

## IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON  
18.03.2026PRONOUNCED ON  
21.04.2026

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THE HON'BLE MR.JUSTICE K.KUMARESH BABU

**CRP No. 761 of 2019**  
**and CMP.No.30975 of 2025**

1. M/s.Sakthi Aishwarya Spinning Mills P.Ltd.,  
Having its Registered Office at No.36,  
Padmavathy Puram 6th Street , Avinashi Road,  
Gandhi Nagar Post, Tiruppur – 641605  
and having Mills at Pachaal Post, Puduchatram  
via Namakkal District,

Represented by its Authorized Signatory  
Sakthi Vignesh, 27, S/o.P.Karuppusamy (died),  
No.36, Padmavathy Puram, 6<sup>th</sup> Street,  
Avinashi Road, Ganghi Nagar Post,  
Tiruppur – 641 605.

P.Karuppusamy (died)

- 2.Ruchmani, W/o.Karuppusamy
3. Easwari
- 4.Sakthi Vignesh
- 5.Aiswarya

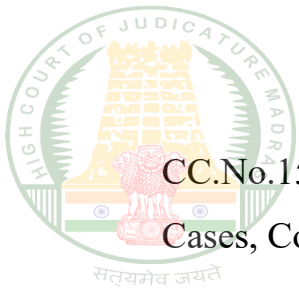
..Petitioner(s)

Vs

G.Srinivasan

..Respondent(s)

**PRAYER:-** Civil Revision Petition filed under Article 227 of the Constitution of India, to set aside the fair and decretal order dated 25.05.2017 passed in EP.No.51/2016 in REP.No.75/2016 on the file of the Learned Principal District Judge, Namakkal, to the extent that it subjects the petitioners' enjoyment and possession of its properties to the outcome of the order to be passed in



CC.No.15/2011 before the Additional District Court - II, Special Court for CBI Cases, Coimbatore.

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For Petitioner(s): Mr.A.Thiyagarajan

For Respondent(s): No appearance

### **ORDER**

The Civil Revision Petition has been filed challenging the fair and decretal order dated 25.05.2017 passed in EP.No.51/2016 in REP.No.75/2016 on the file of the Learned Principal District Judge, Namakkal, to the extent that it subjects the petitioners' enjoyment and possession of its properties to the outcome of the order to be passed in CC.No.15/2011 before the Additional District Court - II, Special Court for CBI Cases, Coimbatore.

2. Heard Mr.A.Thiyagarajan, learned counsel for the petitioners.

3. Mr.A.Thiyagarajan, learned counsel for the Petitioner would submit that the Petitioner had entered into a memorandum of agreement, which was also supplemented, with regard to the transfer of shares and management of the Petitioner company together with its assets. As the Respondent failed to perform his part of the obligations, the Petitioner, invoking the Arbitration Clause in the said Agreement, had initiated arbitration proceedings. The sole Arbitrator had passed an Award allowing the claim made by the Petitioner. He



would submit that the same became final as the Respondent appeals were dismissed till the Hon'ble Apex Court. An Execution Petition to execute the Award also came to be allowed, however, with an observation that the petitioner can enjoy the possession of the property subject to the outcome of the order passed in the calendar case pending in the Special Court for CBI Cases.

4. He would submit that such an observation is an unnecessary observation, as even if the property is confiscated under the PMLA Act initiated against the Respondent, the Petitioner has a rightful claim for retention of the property by releasing the same under the PMLA Act as being the rightful title holder to the property. The issue of title with the company may have sufferance in the conduct of its business, hence, he seeks indulgence of this Court. The Petitioner had been benefited with an award.

5. I have considered the submission made by the learned counsel appearing for the Petitioner and perused the materials available on record.

6. The petitioner has been benefitted with an Award and the same had been affirmed till the Hon'ble Apex Court, and thereafter he had taken out an



application to execute the Award. It is also not in dispute that the Respondent was roped in as an offender under the PMLA Act, and proceedings were pending till the disposal of the Execution Petition. Even assuming that under Section 8 of the PMLA Act, the property could be confiscated to the Union Government on the conclusion of trial, the very same Act also provides for releasing the property from confiscation on a rightful claim made by a party.

7. In the present case, there is no dispute that the Petitioner had been benefited with an award, where the agreement that he had entered into with the Respondent was cancelled and the property was vested with the Petitioner. The same had been confirmed up till the Apex Court. And therefore, even assuming that the Respondent is convicted in the PMLA offence and the property is confiscated, there would be a right to the Petitioner to get back the property based upon the award that had been given in his favour.

8. In such an event, this Court is of the view that such a finding given by the Executing Court restricting the Petitioner's right to enjoy, subject to the outcome of the criminal proceedings, was wholly unnecessary and unwarranted.



9. For the aforesaid reasons, the revision petitions stand allowed, and the observations made by the Executing Court with regard to enjoyment of the property to be subject to the proceedings in the calendar case pending before the Special Courts, alone stand set aside. Consequently, connected miscellaneous petition is also closed. However, there shall be no order as to costs.

**21.04.2026**

Index: Yes/No

Speaking/Non-speaking order

Neutral Citation: Yes/No

GBA

To

1. Principal District Judge, Namakkal
2. Additional District Court – II,  
Special Court for CBI Cases,  
Coimbatore.
3. The Section Officer,  
VR Section,  
Madras High Court,  
Chennai.



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**K.KUMARESH BABU, J.**

**GBA**

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