

FIRST INFORMATION REPORT

TAMIL NADU POLICE
INTEGRATED INVESTIGATION FORM-1

முதல் தகவல் அறிக்கை
(Under Section 154 Cr P.C.)
குறவி தொ.பிரிவு 154 இன் கீழ்

C 8051825
06/AC/2021/CC-II

1. District: Chennai PS: Y3 AC - CC-II Year: 2021 FIR No.: முதஅ எண்: 02-11-2021
மாவட்டம்: சென்னை காவல்துறைப்பகுதி: Y3 AC - CC-II ஆண்டு: 2021 முதஅ எண்: 02-11-2021
2. (i) Act: PC Act 1988 Sections பிரிவுகள்: 13(2) & 13(2)(d) PC Act 1988
(ii) Act: IPC Sections பிரிவுகள்: 409, 109 IPC
(iii) Act: Sections பிரிவுகள்:
(iv) Other Acts & Sections பிரிவுகளும்: பிரிவுகளும்:

3. (a) Occurrence of Offence Day: 2007-2008 Date to: 2012-2013
குற்ற நிகழ்வு நாள்: 2007-2008 நாள் முதல்: 2012-2013 நாள் வரை
Time Period: Time from: - Time to: -
நேர அளவு: நேரம் முதல்: - நேரம் வரை: -
(b) Information Received at PS Date: 25.10.2021 Time:
காவல் நிலையத்திற்கு தகவல் கிடைத்த நாள்: 25.10.2021 நேரம்:
(c) General Diary Reference: Entry No(s): 02.11.2021 Time: 13.00 hrs
குறியிடப்பட்ட பதிவு விவரம் எண்: 02.11.2021 நேரம்: 13.00 hrs

4. Type of Information: Written/ Oral: Written
தகவலின் வகை: எழுத்து மூலம் / வாய் மொழியாக: எழுத்து மூலம்

5. Place of Occurrence (a) Direction and Distance from PS:
குற்ற நிகழ்விடம் (அ) காவல்துறைப்பகுதிக்கு எவ்வளவு தூரமும், எத்திசையும்:
Beat Number: (b) Address:
குறங்க எண்: முகவரி:

o/o Joint Commissioner of Commercial Taxes, Commercial Taxes department - Chennai
Central division
North east, 17 kms approximately

(c) In case outside limit of this Police Station, then the Name of P.S.: District:
இக்காவல் நிலைய எல்லைக்கடம்போய் நடந்து இருக்குமானால், அந்த காவல்துறைப்பகுதி மாவட்டம்:

6. Complainant/Informant (a) Name: C. Umadevi (b) Father's/Husband's Name: P.L. Chandraselvaran
குற்றமுறைபட்டவர்/ தகவல் தந்தவர் பெயர்: சந்திரசேலவரன் / காவல் பெயர்: P.L. Chandraselvaran
(c) Date/Year of Birth: (d) Nationality: (e) Passport No.:
நாள் / பிறந்த ஆண்டு: நாட்டினம்: வெளிநாட்டு அடையாள எண்:
Date of Issue: Place of Issue:
வழங்கப்பட்ட நாள்: வழங்கப்பட்ட இடம்:
(f) Occupation: Inspector of Police (g) Address: City Special Unit - 3
தொழில்: Police முகவரி: City Special Unit - 3
Vigilance & Anti Corruption
Chennai - 16

7. Details of Known/Suspected/Unknown accused with full particulars. (Attach separate sheet if necessary)
தெரிந்த / ஐயப்பாடாத / தெரியாத குற்றஞ்சாட்டப்பட்டவரின் முழுமையான விவரங்கள்
(தேவையெனில் தனித்தனிக் இணைப்பும்)
1. M. Parameswaran, M/A 50/2019, 3C (CT) (2) T. Chandraselvaran M/A 50/2019, DC, (CT) (3) Tmt. P. Urethra, F/A 60/2019, AC (Retd)
UD Tmt. A.V. Akilandeswari, F/A 45/2019, Manager (5) Tmt. K. Shanthi F/A 39/19
formerly DC (CT) (6) M/s. Amara Batteries Limited Company Represented by its M.D
8. Reasons for delay in reporting by the complainant / Informant

Continuation of Column No.12 of FIR in V&AC Cr.No.06/AC/2021/CC-II Dated
02.11.2021

Submitted:

Accused details: (Column No.7)

1.	Tr.M.Parameswaran, A: 50/19, S/o S.Murugesan, Joint Commissioner (CT), BIU, IVth Floor, PAPJM Building, Greams Road, Chennai-06.
2.	Tr.Chandra Sekaran, Age 46/2019, S/o.R.Kanniappan, Deputy Commissioner (CT), Appeal, Vellore.
3.	Tmt.P.Geetha, Age 60/2019, W/o.K.P.Gopinath, Assistant Commissioner (Retd), Commercial of Tax, Kilpauk Assessment, Chennai- 42.
4.	Tmt.A.V.Akilandeswari, Age45/2019 (Manager), W/o.R.Ramachandran, CTO (Commercial Tax) Zone V Office of the Deputy Commissioner.
5.	Tmt.Shanthi Age39/2019, Formerly Deputy Commissioner (C.T), Zone-5, Now Additional State Representative, Sales Tax Appellate Tribunal, (Additional Bench).
6.	M/s Amara Raja Batteries Limited Company Represented by its M.D doing their business at No.61, Buckingham Terrace, Mc.Nicholas Road, Chetpet, Chennai-31

1). During 2016-2017, AO -1 to 5 were working in the O/o the Joint Commissioner, Central division, Chennai and are Public servants as defined U/s 2 C of PC Act.

2). On receipt of a petition from the State Tax Officers of Goods and services Taxes Department, Chennai Central Division, Greams Road, Chennai-6, a Preliminary Enquiry in PE 425/2017/CT/CC-I was registered on 14.12.2017 for the allegation that the Accused Officer AO 1 Tr.M.Parameswaran, while holding the post of Joint Commissioner (CT) Chennai Central Division in the year 2016-2017, had abused his official position and illegally favoured the dealer viz. Tvl.Amararaja Batteries Limited by ordering the reduction of rate of commercial tax and liability for pecuniary advantage and thereby caused loss of Rs.8,38,15,003/- to the Government of TN. After verifying the gravity of allegations against 1.Tr.M.Parameswaran, Joint Commissioner, 2).Tr.Chandrasekaran, Deputy Commissioner, Sriperumbudur, (Formerly Deputy Commissioner Zone V, Chennai) 3). Tmt.Geetha, (Formerly Asst.Commissioner, Kilpauk/ Assessment Circle (Retired on 31.05.2016) and 4). Tmt.A.V.Akilandeswari, Manager, to the Deputy Commissioner Zone V, Chennai (Formerly Additional Charge of the Assistant Commissioner CT, Kilpauk Assessment Circle, Chennai and after verifying

the documents. the Vigilance Commissioner vide Lr No 2944/VC-1/2018-1. Dt 23.08.2018 has accorded concurrence to take up a Detailed Enquiry for the allegations against the said AOs. that Accused Officer AO 1 Tr M Parameswaran while holding the post of Joint Commissioner (CT) Chennai Central Division in the year 2016-2017, colluded with AO-2 Tr Chandrasekaran formerly DC, Zone 5 CT AO 3 Tmt Geetha formerly Asst Commissioner of Kilpauk Assessment circle(Retd). AO-4 Tmt Akilandeewari, Manager to DC, Zone 5. have violated the advance rulings and G O and illegally favoured the dealer viz M/s Amara Raja Batteries limited, to pay less tax at the rate of 4% and 5% instead of paying 12.5 % and 14.5% for the period of assessment during 2007-08 to 2012-13. Thus caused loss to the Government of TN, to the tune of Rs 3,82,24,497/-

3) During course of enquiry, it was found that One Tmt K Shanthi formerly DC (CT) also served as Zone-V incumbent to AO-2 Tr Chandrasekaran during the period and her complicity was verified and permission was accorded to include Tmt K Shanthi additional accused in this case

4) The Tamil Nadu Value Added Tax Act, 2006 prescribes four different types of rate of tax for taxability of commodities as per Schedule attached to the Tamil Nadu Value Added tax Act 2006 viz 1% , 4%, 12.5% vide Part A , Part B , Part C of First Schedule of TNVAT Act 2006.

5) In the commercial Taxes Department of Tamil Nadu, the Advance ruling Authority as per the powers vested U/s 48(A)(1) r/w Rule 12A of TNVAT Rules in proceedings No. ACAAR No 107/14-15, Dt 14.08.2015 has clarified in a case that 'Home UPS' is a Home inverter which is liable for tax @ 14.5% Entry in Sl.No 69 of part-c of First schedule to the Tamil Nadu VAT Act 2006.

6) In the advance rulings it has been clearly mentioned that 650 VA Home UPS is liable to be taxed @ 12.5% up to 11.07.2011 and 14.5% after 11.07.2011. The dealer M/s Amara Raja AO-6 is engaged in selling of 800 VA Home UPS.

7) The commodity dealt by M/s. Amara Raja Batteries would not fall under the Information Technology Product. They are Home UPS (inverters) of more than 650VA which are used as inverters for Home and Commercial Establishment. They are taxable at 12.5% under entry 69 of Part C to First Schedule to TNVAT Act. The accused officers

citing accused company product inverters in the name of HOME UPS, and fixed tax rate at computer UPS and caused wrongful gain to the AO-6 and caused loss to the Government. In respect of rating under Chapter 85 of the Central Excise Tariff Act, the goods (Home UPS) sold by the M/s. Amaraaja Batteries falls under Chapter 85 of Central Excise Tariff Act, 1985 and under the Tariff Head 8504 of the Central Excise Tariff Act, 1985.

8). The Enforcement wing conducted Surprise inspection on the dealer's company viz.M/s.Amararaja Batteries Limited on 24.08.2012 and noticed that the dealers are dealing in manufacturing and sales of Home UPS / Inverter / Batteries. They have evaded tax by camouflaging the sale of Home UPS as IT products and suggested to revise the tax and sent notice to the dealer to pay the pending tax.

9). While being so, the AO-1 has received a deviation proposal from Tmt.Geetha AO-3 AC, (CT) Kilpauk assessment circle for reduction of rate of tax from 12.5% / 14.5% to 4 % / 5% for sale of Home UPS for deviating the original enforcement proposal which suggested higher rate of tax.

10). AO-2 JC, C.T forwarded the deviation proposal to AO-1 on the same lines against the rule. AO-5 has re-sent the proposal for deviation to AO-1 for approval. AO-1 vide his deviation approval Lr.No.RC.No.5182/2016/B9, Dt:30.05.2017 has permitted the assessing officer to deviate the original enforcement proposal and approved for assessment of sale of Home UPS / Inverter at a reduced rate of 4% / 5% instead of 12.5% / 14.5%. Whereas the A.G audit team during their course of inspection during 2019 have detected irregularities / Omissions with a total revenue loss of Rs.1,97,31,052/- due to the deviation proposal approved by AO-1 to AO-5 which is not in order and erroneous.

11). The AO-1 Tr.Parameswaran, Joint Commissioner had accepted the proposal sent by the Assessing Authority and issued orders to assess the Tax for Home UPS at 4% of levy by violating the Advance Rulings vide ACAAR No.107/2014-2015, Act Cell-II/39224/2014 dated 14.08.2015 and caused this Levy of Tax, based on the recommendations of AO-2 Tr.Chandrasekar and AO-5 Tmt.Shanthi for approval of the deviation proposal prepared by AO-3 Tmt.Geetha and supportive documents produced by AO-4 Tmt.Akilandeswari in favour of the dealer M/s Amaraaja Batteries Limited

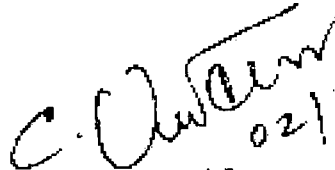
company and implemented through AO-5 and AO-4. As per the advance rulings this Home UPS is liable to be taxed 12.5% and 14.5% and not as 4% of tax.

12). Thus AO-1, AO-2, AO-3, AO-4, AO-5 being public servants u/s 2 (c) of Prevention of Corruption Act 1988 (as amended in 2018), during the period 2016-2017, abused their official position, by violating the direction of law (Advance Ruling and Government Order No.3 dt 01.07.2007), had committed criminal misconduct by reducing the tax from 12.5% / 14.5% to 4% / 5% for the sale of Home UPS / Inverter to facilitate M/s Amara Raja Batteries Limited company (Represented by its M.D A-6) for pecuniary advantage and had allowed M/s Amara Raja Batteries Limited Company to pay lesser levy at the rate of 4% and 5% instead of paying 12.5 % and 14.5% for the period of assessment during 2007-2008 to 2012-2013 to the tune of Rs. 1,97,31,052/- and thereby causing financial loss to Government of TN to the tune of Rs. 1,97,31,052/-.

There by AO-1, AO-2, AO-3, AO-4 & AO-5 committed an offence punishable U/s 409 IPC, 13(2) r/w 13(1)(d) of PC Act 1988. The dealer has intentionally camouflaged the "Home Inverter" by naming it as "Home UPS" and such Home Inverters or Home UPS cannot be classified as Information Technology Products. Thus A6 committed the offence punishable U/s 109 IPC r/w 13(2) r/w 13(1)(d) of PC Act 1988 and 409 IPC.

Hence as per the instruction received vide DVAC Memo No.DE 4/2019/CT/CSU-III dated 25.10.2021 and the letter of the Additional Chief secretary to Government, Vigilance Commissioner, Administrative reforms (FAC) vide U.O.Note No.740/VC-1/2021-1 Dated 26.03.2021, I register a case in CSU-III V&AC Cr.No.06/AC/2021/CC-II U/s 409 IPC, 13(2) r/w 13(1)(d) of PC Act 1988 and 109 IPC today on 02.11.2021.

The original FIR is submitted before the Hon'ble Special Court for cases under Prevention of Corruption Act, Chennai and a copy of FIR is forwarded to the Superior Officers for information and further proceedings.


02/11/2021
Inspector of Police,
Vigilance and Anti Corruption,
City Special Unit- III,
Alandur, Chennai -16