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Crl.A.No.254 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 17.12.2025

PRONOUNCED ON : 02.01.2026

CORAM :

THE HON'BLE MR. JUSTICE SUNDER MOHAN

Crl.A.No.254 of 2023

and Crl.MP.No.3426 of 2023

S.Sivakumar

... Appellant/Accused No.3

v.

State rep. by Inspector of Police,
Economic Offences Wing II,
Coimbatore District,
[Cr.No.2 of 2014]

... Respondent/Complainant

Criminal Appeal filed under Section 374(2) of Code of Criminal Procedure, against the conviction of the appellant/A3 and sentence imposed on him in C.C.No.17 of 2014 dated 11.01.2021 on the file of the learned Special Judge, Special Court under TNPID Act, Coimbatore and set aside the conviction and sentence and allow this appeal.

For Appellant : Mr.C.S.Saravanan
For Respondent : Mr.S.Rajakumar
Additional Public Prosecutor



JUDGMENT

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The Criminal Appeal challenges the judgment dated 11.01.2021 passed in C.C. No. 17 of 2014 by the learned Special Judge, Special Court under the TNPID Act, Coimbatore, convicting and sentencing the appellant/A3 as follows:

<i>Sl.No.</i>	<i>Offence under Section</i>	<i>Sentence imposed</i>
1.		1/6 th portion of fine amount [Rs.2,10,000/-] imposed on A1-company i.e., Rs.35,000/-
2.	120B IPC (35 counts)	For each counts, to undergo two years RI and to pay fine of Rs.2,000/-, in default to undergo further one year SI;
3.	406 IPC (35 counts)	For each counts, to undergo three years SI and to pay fine of Rs.2,000/-, in default to undergo further one year SI;
4.	420 IPC (35 counts)	For each counts, to undergo three years SI and to pay fine of Rs.2,000/-, in default to undergo further one year SI;
5.	5 TNPID Act	For each counts, to undergo three years SI and to pay fine of Rs.2,000/-, in default to undergo further one year SI;
Total fine amount is Rs.3,15,000/-. The sentences were ordered to run concurrently.		

2. The prosecution case is that the appellant along with the other accused had collected deposits to the tune of Rs.68,46,025/- from 35 depositors (46 counts) under various schemes and failed to repay the depositors and thus, committed the offences as stated above.



Crl.A.No.254 of 2023

WEB COPY

3. The appellant was arrayed as A3. The remaining accused viz., A1, A2, A4 to A6 and A8 filed a criminal appeal before this Court in Crl.A.No.167 of 2021 and pending appeal, this Court had directed the appellants therein to settle all the depositors and also directed the District Revenue Officer, Coimbatore, to file a status report regarding the settlement made by the appellants. On receipt of the said report, on 17.04.2025, this Court had observed as follows:

11. Pending Appeal, this Court directed the Accused/Appellants to settle the entire dues to all the depositors by depositing the amount with the District Revenue Officer, Coimbatore, who is the Competent Authority under TNPID Act. The District Revenue Officer, Coimbatore as Competent Authority was directed to file a status report regarding entire settlement. As per the report filed on 27.09.2023, only 8 persons remains to be paid the entire dues. The amount was available with the Competent Authority. Therefore time was granted to the Competent Authority to settle the entire dues and report regarding settlement.

12. Accordingly, the District Revenue Officer, Coimbatore, the Competent Authority under the TNPID Act Dr.M.Sharmila in her report vide Ref. No.5181/2015/I-1, dated 06.02.2024, had furnished the details of payment made to the remaining 8 depositors with their names and affidavit to that effect with the proof of their identity. The District Revenue Officer had further stated that the offence alleged against the Accused can be compound under Section 5-A of the TNPID Act, 1997. The status report of the District Revenue Officer, Coimbatore/Competent Authority filed vide Ref. No.5181/2015/I-1, dated 06.02.2024, is accepted, recorded and taken on file.



Crl.A.No.254 of 2023

In the light of the above discussion, this Criminal Appeal is allowed.

The judgment of conviction in C.C.No.17 of 2014 on the file of the learned Special Judge, Special Court under TNPID Act Cases, Coimbatore, is set aside by compounding the offences against the appellants under Section 5-A of TNPID Act, 1997. The Appellants/Accused-1, 2, 4, 5, 6 and 8 are acquitted from all the charges. The bail bond executed by the Appellant/Accused-1, 2, 4, 5, 6 and 8 shall stand cancelled.”

4. The competent authority had sent a communication to the learned Additional Public Prosecutor, which is filed before this Court, enclosing the copy of the status report filed in the earlier appeal. The competent authority confirms that the money due to all the 35 depositors have been settled and stated that since the depositors do not wish to pursue the case, the offence may be compounded.

5. In view of the above, the observations made by this Court in Crl.A.No.167 of 2021 vide judgment dated 17.04.2025 would apply to the appellant as well. Hence, the Criminal Appeal is allowed. The judgment of conviction in C.C.No.17 of 2014 on the file of the learned Special Judge, Special Court under the TNPID Act Cases, Coimbatore, is set aside. The



Crl.A.No.254 of 2023

Appellant/A3 is acquitted of all the charges. The bail bond executed by the Appellant/A3 shall stand cancelled. Consequently, the connected Criminal Miscellaneous Petition is closed.

02.01.2026

Index : yes/no

Speaking /Non-speaking order

Neutral citation : yes/no

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To

1. The Special Judge,
Special Court under TNPID Act,
Coimbatore.
2. The Inspector of Police,
Economic Offences Wing II,
Coimbatore District.
3. The Public Prosecutor,
High Court, Madras.



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Crl.A.No.254 of 2023

SUNDER MOHAN, J.

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Pre-delivery Judgment in
Crl.A.No.254 of 2023

02.01.2026