit. The findings recorded by the learned trial Judge are contrary to the evidence on record and settled principles of law and the same cannot be sustained. Hence,



the judgment and decree passed in C.O.S.No.702 of 2022 is liable to be set aside and accordingly set aside. The intra-Court appeal is allowed. The appellant is entitled to withdraw the amount, if any, already deposited before the trial Court. There shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

**(P.V.,J.) (G.K.M.,J.)**  
**19-08-2026**

Index: Yes/No  
Speaking/Non-speaking order  
Neutral Citation: Yes/No  
*ms*



WEB COPY

APPEAL(CAD) No.5 of 2



**P.VELMURUGAN J.  
AND  
GK.MUTHUKUMAAR J.**

*ms*

**APPEAL(CAD) No. 5 of 2023  
and  
C.M.P.No.1822 of 2023**

**19-08-2026**