



CrI.R.C.No. 385 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30.06.2025

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

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1. SCM Associates
7th Floor, Mahavir complex,
21-A, Oppanakkara Street,
Coimbatore - 641 001
rep. by its Authorised Signatory
Ms.Seema Malpani
2. Seema Malpani
Authorized Signatory and Director of
SCM Associates,
7th Floor, Mahavir complex,
21-A, Oppanakkara Street,
Coimbatore - 641 001
3. Rajkumar Malpani
Director of SCM Associates,
7th Floor, Mahavir complex,
21-A, Oppanakkara Street,
Coimbatore - 641 001

... Petitioners

Vs

K.P.Textiles (Coimbatore) Pvt., Ltd.,
4/237, Caltonpet (Post),
Sulur, Coimbatore - 641 401
represented by its Manager
Mr.R.Manoharan

... Respondent

PRAYER: Criminal Revision Petition is filed under Sections 397(1) and 401 of Cr.P.C., to set aside the Judgment dated 31.10.2022 passed by the learned III



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Additional District and Sessions Judge, Coimbatore in C.A.No.158 of 2020 confirming the conviction and sentence of the petitioners 2 and 3 to undergo six months simple imprisonment and compensation of Rs.15,00,000/- in default to undergo two months simple imprisonment under Section 138 of Negotiable Instrument Act by Judgment dated 20.02.2020 passed by the learned Judicial Magistrate Fast Track Court No.I, at Magisterial level, Coimbatore in C.C.No.278 of 2014.

For Petitioners : Mr. L.Mouli
For Respondent : Mr. M.Baskar

ORDER

This Revision has been preferred as against the order passed in CrI. Appeal No.158 of 2020 dated 31.10.2022 on the file of the learned III Additional District and Sessions Judge, Coimbatore thereby confirming the conviction and sentence imposed by the trial court in C.C.No.278 of 2014 dated 20.02.2020 on the file of the learned Judicial Magistrate, Fast Track Court No.I at Magisterial Level, Coimbatore for offence under Sections 138 of Negotiable Instruments Act.

2. The petitioners are the accused in the complaint lodged by the respondent for the offence under Section 138 of Negotiable Instruments Act alleging that the respondent is engaged in the business of manufacturing and



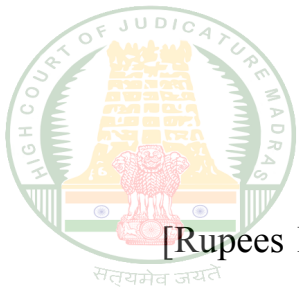
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selling Combed Yarn. The petitioners purchased the yarn from the respondent

and towards settlement of the amount, the petitioners issued cheques and when the cheques were presented for collection, all the cheques were returned for the reason 'funds insufficient'. After causing statutory notice, the respondent filed a complaint. On the side of the respondent, they had examined P.W.1 and marked Exhibits P.1 to P.17 and on the side of the petitioners, they had examined D.W.1 to D.W.3 and marked Exhibis Ex.D.1 to D.9.

3. On perusal of the oral and documentary evidence, the trial court found the petitioners 2 and 3 guilty for offence under Section 138 of Negotiable Instruments Act and sentenced to undergo simple imprisonment for a period of six months and also awarded compensation of cheques amount, within a period of two months, failing which, the petitioners 2 and 3 were ordered to undergo default sentence of two months simple imprisonment. Aggrieved by the same, the petitioners have preferred an appeal and the appellate court confirmed the order of conviction and sentence imposed by the trial court. As against the same, the petitioners have come up with the present Revision.

4. While the present revision petition is pending, the petitioners and the respondent entered into compromise agreement dated 25.06.2025 and as per the terms of the compromise, the petitioners have paid a sum of Rs.5,00,000/-



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[Rupees Five Lakhs only] and undertook to settle the remaining amount on or

before August, 2025. The learned counsel for the respondent also endorsed the same.

5. In view of the above, the conviction and sentence imposed by the learned Judicial Magistrate, Fast Track Court at Magisterial Level-1, Coimbatore in C.C.No.278 of 2014 and confirmed by the learned III Additional District and Sessions Judge, Coimbatore in C.A.No.158 of 2020 is set aside and the present Revision is allowed. However, it is made clear that if the petitioners fail to comply with the terms and conditions of the compromise agreement dated 25.06.2025, ie., fail to pay the remaining amount to the respondent on or before 31.08.2025, the order of conviction and sentence imposed by the trial court and confirmed by the appellate court shall be restored automatically and the respondent is at liberty to secure the petitioners to undergo the remaining period conviction as per the order passed by the trial court and confirmed by the appellate court in the manner known to law.

Accordingly, the present Revision is allowed.

30.06.2025

Index : Yes/No
Neutral citation : Yes/No
Speaking/non-speaking order
ssd



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WEB COPY

1. The III Additional District & Sessions Judge,
Coimbatore.
2. The Judicial Magistrate,
Fast Track Court at Magisterial Level-1,
Coimbatore.
3. The Public Prosecutor,
Madras High Court,
Chennai.



WEB COPY



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G.K.ILANTHIRAIYAN, J.

ssd

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