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OA No. 243 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on	:	20-07-2026
Pronounced on	:	28-08-2026

CORAM

THE HON'BLE MR.JUSTICE K.KUMARESH BABU

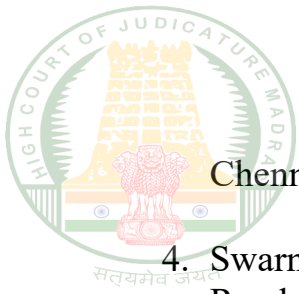
OA No. 243 of 2025
in
C.S.(Comm.Div.)No.70 of 2025

1. PG.Suresh Babu
2. P.S.Kavitha
3. P.S.Manish Babu

..Applicants

Vs

1. Swarnatara Group of Companies
Rep.by its Founder cum Chairman,
Venkatrenga Gupta,
78, 2nd Floor, Vetri Vinayagar Koil Street,
Thiruvalléeswarar Nagar,
Anna Nagar West, Chennai – 600 040.
2. Swarntara Health Care Resorts Pvt.Ltd.,
Rep by its Director,
Hariharan Krishnamoorthy,
78, 2nd Floor, Vetri Vinayakar Koil Street,
Thiruvalléeswarar Nagar, Anna Nagar West,
Chennai – 600 040.
3. Swarnatara Consultancy Trading Pvt.Ltd.,
Rep by its Director,
Hariharan Krishnamoorthy,
78, 2nd Floor, Vetri Vinayakar Koil Street,
Thiruvalléeswarar Nagar, Anna Nagar West,



Chennai – 600 040.

4. Swarnatara Diamonds and Jewels Pvt.Ltd.,
Rep by its Director,
Hariharan Krishnamoorthy,
78, 2nd Floor, Vetri Vinayakar Koil Street,
Thiruvalleeswarar Nagar, Anna Nagar West,
Chennai – 600 040.

5. SFH Markets Ltd.,
Rep by its Director,
Hariharan Krishnamoorthy,
78, 2nd Floor, Vetri Vinayakar Koil Street,
Thiruvalleeswarar Nagar, Anna Nagar West,
Chennai – 600 040.

6. Swarnatara Developers Ltd.,
Rep by its Director,
Hariharan Krishnamoorthy,
78, 2nd Floor, Vetri Vinayakar Koil Street,
Thiruvalleeswarar Nagar, Anna Nagar West,
Chennai – 600 040.

7. Swarnatara Collaborations Ltd.,
Rep by its Director,
Hariharan Krishnamoorthy,
78, 2nd Floor, Vetri Vinayakar Koil Street,
Thiruvalleeswarar Nagar, Anna Nagar West,
Chennai – 600 040.

8. Deepsphere AI India Pvt.Ltd.,
Rep by its Director,
Hariharan Krishnamoorthy,
78, 2nd Floor, Vetri Vinayakar Koil Street,
Thiruvalleeswarar Nagar, Anna Nagar West,
Chennai – 600 040.

9. Venkatrenga Gupta

10. Hariharan Krishnamoorthy

11. Vijayshree Gupta



12.Kavitha Shakthi

13.Pratiksha V Gupta

14.Jayasanthosh

15.Jayavignesh

16.S.Seetha

..Respondents

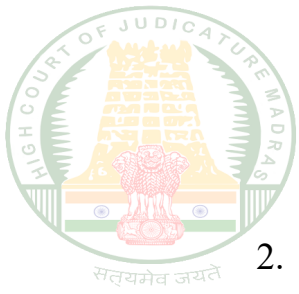
Judge's Summons filed under Order XXXIX Rule 1 of the Code of Civil Procedure, 1908, read with Order XIV Rule 8 of the Rules of the High Court, Madras, Original Side, 1994, praying to pass an order of interim injunction restraining the 16th respondent from alienating/encumbering the property shown as Item No.1 and 2 in the Schedule to the Settlement Deed dated 21.09.2023 and registered as Document No.8717 of 2023 on the file of the Sub Registrar, Villivakkam, in any manner whatsoever, pending disposal of the suit.

For Applicant(s): Mr.Sharath Chandran

For Respondent(s): Mr.Prakash Goklaney
(For RR14 to R16)

ORDER

This Original Application has been filed to pass an order of interim injunction restraining the 16th respondent from alienating/encumbering the property shown as Item No.1 and 2 in the Schedule to the Settlement Deed dated 21.09.2023 and registered as Document No.8717 of 2023 on the file of the Sub Registrar, Villivakkam, in any manner whatsoever, pending disposal of the suit.



2. Since the Original Application is to restrain 16th respondent and she having entered appearance and contesting it, the same has taken it for hearing.

Heard both sides.

3. The learned counsel appearing for the applicant would submit that the plaintiffs had instituted a suit for recovery of money of a sum of Rs.3,07,42,683/- (Rupees Three Crores Seven Lakhs Forty Two Thousand Six Hundred and Eighty Three only), jointly and severally, as against the respondents. He would submit that the respondents 1 to 8 are all group companies, while the 9th respondent is the Founder-cum-chairman of the first respondent company, and the respondents 10 to 15 are the Directors in the first respondent company. On being lured by respondents 10 to 12 and persistent representations made by respondents 9 to 15, the applicant had made investments, for which 100% returns were promised. Initially, the returns were being made, which prompted the applicants to make further investments of their hard-earned money. However, the returns made through cheques subsequently in the year 2024 were all returned with insufficient funds, and attempts were made to protract the returns, including the principal amount, and the cheques given towards the same were all dishonoured.



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4. At that juncture, the respondents/Directors had absconded and a Criminal Complaint had also come to be registered against the first respondent and respondents 9 to 15. It had also come to the knowledge of the applicant that the 12th respondent had purchased immovable property by two registered sale deeds in the year 2017, which, under a sham and nominal document titled as a Settlement Deed in the year 2023, wholly undervalued the property in favour of the 16th respondent. He would submit that the transaction had been made wholly with an intention to defeat the rights of the investors, and if the same is allowed to be dealt with, it will only cause severe prejudice from recovering the money from the other respondents. Hence, it has become imperative that an injunction be granted against the sale of the property.

5. Relying upon various judgments, learned counsel for the applicants would submit that the entire amount is nothing but a secured debt, and would also rely upon judgments to contend that the property, which originally belonged to a debtor and was transferred to another under a Gift Deed or a Settlement Deed can also be a subject matter of *lis* for recovery of money. Hence, he would submit that this Court to grant the injunction as prayed for.



6. Mr. Prakash Goklaney, learned counsel appearing on behalf of respondents 14 to 16, would, at the outset, deny the submissions made by the learned counsel appearing on behalf of the applicant. He would submit that respondents 14 and 15 were only Directors of a company for a limited period and he would further submit that the 12th respondent, being the mother of respondents 14 and 15 and daughter of the 16th respondent, had purchased the property out of her hard-earned money along with the contribution of other family members and relatives. He would submit that the company's money had not been utilised for the purchase of the property and that, being the self-acquired property of the 12th respondent, she is entitled to deal with the same in the manner known to law.

7. He would further submit that the documents of the property had also been seized by the Economic Offences Wing under the TNPID case registered against respondents 1 to 15. He would further submit that a settlee of a property cannot be held liable for the debts of the donor, which is wholly misconceived. He would submit that the 16th respondent is a third party and not a Director, and therefore, the property belonging to the 16th respondent as on the date of filing of the suit cannot be a subject matter of the *lis* between the applicants and respondents 1 to 15.



8. That apart, he would submit that the applicants, being a shareholder and not an investor, would also not be entitled to the reliefs as have been prayed for. He would further submit that, firstly, there shall be a satisfaction of the debt and only thereafter, a relief for recovery of money could be made. Admittedly, the applicants are only shareholders and there is no debt and, hence, they are not entitled for any relief in that context.

9. I have considered the submissions made by the learned counsel appearing on either side and perused the materials available on record.

10. It is an admitted case that, as of today, the Judge's Summons mentioned mentioned property stands in the name of the 16th respondent. It is the claim of the applicants that the property, which originally stood in the name of the 12th defendant, having been purchased by her from and out of the money that was invested in the company, was transferred to the 16th respondent, who is a third party to the company, but mother of the 12th respondent, in a sham and nominal manner, seeking to keep the property out of reach from the recovery proceedings initiated against the other respondents.

11. On the contrary, it is the claim of the 16th respondent that the 16th respondent does not have any role to play in the affairs of the company and that the property had been settled in her favour out of the love and affection that the



12th respondent had over the 16th respondent, in particular for protecting her interest due to her old age.

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12. There is no dispute that the property had been purchased by the 12th respondent and transferred to the 16th respondent. The said Judges Summons mentioned property was dealt with by the 12th respondent in favour of the 16th respondent under a Deed of Settlement dated 21.09.2023, registered as Document No.8717 of 2023, on the file of the Sub-Registrar Office, Villivakkam.

13. The recitals in the aforesaid document would indicate that the property had been conveyed in favour of the 16th respondent not only in lieu of the love and affection, but as the 16th respondent had been instrumental in developing the business of the family by her special efforts, for which, to provide security during old age, the 12th respondent had executed the Settlement Deed. For better appreciation, the relevant recital in the registered instrument is extracted hereunder:

“AND WHEREAS the SETTLOR is desirous of conveying the property to her mother, the SETTLEE herein on whom she has showered her love and affection and who in turn has been instrumental in developing the business of the family by her special efforts emanating out of love for her daughter and therefore the SETTLOR wishes to provide for her security during



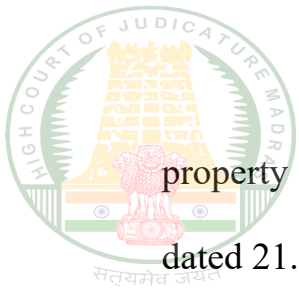
her old age.”

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14. The aforesaid recital by the 12th respondent would clearly indicate that the 16th respondent had actively been in participation of the business of the family, which is also admitted to be done in the name of respondents 1 to 8 by respondents 9 to 15. It is further to be noted that the 16th respondent has categorically admitted that the settlement had been accepted by her and therefore, she is now the absolute owner, who is in possession and enjoyment of the property. This would also categorically mean that the 16th respondent, who is the settlee of the property, had also agreed impliedly that she had taken active participation in the business of the family, which is being administered by respondents 9 to 15 through all the business of respondents 1 to 8.

15. In such circumstances, this Court is also of the view that the property, which had been purchased by the 12th respondent and now transferred to the 16th respondent could also be the subject matter of the *lis*, in view of the said admission.

16. For the aforesaid reasons, this Court finds no impediment in granting the injunction as prayed for and accordingly, there shall be an order of injunction, restraining the 16th respondent from alienating/encumbering the

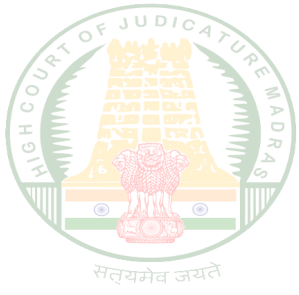


property shown as Item No.1 and 2 in the Schedule to the Settlement Deed dated 21.09.2023 and registered as Document No.8717 of 2023 on the file of the Sub Registrar, Villivakkam, in any manner whatsoever, pending disposal of the suit. No costs.

28-08-2026

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

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K.KUMARESH BABU, J.

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