



2026:DHC:1971



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Reserved on: 30th October, 2025

Date of Decision: 10th March, 2026

Date of uploading : 10th March, 2026

+ CS(COMM) 840/2023, CC(COMM) 21/2024, I.A. 23284-23285/2023
I.A. 23378/2023, I.A. 519/2024, I.A. 815/2024, I.A. 873/2024, I.A.
978/2024, I.A. 3970-3971/2024, I.A. 6629/2024, I.A. 9066/2024
I.A. 36331/2024 & I.A. 23392/2025

**SUPER CASSETTES INDUSTRIES PRIVATE
LIMITED**

.....Plaintiff

Through: Mr. Amit Sibal, Sr. Adv., Mr. Harsh
Kaushik, Mr. Darpan Sacheva, Ms.
Srishti Mishra, Mr. Harsh Prakash,
Mr. Saksham Dhingra and Mr. Vinay
Tripathi, Advs.

versus

**RELIANCE ENTERTAINMENT STUDIOS
PRIVATE LIMITED**

.....Defendant

Through: Mr. Saurabh Kirpal, Sr. Adv., Ms.
Malvika Kapila Kalra, Ms. Tanwangi
Shukla, Mr. Junaid Aamir, Ms.
Harbani S. and Ms. Apoorva Jain,
Advs. for D-1.

CORAM:

HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

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J U D G M E N T

MANMEET PRITAM SINGH ARORA, J:

I.A. 815/2024

1. This application under Order XXXIX Rule 2A of the Code of Civil Procedure, 1908 ['CPC'] read with Sections 11 and 12 of the Contempt of



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Courts Act, 1971 read with Article 215 of the Constitution of India, has been filed by the Plaintiff seeking following prayers: -

- a. Initiate contempt proceedings against the Contemnors/Defendants for having violated, disregarded and not complied with the orders dated 23.11.2023 and 19.12.2023 passed by this Court in the main suit;
 - b. Direct the Contemnors/Defendants to immediately comply with the aforementioned orders and to pay immediately and forthwith to the Plaintiff, the amounts as directed by this Court vide orders dated 23.11.2023 and 19.12.2023; and
 - c. Impose exemplary costs upon the Contemnors/Defendants for having wilfully and deliberately violated the aforementioned orders dated 23.11.2023 and 19.12.2023.
2. The Plaintiff i.e., Super Cassettes Industries Private Limited [‘SCIPL’ or ‘T Series’] is a private limited company doing business under the name ‘T Series’ and is one of the India’s largest music record labels. The Plaintiff is involved in the business of producing cinematograph films including by way of financing the production of such films.
3. The Respondent No. 1 is the director and Respondent No. 2 is the additional director of the Defendant company, Reliance Entertainment Studios Private Limited.
4. The present suit has been filed by the Plaintiff seeking recovery of sum of Rs. 60,23,73,358/- as on 16.11.2023 from the Defendants being the amount owed to the Plaintiff in terms of the Loan Agreement dated 19.05.2021 [‘the Agreement’].



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Submissions on behalf of the Plaintiff

5. Mr. Amit Sibal, learned senior counsel for the Plaintiff has summarised the Plaintiff's contentions as under: -

5.1. He stated that the Defendant has wilfully disobeyed the following directions passed by this Court vide orders dated 23.11.2023 and 19.12.2023: -

- a. The Defendant has failed to deposit the entire amount of Rs.7,42,00,000/- ['Rs. 7.42 crores'] receivable from Zee Entertainment Enterprises Limited [hereinafter 'Zee Entertainment', for short] in the bank account of the Plaintiff in terms of the Agreement.
- b. The Defendant has without the leave of this Court released two [2] cinematograph films/web series [i.e., 'Crakk' and 'Indian Police Force'], which are produced/co-produced by without the leave of this Court and has also failed to account for revenues from the releases.

Submissions *qua* Defendant's failure in depositing a sum of Rs.7.42 crores

5.2. He stated that in the Affidavit of Disclosure dated 07.12.2023, the Defendant has disclosed that a sum of Rs.7.42 crores is payable as being the consideration payable by Zee Entertainment.

5.3. He stated that in terms of the order dated 19.12.2023 [specifically at paragraph no. '5'], the aforesaid amount had to be deposited within a period of two [2] weeks in the bank account of the Plaintiff. However, the Plaintiff has received a sum of Rs. 4.29 crores from the Defendant during the period from 21.01.2024 to 09.05.2025.

5.4. He stated that, therefore, it is evident that the non-compliance with the



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direction contained in paragraph no. '5' of the order dated 19.12.2023 is all but admittedly for no other payments have been made over to the Plaintiff by the Defendant.

5.5. He stated that in response, the Defendant has taken a stance that once it is identified that a third party from whom the money must be received is identified, the Defendant's liability is at an end. The said stance is evidently false and a complete afterthought. It is contended that a bare perusal of the contractual agreement between the parties reveals that merely because the Defendant has identified a third party for the purposes of the Plaintiff recovering a portion of its sums, the same would not extinguish the primary liability of the Defendant.

5.6. In this regard, he relied upon Clause Nos. 1.2, 1.4 and 4 of the Loan Letter Agreement dated 06.08.2022 and Clause Nos. 1.1, 7 and 9 of the Loan Letter Agreement dated 17.03.2023.

5.7. He stated that the undertaking recorded at paragraph no. '5' in order dated 19.12.2023 was addressed to the Defendant but not to Zee Entertainment. He stated that the Defendant has not sought any modification of the order dated 19.12.2023 and thus, the said order has attained finality.

5.8. He stated that the Defendant's contention that the Defendant was entitled to claim set-off has also been rejected by this Court vide order dated 03.02.2025.

Submissions *qua* release of cinematograph films 'Indian Police Force' and 'Crakk' in violation of order dated 19.12.2023.

5.9. He stated that the Defendant has not responded to the allegation that it released the cinematograph films/web-series 'Indian Police Force' and 'Crakk' on 19.01.2024 and 23.02.2024, respectively, without the leave of this Court in terms of order dated 19.12.2023.



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5.10. He stated that it is an admitted position that the film ‘Crakk’ was co-produced by the Defendant; the same is evident from the Affidavit of Disclosure dated 07.12.2023. He stated that the credits of the film ‘Indian Police Force’ show that the Defendant is the co-producer of the said web-series.

Further non-compliance

5.11. He stated that the Defendant has failed to file an affidavit in terms of the order dated 08.04.2025, whereby the Defendant was directed to place on record the details of its bank accounts and their status.

5.12. It is stated that therefore, the Defendant and its officers deserve to be proceeded against in exercise of this Court’s contempt jurisdiction.

Submissions on behalf of the Defendant

6. Mr. Saurabh Kirpal, learned senior counsel for Defendant has summarised the Plaintiff’s contentions as under: -

Submissions *qua* the Defendant’s failure in depositing a sum of Rs.7.42 crores

6.1. He stated that the order dated 23.11.2023 required the Defendant to disclose receivables from any third-party in relation to works over which the Plaintiff held rights under the Loan Agreement dated 19.05.2021 [‘the Agreement’].

6.2. He contended that the Plaintiff’s own understanding, as reflected in the order dated 23.11.2023 was that the payments were not to be received by the Defendant directly but were to come through third parties. Pursuant to the said order, the Defendant filed an affidavit of disclosure dated 07.12.2023, wherein at paragraph no. ‘5’, the Defendant had stated that in respect of the films covered under the Loan Agreement, an amount of Rs.7.42 crores were receivable from Zee Entertainment, which was to be



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deposited directly into an account controlled solely by Mr. Bhushan Kumar as per the Plaintiff's agreement.

6.3. He stated that the present allegation of contempt pertains to this sum of Rs. 7.42 crores and sum of Rs. 2.30 crores, both of which were mentioned in the said affidavit. It was clarified that the Rs. 7.42 crores amount was due from Zee Entertainment and was to be deposited upon receipt, while Rs. 2.30 crores was payable directly by the Defendant.

6.4. He stated that, it is evident from the order dated 19.12.2023 that the Defendant No.1's affidavit had been taken on record and that the said Defendant had undertaken to deposit the amount as per the Loan Agreement dated 19.05.2021. This direction related to two [2] components of payments: (a) Rs. 7.42 crores receivable from Zee Entertainment and (b) Rs. 2.30 crores payable directly by Defendant. The amount relating to the film 'Bhola', had been paid, with some delay owing to financial difficulties.

6.5. He stated that Clause 3 of the Loan Agreement dated 19.05.2021 required the Defendant to repay the entire loan amount as well as the cost of capital in the manner prescribed therein. The said clause makes it clear that the money is to be given by the Defendant to the Plaintiff only when the revenue is deposited in the Defendant's bank account. It is not an independent obligation on the Defendant to repay the money till the revenues are received.

6.6. He stated that the Loan Agreement dated 19.05.2021 does not deal at all with the digital or satellite rights or the payments to be made in relation thereto. He referred to Clause 4 of the said agreement, which records that upon the distribution and exploitation of all rights of the films, further agreements will be entered into. It is stated that Clause 4.1 A of the said



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Agreement also notes that the Defendant will provide to the Plaintiff on a best effort basis written terms of offer for granting assignment/license of any unsold digital and satellite rights of each of the film.

Such offer terms shall contain offer price, payment schedule of offer price, terms shall contain offer price, payment schedule of offer price, term and territory for exploitation, etc. This clause makes it clear that the amount of Revenue share in cases of exploitation of digital and satellite rights of films was not determined as per the Loan Agreement dated 19.05.2021.

6.7. He stated that the Loan Letter Agreement dated 06.08.2022 [‘Letter No. 1’] also makes it clear that it was only upon the receipt of money from the purchaser of the satellite and digital rights that the money was to be paid to the Plaintiff. He relied upon Clause 1.4 of the said amendment agreement further stipulated that the Defendant would issue letters to all satellite and digital vendors in the prescribed form directing them to deposit payments into the Plaintiff’s account. He relied upon Clause 1.4 of the said Amendment to reiterate that the sole obligation of the Defendant was only to communicate to all satellite and digital vendors of the films that the payments were to be made to the Plaintiff.

6.8. He stated that the Letter No. 1 was followed by Loan Letter Agreement dated 19.09.2022 [‘Letter No. 2’], which reaffirmed at Clause 1.1 that the money which had to be paid by the respective satellite & digital vendors was to be paid to the Plaintiff. Even under the Letter No. 2, there was no independent obligation on the Defendant to make payment to the Plaintiff.

6.9. He stated that the final amendment in series of contracts was the Loan Letter Agreement dated 17.03.2023 [‘Letter No. 3’], which makes it clear



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that the obligation of the Defendant was only that the balance of the satellite and digital rights was to be paid by the respective satellite and digital rights vendor to SCIPL, and not that the Defendant itself had to make the said payment.

The obligation was only to ensure that money did not come to the Defendant itself, and only to ensure that the balance which would come by the vendor was paid to the Plaintiff. This obligation had been fulfilled by the Defendant and reliance is placed on the email correspondences¹.

6.10. He stated that the subsequent amendments vide Letter No. 1 dated 06.08.2022, Letter No. 2 dated 19.09.2022, and Letter No. 3 dated 17.03.2023 introduced provisions for digital and satellite rights, which were previously not envisaged. These amendments, specifically provided that revenues from such rights would be shared equally between the parties and that the third-party broadcasters would remit the Plaintiff's share directly. As per these amendments, 50% of the satellite and digital revenues were to be paid directly by the vendors to the Plaintiff, while the Defendant would receive the remaining 50%. Therefore, any delay or non-payment from Zee Entertainment could not be construed as a breach or contempt on the Defendant's part.

6.11. He submitted that whether the Defendant remained liable in the event of non-payment by third parties was a matter for adjudication in the main suit, not for contempt proceedings, and that even if there existed a commercial liability, failure to make payment in such a situation could not constitute contempt, as there was no wilful disobedience of the Court's

¹Enclosed at page nos. 126-143 as Documents 10 and 11 in the Compilations of Documents filed under the Index dated 03.09.2024 by the Defendant.



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order. He maintained that the order dated 19.12.2023 was conditional upon payments being received from third parties.

Submissions *qua* release of cinematograph films/web series ‘Indian Police Force’ and ‘Crakk’ in violation of order dated 19.12.2023.

6.12. With respect to the two [2] films/web-series - ‘Indian Police Force’ and ‘Crakk’, he stated that no such points have been raised in the Plaintiff’s contempt petition. It was stated that the films were mentioned only in an affidavit filed at a later stage and that there were no specific pleadings in the captioned application.

6.13. The web series ‘Indian Police Force’ was not produced or co-produced by Defendant No.1. The said web series has been commissioned by Amazon Seller Services Private Limited to Rohit Shetty Picturez LLP under a Production Agreement to only render line-production services in relation to the web series and all rights in the web series are owned by Amazon Seller Services Private Limited and not by Defendant No.1. He contended that in view thereof, Indian Police Force was not produced/co-produced by Defendant No.1 and no question arises to seek leave of this Court.

6.14. Defendant No.1 in its pleadings has mentioned that the film ‘Crakk’ was to be produced by Defendant No.1 with Kalari Action Hero Films Private Limited as the main producer of the Film. However, the agreement between Kalari Action Hero Films Private Limited and Defendant No.1 was terminated by a termination notice dated 08.12.2023 for the said film. Kalari Action Hero Films Private Limited has already released the said film without any acknowledgement to Defendant No.1. In view of the termination by Kalari Action Hero Films Private Limited on 08.12.2023



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there was no question of seeking leave of the Court.

6.15. It is stated that the Defendant has already complied with the orders dated 23.11.2023 and 19.12.2023 and therefore, is not in wilful disobedience of the Orders passed by this Court.

Rejoinder Submissions on behalf of the Plaintiff

7. Mr. Amit Sibal, learned senior counsel for the Plaintiff responded to Defendant's contention as under: -

7.1. He stated that as per the Loan Agreement dated 19.05.2021, the Defendant was under an unconditional obligation to repay the loan amount together with the cost of capital at 12.5%. The Defendant's argument that repayment was contingent upon receipt of amounts from third parties, and that in the absence of such receipt there was no obligation to repay, is an incorrect and impermissible interpretation of the admitted agreement. The said submission by is a rewriting of the loan agreement and of the Court's order.

7.2. He stated that paragraph no. '5' of the Order dated 19.12.2023 records that the Defendant undertakes to deposit the said amount in the bank account in terms of the Loan Agreement 19.05.2021 and does not say 'as and when received from Zee Entertainment'. The said order was dictated in open court in the presence of both parties; the Defendant could have clarified that the deposit was conditional, but chose not to do so. Paragraph no. '6' of the said order, further directed the Defendant to deposit the admitted amounts within two [2] weeks.

The Defendant's current explanation that it would deposit only upon receipt from Zee Entertainment is an afterthought, and amounts to adding words to the Court's order. His non-compliance is deliberate and wilful.



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7.3. He stated that in its written statement, the Defendant has admitted liability of Rs. 7.42 crores and also acknowledged that only Rs. 143.73 crores had been repaid against the total admitted liability of Rs. 198 crores [Rs.190 crores + Rs.7.42 crores]. Thus, even on the Defendant's own showing, a shortfall of approximately Rs.54 crores remain outstanding, which is the subject of the present suit. It was argued that there is no defence to either Rs. 7.42 crores amount or the remaining claim. The Defendant's only plea is that the 7.42 crores was payable by Zee Entertainment, which is untenable in light of his own undertaking and the Court's order.

7.4. He stated that in addition to the present contempt, the liability of Rs.7.42 crores already stand admitted, and under Order XII Rule 6 of CPC, the Court is empowered to direct payment not only of that amount but also of the entire admitted outstanding of Rs.54 crores.

Findings and Analysis

8. The facts relevant for adjudication of the present application, as stated in the pleadings filed by the parties, are as under: -

8.1. The Plaintiff extended loan of sum of Rs.168 crores to the Defendant to partially finance the production of six [6] films. The said loan was extended on the strength of a Loan Agreement dated 19.05.2021['the Agreement'].

8.2. The said Agreement provided that in addition to repayment of principal of sum of Rs. 168 crores, the Plaintiff would be entitled to: -

8.2.1. Cost of Capital being an amount of 12.5% on the principal amount to be calculated in terms of Clause 3.3 of the said Agreement.

8.2.2. Revenue share of 3% on the revenues earned from the six [6] films to be calculated in terms of Clause 3A read with Clause 1.12 of the said



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Agreement.

8.3. To secure the loan amount and ensure that the same was repaid, the Plaintiff was afforded a lien/charge on all revenues earned by the Defendant from the named six [6] films as well as any future or past cinematograph films [whether theatrical or OTT releases] that is produced/co-produced by the Defendant either solely or with any third-party.

8.4. The said Agreement was amended vide Loan Letter Agreement(s) dated 06.08.2022 [‘Letter No. 1’], 19.09.2022 [‘Letter No. 2’], and 17.03.2023 [‘Letter No. 3’].

8.5. The aforesaid Letter No. 3 records an acknowledgment by the Defendant that Plaintiff is entitled to recover a sum of Rs. 190,24,42,839/- plus Rs. 7,52,83,637/-.

8.6. Neither of these aforementioned documents nor their execution is disputed by the parties as well as the Defendant.

8.7. The Defendant in its written statement dated 22.12.2023 admitted² that only an amount of Rs. 143,73,36,927/- [Rupees One Hundred Forty-Three Crores Seventy-Three Lakhs Thirty-Six Thousand Nine Hundred and Twenty-Seven] has been returned to the Plaintiff.

9. At the first hearing of the suit dated 23.11.2023, the Plaintiff contended that the Defendant had defaulted in repaying the loan and submitted that a sum of Rs. 60 crores approximately³ was due and payable by the Defendant.

The Plaintiff at the said hearing sought an attachment order of the amounts receivable by the Defendant from third parties, in I.A. 23278/2023.

² At Paragraph no. ‘3(g)’ of the preliminary submissions of the written statement

³ Paragraph No. ‘1’ of the plaint.



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The Court directed the Defendant to file an affidavit disclosing the receivables from third parties, with respect to works over which the Plaintiff enjoys a lien as per the Loan Agreement dated 19.05.2021 and its subsequent amendments.

10. In compliance with the direction issued in order dated 23.11.2023, the Defendant filed an affidavit of disclosure dated 07.12.2023, wherein at paragraph no. '5', the Defendant expressly acknowledged that a sum of Rs. 7.42 crores was receivable from Zee Entertainment Enterprises Ltd. ['Zee Entertainment'], which amount was to be deposited into the Defendant's bank account controlled by the Plaintiff as per Letter No. 3.

In the same affidavit separately at paragraph no. '6', the Defendant acknowledged its obligation to share revenues with the Plaintiff for the films 'IB-71' and 'Bholaa'. The amount payable on this account was quantified as Rs. 2.32 crores. The relevant paras of the said affidavit read as under:

“5. I say that with respect to the films (IB 71, Thai Massage, Vikram Vedha, Durga, Bholaa, and Sherdil) which are subject matter of the Loan Agreement as amended from time to time, nothing is due and receivable by this Defendant in the form of 'Revenues' (as defined under the Loan Agreement) upon which the Plaintiff may enjoy lien as per the Loan Agreement, other than Rs. 7,42,00,000/- (Rupees Seven Crores and Forty-Two Lakhs Only) from Zee Entertainment Enterprises Ltd. which shall be directly deposited into the Defendant's bank account controlled solely by Mr. Bhushan Kumar as per the agreement with the Plaintiff.

6) I further say that this Defendant in compliance of the said Order has already shared the revenue statements of films, IB 71 and Bholaa with the Plaintiff vide its letter dated 6th November 2023. Hereto annexed and marked as **Exhibit “B”** is the copy of the letter dated November 6, 2023 alongwith annexures.”

[Emphasis Supplied]

11. The Court vide order dated 19.12.2023 took note of the contents of



the affidavit of disclosure dated 17.12.2023 and passed the following directions at paragraph nos. '5', '6' and '7', which are reproduced hereinbelow: -

“5. Further, an affidavit of disclosure dated 7th December, 2023 has been placed on record by the Defendant. In the said affidavit, details are provided regarding the receivables from third parties, concerning the works over which the Plaintiff may have a lien, as per the Loan Agreement dated 19th May 2021. The Defendant deposes that the receivable amount is more than Rs. 7.42 crores from Zee Entertainment Enterprises Ltd. for the films covered under the said Loan Agreement. The Defendant, as per the said affidavit, undertakes to deposit the said amount in the bank account, in terms of the Loan Agreement.

6. The admitted amounts in terms of the affidavit of disclosure dated 7th December, 2023 shall be deposited within two weeks in terms of the Loan Agreement dated 19th May, 2021.

7. Since the matter could not be heard due to the late replies, the submission made by Mr. Kirpal, Id. Senior Counsel, as recorded in paragraph 40 of the previous order dated 23rd November, 2023, that the Defendant shall not release any cinematograph films, or transfer any rights in them, shall continue. If the Defendant wishes to release or transfer rights in any cinematograph films, the same shall be done only after obtaining the leave of this Court.”

[Emphasis Supplied]

12. However, since the Defendant failed to comply with the directions of payments issued vide order dated 19.12.2023, the Plaintiff subsequently filed the captioned application on 11.01.2024 for initiation of the contempt proceedings.

13. The Respondent Nos. 2 and 3 have filed a joint affidavit in reply dated 21.04.2024 to the aforesaid application and took a stand that neither the amount of Rs. 2.32 crores nor the amount of Rs. 7.42 crores is payable by the Defendant. Respondent No. 1 has also filed a separate affidavit in reply to the aforesaid application taking a similar stand.



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14. It is the contention of the Plaintiff that vide the order dated 19.12.2023 issued two directions for deposit of monies, which are as follows:

- a. Rs. 7.42 crores receivable from Zee Entertainment.
- b. Rs. 2.32 crores receivable on account of the films 'IB-71' and 'Bholaa'

15. The Plaintiff has also contended that the Defendant has violated the restraint order issued on 23.11.2023 and 19.12.2023 restraining Defendant from releasing any cinematograph films produced by it, without the leave of the Court.

Non-payment of Rs. 2.32 crores within two [2] weeks as directed vide order dated 19.12.2023; and compliance of the said direction by the Defendant belatedly on 08.05.2025

16. At the hearing dated 03.02.2025, while hearing the captioned contempt petition, the Court after examining the Defendant's affidavit of disclosure dated 07.12.2023 as well as the order 19.12.2023, *again* directed the Defendant to ensure that a sum of Rs. 2.32 crores (in terms of paragraph no. '6' of the disclosure affidavit) is deposited in Court on or before 31.03.2025. Vide the said order the Court also rejected the claim of set-off pleaded by the Defendant in its reply.

17. However, the Defendant failed to comply with the said direction issued on 03.02.2025 as well. At the hearing dated 08.04.2025, Defendant sought to plead inability to make the payment due to the attachment of its bank accounts by the Statutory authorities.

The Court vide order dated 08.04.2025, gave a last opportunity to the Defendant to pay the sum of Rs. 2.32 crores to the Plaintiff on or before 19.05.2025. The Defendant in its order dated 08.04.2025 was also directed



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to file details of all bank accounts of the Defendant company and their status i.e. whether they are attached or not.

The Defendant in its written submissions dated 23.09.2025 has stated that the said amount of Rs. 2.32 crores has since been deposited in the Plaintiff's bank account on 08.05.2025.

18. In the aforesaid facts, the wilful delay by the Defendant in failing to deposit the amount of Rs. 2.32 crores with the Plaintiff in compliance with the direction issued on 19.12.2023 within two [2] weeks is proved. A perusal of the contents of the orders dated 03.02.2025 and 08.04.2025 also show that the Defendant raised unsustainable defences for not complying with the direction for deposit of Rs. 2.32 crores issued vide order 19.12.2023.

Non-payment of Rs. 7.42 crores within two [2] weeks as directed vide order dated 19.12.2023

19. With respect to the contention of the Plaintiff that the Defendant has failed to deposit a sum of Rs. 7.42 crores receivable from Zee Entertainment; it is an admitted position⁴ that during the pendency of this application a sum of Rs. 4.29 crores have since been received by the Plaintiff from Zee Entertainment on 21.01.2024, 23.04.2024, 06.07.2024, 25.04.2025, 02.05.2025 and 09.05.2025.

20. As per the Plaintiff, there continues to remain a shortfall of Rs. 3.13 crores and also there has been a considerable delay in receiving payments of Rs.4.29 crores Zee Entertainment.

21. The Defendant does not dispute the aforesaid facts with respect to a shortfall of Rs. 3.13 crores or the [delayed] dates on which the payments amounting to Rs. 4.29 crores were received from Zee Entertainment. The

⁴ At paragraph no. 9(C) of the written submissions filed by the Plaintiff.



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Defendant however, contended that it has no responsibility towards ensuring the timely payments from Zee Entertainment into the designated bank account and disputes that the order dated 19.12.2023 casts any obligation on the Defendant to make/ensure the payment of Rs. 7.42 crores in two [2] weeks.

22. The Defendant has contended that the responsibility of the payment of Rs.7.42 crores is wholly on Zee Entertainment and the Defendant herein is neither responsible for the delay nor for the shortfall of Rs. 3.13 crores. To substantiate this stand, the Defendant relied upon Clause 9 of the Letter No.3 dated 17.03.2023, which reads as under: -

“9. Until the receipt of entire SCIPL Refundable Amount 1 and 2 **as above** including shortfall/deficit amounts and/or change in amounts as mentioned in Point 8 hereinabove, SCIPL Lien under Clause 5 of the said Agreement shall remain valid, subsisting and enforceable in favour of SCIPL. SCIPL shall have first and paramount lien and charge on Revenues of each of the particular 6 (six) Films until recovery of the entire SCIPL Refundable Amount (defined in Point 5 above) attributable to such particular 6 (six) Films and in case of any shortfall in the recovery of such SCIPL Refundable Amount (defined in Point 5 above) and/or non-payment by S&D Vendors (for any reason whatsoever) as per their respective S&D Letters mentioned in Point 1.2 above) an/or amounts due under Point 8 above, SCIPL have first, foremost and paramount lien and charge on the Revenues of such other balance Films and future films of RE (whether produced solely by RE and /or any third party). Such future films shall also include the other 5 (five) Films as defined in the Agreement. Additionally, SCIPL shall also have first, foremost and paramount lien and charge on the revenues/incomes to be received from the past films made, released and sold by Reliance. SCIPL shall have all the rights and remedies under the law to exercise its SCIPL Lien including seeking injunction on the Film if SCIPL does not receive its entire SCIPL Refundable Amount 1 and 2 and/or any amounts due under Point 8 above.”

[Emphasis supplied]

The Defendant contended that in view of Letter No. 1, Letter No. 2



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and Letter No. 3 executed between the parties as an amendment to the said Loan Agreement, the Plaintiff has admitted and accepted that the recovery of loan shall be effected from the third party digital and satellite vendors of the Films. Thus, the amounts of Rs. 7.42 crores are recoverable by the Plaintiff only from Zee Entertainment and not from the Defendant.

23. The Plaintiff on the other hand has contended that the liability to repay the loan of remains with the Defendant under the Loan Agreement as amended by Letter Nos. 1, 2 and 3 and the fact that Rs. 7.42 crores are payable by Zee Entertainment [to the Defendant] and will be received by the Plaintiff does not absolve the Defendant from this primary liability. The Plaintiff contended that Defendant has a sole liability to ensure these payments are received.

The Plaintiff contended that it is in this background of facts that the direction of the Court to the Defendant on 19.12.2023 at paragraph nos. '5' and '6' was understood by the parties. It relied upon the content of the order dated 19.12.2023 which records the undertaking of the Defendant to ensure the deposit/payment of Rs. 7.42 crores. The Plaintiff contended that the non-deposit of Rs. 7.42 crores amount to violation of the said undertaking recorded by the Court.

24. Prima facie, this Court finds no merit in the submission of the Defendant that it has been absolved from all its liability to repay the outstanding loan amount to the Plaintiff by creation of the lien recorded in Letter No. 3. The liability to ensure repayment of loan continues to remain with the Defendant as is apparent from Clause Nos. 7 and 8 of the Letter No.3. Moreover, the fact that Zee Entertainment is depositing the revenue in the designated bank account of the Defendant [and not the Plaintiff] shows



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that there is no assignment of liability from Defendant to Zee Entertainment. The arrangement recorded in Letter No. 3 is only of lien on the revenue receivable by the Defendant and therefore the submission made by the Defendant in disputing its liability to make the payment of Rs. 7.42 crores to the Plaintiff within two [2] weeks as per order dated 19.12.2023 has no merit.

25. The direction issued by the Court vide order dated 19.12.2023 is unequivocal and clear. Also, assuming that the Defendant could have argued on 19.12.2023 that these payments will be received by the Plaintiff as and when the Zee Entertainment, makes the deposit; no such argument was raised. Instead, the Defendant accepted the direction of the Court at paragraph no. '6' of the order dated 19.12.2023 to ensure that the amounts are duly deposited, within two [2] weeks. The Defendant is bound to comply with the said direction. Even today, before this Court there is no dispute either on the liability or the entitlement of the Plaintiff to receive the amounts of Rs. 7.42 crores. This Court finds no merit in the explanation offered by the Defendant in its reply for not making a deposit of the entire amount of Rs. 7.42 crores within a period of two [2] weeks in terms of the order dated 19.12.2023.

26. This Court, therefore, holds that the Defendant is guilty of wilful non-compliance of the unequivocal direction of the Court issued on 19.12.2023 to ensure payment of Rs. 7.42 crores to the Plaintiff within two [2] weeks.

27. The belated payments of Rs. 4.29 crores received by the Plaintiff in six [6] tranches is in contravention of the direction issued on 19.12.2023. The said amount has admittedly been received by the Plaintiff beyond the stipulated period of two [2] weeks.



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Release of cinematograph films/web-series ‘Indian Police Force’ and ‘Crakk’ in violation of order dated 19.12.2023

28. The Plaintiff has also contended that the Defendant herein has released cinematograph films/web-series – ‘Crakk’ and ‘Indian Police Force’ on 23.02.2024 and 19.01.2024 respectively without leave of this Court in terms of the order dated 23.11.2023 and 19.12.2023.

Crakk

29. The Defendant in its affidavit of disclosure dated 07.12.2023 has submitted as follows:

“Film Crakk - Although is co-produced by this Defendant with Kalari Action Hero Films P. Ltd as the main producer of the Film, however, nothing is receivable as on date as 'Revenues' (as defined in the Loan Agreement) upon which the Plaintiff may enjoy lien as per the Loan Agreement. Further the Defendant does not own any exploitation rights in the Film.”

30. However, in its written statement, the Defendant has taken a stand that its agreement with the co-producers stood terminated on 08.12.2023 and the stand reads as under:

“5.14 (e) Film Crakk - Jeethega Toh Jiyegaa - Although is produced by this Defendant with Kalari Action Hero Films Private Limited as the main producer of the Film, however, nothing is receivable as on date as 'Revenues' (as defined in the Loan Agreement) upon which the Plaintiff may enjoy lien as per the Loan Agreement. Further the Defendant does not own any exploitation rights in the Film. It is imperative to state that the Defendant has already received a termination notice dated 8th December 2023 for this film, which the Defendant is in the process of taking necessary actions to protect its right under the agreement. Kalari Action Hero Films Private Limited has already announced the release date for Crakk, without any acknowledgement to the Defendant.”

31. The relevant paragraph of the Defendant’s written submission is as under: -

“7ii. The Defendant No.1 in its pleadings has mentioned that the film



“Crakk” was to be produced by the Defendant No.1 with Kalari Action Hero Films Private Limited as the main producer of the Film. However, the agreement between Kalari Action Hero Films Private Limited and Defendant No.1 was terminated by a termination notice dated 8th December, 2023 for the said film. Kalari Action Hero Films Private Limited has already released the said film without any acknowledgement to the Defendant No.1. In view of the termination by Kalari Action Hero Films Private Limited on 8th December, 2023 there was no question of seeking leave of the Hon’ble Court.”

32. In view of the aforesaid stand of the Defendant in its written statement, this issue is left open for the Plaintiff to contend at trial and to enquire through process of discovery and cross-examination if any revenues were indeed earned by the Defendant from its production rights in the film *Crakk*.

33. Though, this Court does observe that the date of the restraint order dated 23.11.2023 and the changing stand of the Defendant in its affidavit dated 07.12.2023 as well as its written statement do raise a doubt about the veracity of termination of the agreement *qua* the film *Crakk* on 08.12.2023 being a smokescreen to overcome the restraint order. However, this issue is reserved for trial.

Indian Police Force

34. With respect to the film/web-series ‘*Indian Police Force*’, the Defendant has taken a stand that it has not been produced or co-produced by it. The stand taken in the affidavit of disclosure dated 07.12.2023 is as under:

“g. Web series Indian Police Force - Indian Police Force is a web series and is outside the scope of the Loan Agreement. In any event and without prejudice the same is not produced or coproduced by this Defendant and is therefore outside the purview of the Loan Agreement.”



35. In the written statement as well, the Defendant has reiterated this stand at paragraph no. '5.15(g)'. In its written submissions at paragraph no. '7(i)', the Defendant has explained that this series has been commissioned by Amazon Seller Services Pvt. Ltd. to Rohit Shetty Pictures LLP for rendering line production services and all rights in the web series are owned by Amazon and not by the Defendant. Learned senior counsel for the Defendant during the arguments explained that such an appointment entail hiring of personnel by the Defendant.

36. In contrast, the Plaintiff has submitted that the Defendant's name is prominently disclosed in the credits of this web series as under, which shows that Defendant is the producer: -

"A ROHIT SHETTY PICTUREZ PRODUCTION IN ASSOCIATION WITH RELIANCE ENTERTAINMENT".

A screenshot of the credit has been placed on record. The Defendant has not denied the aforesaid contention of the Plaintiff with respect to display of its name in the credits of the said web series.

37. In the considered opinion of this Court, the Defendant's stand that it has not produced or co-produced the said web-series is prima facie negated by the said display of the Defendant's name in the credits of the said web series. No document/agreement has been filed by the Defendant to substantiate its plea that it was merely line producer in this web series.

However, in view of the stand taken by the Defendant that the rights in the series vest in Amazon, this issue is left open to be tried at trial, wherein the Plaintiff will be at liberty to summon the records of the concerned third-party entities to ascertain if any revenues were received by the Defendant from the said web series as a producer.



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38. The Defendant has raised a contention that the issue of the release of the film 'Crakk' and the web series - 'Indian Police Force' was not raised in I.A. 815/2024 and therefore, the said issue cannot be adjudicated in these proceedings. However, this Court finds no merit in the submission as the Plaintiff had filed an additional affidavit dated 19.02.2024 to make submissions in addition to averments made in I.A. 815/2024. The Defendant herein has been granted an opportunity to meet these allegations and the Defendant has indeed responded to those allegations by its affidavits filed in response to I.A. 815/2024.

39. The Defendant was thus granted sufficient opportunity and the fact remains that if the Defendant has indeed acted in violation of the orders dated 23.11.2023 and 19.12.2023 in releasing the cinematographic film and the web series, the Plaintiff was well within its rights to raise this issue before this Court.

Non-compliance of the directions issued in the order dated 08.05.2025

40. The Plaintiff has during arguments highlighted that the Defendant herein failed to file an affidavit and provide the details of the bank accounts in terms of paragraph no. '9' of the order dated 08.04.2025.

41. This Court takes note that it was only pursuant to the further directions issued by the Court on 17.09.2025 and 19.09.2025 that the Defendant herein complied with the said direction issued in the order dated 08.04.2025 and filed its affidavit on 21.10.2025.

42. This conduct of the Defendant shows its consistent manner of not complying with the directions of this Court in a timely manner without being directed again and again; and thus, shows wilful disregard for legal process.



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DIRECTIONS

43. In view of the aforesaid findings, this Court finds the Defendant to be guilty of wilful disobedience of the directions issued by the Court on 19.12.2023 with respect to deposit of sum of Rs. 7.42 crores and Rs. 2.32 crores within a period of two [2] weeks i.e. w.e.f. 22.01.2024.

44. The application at paragraph no. '2' states that Respondent No. 1 is the Director and Respondent No. 2 is the Additional Director of the Defendant. It states that Respondent No. 3 is the authorized representative of the Defendant company and has signed the pleadings. The said paragraph states that Respondent Nos. 1 and 2 are aware of the day-to-day affairs of Defendant and in fact Respondent No. 2 is also marked on the communications exchanged between the parties. In fact, reply to the application has been jointly filed by Respondent Nos. 2 and 3 as well as a separate reply has been filed by Respondent No. 1. This Court notes that the averments at paragraph no. '2' of the application have been admitted in the reply. In the replies. Respondent Nos. 1, 2 and 3 have not disputed their liability to ensure due compliance. Respondent Nos. 1 to 3 were therefore liable for ensuring due compliance are liable for the consequences of the non-compliance.

45. Accordingly, Respondent Nos. 1, 2 and 3 are hereby directed to undergo simple imprisonment for a period of four [4] weeks.

46. This Court however deems it appropriate to grant an opportunity to Defendant as well as Respondent Nos. 1 to 3 to purge the contempt by making good the shortfall of Rs. 3.13 crores along with interest and to separately pay interest on the delayed payments of sum of Rs. 4.29 crores



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and the sum of Rs. 2.32 crores respectively.

47. Accordingly, Respondent Nos. 1, 2 and 3 as well as the Defendant company are given two [2] weeks' time to deposit the balance amount of Rs.3.13 crores along with the interest at the rate of 12.5% per annum. The Defendant will also deposit interest at the rate of 12.5% per annum on the delayed payment of Rs. 4.29 crores as well as Rs. 2.32 crores calculated from 02.01.2024 [the date when the payment was supposed to be made vide order dated 19.12.2023 until the date of their actual payment].

48. It is directed that if this amount along with the interest is not deposited within two [2] weeks, then Respondent Nos. 1, 2 and 3 will be liable to be sentenced to undergo imprisonment for a period of four [4] weeks.

49. The rate of 12.5% has been awarded keeping in view the terms and conditions of the Loan Agreement wherein parties have agreed that the Plaintiff is entitled to 12.5% return on its principal amount.

50. To enable the aforesaid opportunity, the prison sentence shall remain suspended for two [2] weeks. However, to secure the appearance of Respondent Nos. 1 to 3, they are directed to appear before the Joint Registrar (J) on 16.03.2026 for furnishing bails bonds in the sum of Rs. 1 lakh with one surety of the same amount.

51. If the payment as directed above is deposited within two [2] weeks, the prison sentence shall be remitted and the bail bonds will be discharged.

52. It is clarified that until the Defendant has not made this deposit as directed hereinabove, the Plaintiff will have a continuing cause of action against the Defendant and its Directors for maintaining a fresh contempt petition.



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53. In view of the aforesaid, the captioned application is allowed and stands disposed of.

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54. List before the Joint Registrar (J) on 16.03.2026 for furnishing of bail bonds.

I.A. 23284/2023 and I.A. 23285/2023

55. List before the Roster Bench for directions on **27.03.2026**.

**MANMEET PRITAM SINGH ARORA
(JUDGE)**

MARCH 10, 2026/msh/mt/MG