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Crl.A.(MD).No.50 of 2021

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Date : 22.02.2023

CORAM:

THE HON'BLE MR JUSTICE G.ILANGO VAN

Crl.A.(MD).No.50 of 2021

1.V.Balakrishnan

2.B.Mangammal

... Appellants

Vs.

1.State Represented by
The Inspector of Police,
E.O.W.II,
Dindigul District.

2.K.Ganesan

... Respondents

(R2 is impleaded per order of this Court dated 04.01.2023 in
Crl.M.P(MD).No.71 of 2023 in Crl.A(MD).No.50 of 2021

Prayer: Criminal Appeal has been preferred under Section 374 (2) Cr.P.C.,
to call for the records and set aside the judgment passed in C.C.No.04 of
2008 on the file of the Special Court Under the Tamil Nadu Protection of
Interest of Depositors (In Financial Establishments), Act, 1997 dated
31.12.2020 and allow the Criminal appeal.

For Appellants	: Mr.N.Ranjith
For R1	: Mr.R.Suresh Kumar Government Advocate(Crl.Side)
For R2	: Mr.R.Saravanan



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J U D G M E N T

This Criminal Appeal has been filed to call for the records and set aside the judgment passed in C.C.No.04 of 2008 on the file of the Special Court Under the Tamil Nadu Protection of Interest of Depositors (In Financial Establishments), Act, 1997 dated 31.12.2020 and allow the Criminal appeal.

2. The case against the appellants is that the appellants and two others were running a financial Establishment viz., Aiswarya Financiers and they collected the deposit from the public and failed to refund the amount and they cheated the depositors by offering 18%, 24% and 25% interest. Thereafter, a case in Crime No.06 of 2002 was registered under Sections 420, 406, 120(b) I.P.C and under Section 5 of TNPID Act and the same was taken on file as C.C.No.4 of 2008. After the trial the Special Court, found the appellants guilty under Sections 406, 120(B) of IPC and under Section 5 of TNPID Act. The trial Court convicted the appellants under Section 406 of IPC and sentenced him to undergo one year rigorous imprisonment and convicted the appellants under Section 120(B) of IPC and sentenced him to undergo one year rigorous imprisonment and to pay a fine of Rs.1,000/- (Rupees One Thousand only), in default to undergo a further period of three months rigorous imprisonment and convicted the appellants under Section 5



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of TNPID Act and sentenced him to undergo three years rigorous imprisonment and to pay a fine of Rs.10,000/- (Rupees Ten Thousand only), in default to undergo a further period of six months rigorous imprisonment. Against the conviction and sentence imposed by the trial Court, the appellants have filed a criminal appeal in Crl.A.(MD)No.50 of 2021 before this Court.

3. When the matter was taken up for hearing, on the earlier occasion, the learned counsel for the appellants submitted that after passing the judgment, compromise reached between the parties and the appellants paid a sum of Rs.4,37,000/-(Rupees Four Lakhs and Thirty Seven Thousand only) to the defacto complainant.

4. To verify the submission of the learned counsel for the appellants, this Court directs the defacto complainant to appear before this Court on 07.02.2023, through Video Conference.

5. On 07.02.2023, when the matter was taken up for hearing, the defacto complainant appeared before this Court, through Video Conference and he has stated that after the judgment passed by the trial Court, the entire amount was settled to him by the appellants.



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6. The learned counsel appearing for the appellants have filed a Memo stating that the appellants have paid Rs.4,37,000/- to the defacto complainant and he has also produced the Challan before this Court.

7. Considering the totality of the circumstances, the nature of the allegations levelled against the appellants and also in view of the joint compromise memo, dated 16.12.2021, this Court is of the opinion that no useful purpose will be served by keeping the matter pending and inclined to quash all further proceedings in C.C.No.04 of 2008 on the file of the Special Court Under the Tamil Nadu Protection of Interest of Depositors (In Financial Establishments), Act, 1997, in respect of the appellants.

8. In the result, the Criminal Appeal stands allowed and the entire proceedings in C.C.No.04 of 2008 on the file of the Special Court Under the Tamil Nadu Protection of Interest of Depositors (In Financial Establishments), Act, 1997, is hereby set aside in respect of the appellants alone and the appellants are acquitted from the charges levelled against them. The compromise memo is recorded and the terms of joint compromise memo shall form part of this order. Fine if any paid shall be refunded.

22.02.2023

Index:Yes/No
Internet:Yes/No
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1. Special Court Under the Tamil Nadu Protection of Interest of Depositors (In Financial Establishments), Act, 1997.
2. The Inspector of Police,
E.O.W.II,
Dindigul District.
3. The Additional Public Prosecutor,
Madurai Bench of Madras High Court, Madurai.



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G.ILANGO VAN, J

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22.02.2023.