

FIRST INFORMATION REPORT

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

TAMIL NADU POLICE
INTEGRATED INVESTIGATION FORM-I

8074790

1. District : DVAE PS: DVAE HORS Year: 2021 FIR No.: 16 Date: 09.08.2021
மாவட்டம் காவல்நிலையம் Chennai ஆண்டு மு.த.அ. என் நான்
2. (i) Act சட்டம்: IPC Sections பிரிவுகள்: 120B & 420 & 409 IPC
(ii) Act சட்டம்: Prevention of Corruption Act, 1988 Sections பிரிவுகள்: 13(2) & 13(1)(c) and
(iii) Act சட்டம்: Act, 1988 Sections பிரிவுகள்: 13(1)(d) & 109 IPC
(iv) Other Acts & Sections பிற சட்டங்களும், பிரிவுகளும் :
3. (a) Occurrence of Offence Day : Date from : Between 2014 Date to : And 2018
குற்ற நிகழ்வு நாள் நாள் முதல் நாள் வரை
Time Period : Time from : Time to :
நேர அளவு நேரம் முதல் நேரம் வரை
- (b) Information Received at PS. Date : 09.08.2021 Time :
காவல் நிலையத்திற்கு தகவல் கிடைத்த நாள் நேரம்
- (c) General Diary Reference : Entry No(s) : 09.08.2021 Time : After completing the
பொது நாட்குறிப்பில் பதிவு விவரம் என் நேரம் registration of FIR
4. Type of Information : Written/ Oral :
தகவலின் வகை : எழுத்து மூலம் / வாய் மொழியாக
Written
5. Place of Occurrence (a) Direction and Distance from PS:
குற்ற நிகழ்விடம் (அ) காவல்நிலையத்திலிருந்து எவ்வளவு தூரமும், எத்திசையும் Chennai and other places in
Tamil Nadu
Beat Number : (b) Address :
முறைக் காவல் எண் முகவரி
- (c) In case outside limit of this Police Station, then the Name of P.S : District :
இக்காவல் நிலைய எல்லைக்கப்பால் நடந்து இருக்குமாயின், அந்நிலையில் அந்த காவல்நிலையம் மாவட்டம்
6. Complainant / Informant (a) Name : B. Gangadhar (b) Father's / Husband's Name : B. Gangaram
குற்றமுறையிட்டாளர் / தகவல் தந்தவர் பெயர் தந்தை / கணவர் பெயர்
(c) Date / Year of Birth : (d) Nationality : Indian (e) Passport No. :
நாள் / பிறந்த ஆண்டு நாட்டினம் வெளிநாட்டு கடிவுச்சீட்டு எண்
Date of Issue : Place of Issue :
வழங்கப்பட்ட நாள் வழங்கப்பட்ட இடம்
(f) Occupation : Superintendent (g) Address : special investigation cell,
தொழில் of Police முகவரி vigilance and Anti-corruption
Alandur, Chennai-16
7. Details of Known/Suspected/Unknown accused with full particulars. (Attach separate sheet if necessary)
தெரிந்த / ஐயப்பட்ட/குற்றிய / தெரியாத குற்றஞ்சாட்டப்பட்டவரின் முழுமையான விவரங்கள்
(தேவையெனில் தனித்தான் இணைக்கவும்)

As per enclosed sheet in Annexure-A

8. Reasons for delay in reporting by the complainant / Informant:
குற்றமுறையிட்டாளரால் / தகவல் கொடுப்பவரால் முறையிட்டதில் தகவல் கொடுப்பதில் தாமதம்

OR the outcome of the Preliminary Enquiry

9. Particulars of properties stolen / involved (Attach separate sheet if necessary)
கனவாடப்பட்ட / களவிற்குள்ளான சொத்துக்களின் விவரம் (தேவையெனில் தனித் தாளில் இணைக்கவும்)

10. Total value of properties stolen / involved :
கனவாடப்பட்ட / களவிற்குள்ளான சொத்துக்களின் மொத்த மதிப்பு

11. Inquest Report / Un-natural death Case No. if any: —
பிண விசாரணை அறிக்கை / இயற்கைக்கு மாறான இறப்பு என் ஏதேனும் இருந்தால்

12. FIR Contents (Attach separate sheet, if required) :
முதல் தகவல் அறிக்கையின் சுருக்கம். (தேவையெனில் தனித்தாளில் இணைக்கவும்)

Given in the separate sheet in Annexure-B
enclosed herewith

13. Action taken : Since the above report reveals commission of offence(s) u/s as mentioned at Item No.2 registered the case and took up the investigation / directed Rank to take up the investigation / Refused investigation / transferred to PS.....on point of jurisdiction.

எடுக்கப்பட்ட நடவடிக்கை : மேலே குற்ற முறையிட்டல் உள்வகை பிரிவு 2ல் கூறப்பட்ட சட்ட பிரிவுப்படியான குற்றமாக வழக்கு பதிவு செய்து புலனாய்வுக்கு எடுத்துக்கொள்ளப்பட்டது / பணிக்கப்படுதல் பதவி நிலை பணியாளரின் புலனாய்வுக்கு எடுத்துக்கொள்ள பணிக்கப்பட்டது / மறுக்கப்பட்டு எல்லையைக் கருதி புலனாய்வுக்கு காவல் நிலையத்திற்கு மாற்றப்படுகிறது.

FIR read over to the Complainant / Informant, admitted to be correctly recorded and a copy given to the Complainant / Informant free of cost.

மு.த.அ. குற்றமுறையிட்டாரருக்கு / தகவல் தந்தவருக்கு படித்துக்காட்டி, அது சரியாக எழுதப்பட்டு இருப்பதாக ஏற்றுக் கொள்ளப்பட்டு, அதன் படி நகல் ஒன்று இலவசமாக கொடுக்கப்பட்டது.

14. Signature / Thumb Impression of the Complainant / Informant
குற்றமுறையிட்டாளர் / தகவல் கொடுப்பவரின் ஒப்பம் / பெருவிரல் இரேகைப் பதிவு

Signature of the Officer in-charge, Police Station
காவல் நிலைய பொறுப்பு அலுவலரின் ஒப்பம்

15. Date & Time of despatch to the court:

நீதிமன்றத்திற்கு அனுப்பப்பட்ட நாடும், நேரமும்

09.08.2021 at 1830 hrs.

[B. GANGADHAR]
Name: B. Gangadhar
Rank: Superintendent of Police
Special Investigation Cell
Vigilance & Anti-Corruption
Superintendent of Police,
Special Investigation Cell,
Vigilance & Anti-Corruption,
Alandur, Chennai - 600 016.

ANNEXURE-A

Accused :

A-1 Thiru S.P.Velumani, Former Minister of Municipal Administration, Govt. of Tamil Nadu

A-2. Tr.P.Anbarasan, S/o. E.A.Palaniswamy, Partner, M/s. P. Senthil & Co., Shareholder, Sri Maha Ganapathi Jewellers (P) Ltd.,

A-3. KCP Engineers Private Ltd.,

A-4 Tr.K.Chandraprakash, Managing Director, KCP Engineers Private Limited, Shareholder, Aalayam Foundations Private Limited, Director, Constronics Infra Ltd. (formerly known as Invicta Meditek Ltd.), Shareholder, Constromall Goods Pvt. Ltd., Shareholder, Vaidurya Hotels (P) Ltd., Director and Shareholder, Ratnaa Lakshmi Hotels (P) Ltd., Director/Shareholder, Aalam Gold and Diamonds (P) Ltd.,

A-5 Tr. R.Chandrasekar, Director / Shareholder, KCP Engineers Private Limited, Shareholder, Aalayam Foundations Private Limited, Shareholder, Constromall Goods Pvt. Ltd., Shareholder, Vaidurya Hotels (P) Ltd., Shareholder, Ratnaa Lakshmi Hotels (P) Ltd., Director/Shareholder, Aalam Gold and Diamonds (P) Ltd., Partner, M/s. Two Leaf Mediaa,

A-6 Tr.R.Murugesan, Proprietor of S.P. Builders,

A-7 Jesu Robert Raja, Proprietor,

A-8. The Ace-tech Machinery Components India Pvt. Ltd.,

A-9 Constronics Infra Ltd. (formerly known as Invicta Meditek Ltd.),

A-10 Constromall Good Pvt. Ltd.,

A-11, Sri Maha Ganapathi Jewellers (P) Ltd.,

A-12, Aalayam Foundations Private Limited,

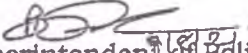
A-13 Vaidurya Hotels (P) Ltd.,

A-14 Ratnaa Lakshmi Hotels (P) Ltd.,

A-15 Aalam Gold and Diamonds (P) Ltd.,

A-16 AR ES PE INFRA (P) LTD.,

A-17 Tr. KU Rajan, proprietor, CR construction and Others & unknown officials


Superintendent of Police,
Special Investigation Cell,
Vigilance & Anti-Corruption,
Alondra Chennai - 600 016

ANNEXURE-B

FIR CONTENT IN VIGILANCE AND ANTI-CORRUPTION HEADQUARTERS
CR.NO. 16/2021 u/s 120B r/w 420 IPC. 409 IPC and SECTION 13(2) r/w
13(1)(c) and 13(1)(d) OF PREVENTION OF CORRUPTION ACT, 1988 r/w
109 IPC

<p>Accused : A-1 Thiru S.P.Velumani, Former Minister of Municipal Administration, Govt. of Tamil Nadu A-2 Thiru P.Anbarasan, S/o. E.A.Palaniswamy A-3 KCP Engineers Private Ltd A-4 Thiru K.Chandraprakash A-5 Tr. R.Chandrasekar A-6 Tr.R.Murugesan A-7 Tr. Jesu Robert Raja A-8 The Ace-tech Machinery India Pvt. Ltd A-9 Constronics Infra Ltd. A-10 Constromall Good Pvt. Ltd A-11 Sri Maha Ganapathi Jewellers (P) Ltd A-12 Aalayam Foundations Private Limited A-13 Vaidurya Hotels (P) Ltd A-14 Ratnaa Lakshmi Hotels (P) Ltd. A-15 Aalam Gold and Diamonds (P) Ltd A-16 AR ES PE INFRA (P) LTD A-17 Tr. KU Rajan, Proprietor, CR construction and Others & unknown officials</p>	<p>The Directorate of Vigilance & Anti-corruption had received two petitions sent by Tr.R.S.Bharathi, Member of Parliament, Organisation Secretary, DMK Party, Anna Arivalayam, Teynampet, Chennai and Tr.Jayaram V, Convenor, Arappor Iyakkam, No.140-A, R.L Salai, Egmore, Chennai-8, dated 10.09.2018 and 12.09.2018 respectively, against A-1 Thiru S.P Velumani. On the basis of these petitions, a Preliminary Enquiry was conducted and an enquiry report was forwarded to the government and also a copy in sealed cover submitted as status report to the Hon'ble High Court of Madras in the pending W.P.No.34845 of 2018 and Crl.O.P.No.23428 of 2018 as directed by the Court.</p>
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In both the above petitions, it was alleged that A-1 Thiru S.P.Velumani, S/o.E.A.Palanisamy (Late) had extended large scale favouritism by abusing his official position as the Minister for Municipal Administration, a public servant in the matters of awarding 'construction' and 'Supply of Goods/services' tender works in Greater Chennai and Coimbatore Municipal corporations to his close associates including his brother, their relatives and their associated companies/firms/propriety, namely, M/s P.Senthil & Co., KCP Engineers Private Limited., Invicta Meditek Ltd now renamed as Constronics Infra Ltd., Aalayam Foundations Private Limited., Constromall Goods Private Limited., ACE Tech Machinery Components India Pvt Ltd., Ratnaa Lakshmi Hotels (P) Ltd., Vaidurya Hotels (P) Ltd., AR ES PE Infra (P) Ltd., Sri Mahaganapathi Jewellers (P) Ltd., Aalam Gold & Diamond (P) Ltd., M/s. Vardhan Infraastructure., M/s Constronics India., M/s. Madras Infraa., M/s Hosur Builders., M/s. Two Leaf Media., S.P. Builders., J. Robert Raja., Chandra Prakash., C.R. Constructions and others. It was further alleged that, unknown officials of the said corporations have blatantly violated all rules of business in allocation of tenders to the above entities upon the influence of the A-1. Hence, the petitioners/informants sought criminal actions against the Minister and others.

In the meanwhile, W.P.No.34845 of 2018 and Crl.O.P.No.23428 of 2018 came up for hearing on 19.07.2021 before Hon'ble Chief Justice division bench. While adjourning the matter, the Hon'ble High Court has directed that the, *"The State should spare no efforts in getting to the bottom of the matter and proceed against those found to be responsible for the irregularities"* and to conduct further investigation in the light of the Comptroller and Auditor General (CAG) Report no. 4 of 2020 & Report No.8

of 2016, which highlighted injudicious awarding of tenders resulting in huge loss to the government in certain set of works executed by the Greater Chennai Corporation during 2014-2018.

In pursuance of the direction of the Hon'ble High Court of Madras, further enquiry was conducted into allegations mentioned in the petitions of Tr. RS. Bharati and Tr. Jayaraman V, dated 10.09.2018 and 12.09.2018 respectively, in the light of the latest published CAG Reports. In the course of further enquiry following facts were revealed, which prima facie disclose a cognisable offence warranting registration of criminal case.

(1). A-1 Thiru S.P.Velumani, S/o.Thiru E.A.Palanisamy (Late) is a politician and an incumbent Member of Legislative Assembly of Tamil Nadu from Thondamuthur Assembly Constituency, Coimbatore District. He has been a Member of the Legislative Assembly of Tamil Nadu, consecutively for four times from the year 2006 when he was first elected from Perur Assembly Constituency. He was the Cabinet Minister for Municipal Administration, Rural Development, Corporations and Panchayat Unions, Poverty Alleviation Programmes, Rural Indebtedness, Urban and Rural Water Supply and Implementation of Special Programme from 2014 to 2021. He was also the Chairman of Chennai Metropolitan Water Supply and Sewerage Board. He is a Public Servant as defined u/s.2 (c) of Prevention of Corruption Act, 1988.

A-1 Thiru. S.P.Velumani was a registered contractor from 1991 to 2001 in Municipal Corporation of Coimbatore City. A-1 along with his family members started a Firm, M/s. P.Senthil & Co, in the year 1999. In order to contest for General Elections to Legislative Assembly in the year 2001, he had resigned from the firm through an unregistered Partnership Deed dated 01.04.2001.

In May, 2014, A-1 Thiru S.P. Velumani had assumed charges as the Minister for Municipal Administration, Govt of Tamilnadu. The Municipal Corporations of Greater Chennai city and Coimbatore city are administered through the Ministry of Municipal Administration. Being the Minister, he is the administrative head of the Municipal Corporations.

During this period, 2014 to 2018, he had wilfully abused his official position in causing injudicious award of the tenders in connivance with the unknown officials of the Greater Chennai and Coimbatore Municipal corporations thereby causing undue pecuniary favour to the alleged Companies/firms. During the year 2014 to 2018, the total worth of tenders allotted to his closely associated companies is approx Rs. 464.02 Crores in Greater Chennai Corporation and approx Rs.346.81 Crores in Coimbatore Municipal Corporation.

While awarding these Tenders, the Tender inviting/Tender Evaluation/Accepting authorities and other officials of the respective municipal corporations, have blatantly violated Tamilnadu Transparency in Tenders Act 1998, Rule 31 Tamilnadu Transparency in Tenders Rules 2012, Guidelines of Central Vigilance Commission and The Engineering Manual of the Tamilnadu, etc, under the influence and directions of A-1 in the capacity of Minister for Municipal Administration.

(2). As a usual practice, in high value tenders, once Tender invitation is published in Tender bulletin/Newspapers, the registered contractors submit their Technical & Financial bids through manual/online mode. After closing date, the Tender Inviting Authority opens all the technical bids for evaluation and scrutiny, once technical suitability is ascertained, from these qualified eligible tenders, all the financial bids are opened for rate comparison; the lowest bidder is then called for negotiations for reducing the rates of items if any quoted high. After negotiations, the report is forwarded to the Technical Scrutinizing committee with recommendation, where finally, the tender is evaluated and awarded in favour of qualified contractor. The work execution begins after the tender is awarded.

These criminal misappropriation/ violations were found at three stages of tender process. A). Tender Bidding B).Tender Negotiation C). Execution of Work. These violations are discussed one by one with factual data.

A. Tender Bidding by Collusion and Malpractice.

Perusal of the copy of the bids clearly reveal that, at the **bidding stage** itself, accused companies/firms/propriety colluded among themselves and submitted their online Bids using the same *Standard Internet Protocol (IP-IV) Address*, on same date and one after the other, which implies, all the persons operated from same computer, establishing their collusion against the existing Rules. Few instances of collusive bidding mentioned below.

- (a) Brother of A-1, Tr. S.P.Anbarasan's firm M/s. Senthil &Co and one Rajan Rathinasamy are registered contractors of the Coimbatore Municipal Corporation. Both parties had bid for 47 tenders among themselves during the years 2014 and 2017. It is revealed that, both the contractors were registered under the same mobile number and also the bids were submitted from the same IP Address one after the other. Indicating that both the parties are one and the same and are colluded for the purpose of bidding.
- (b) Also, It is an established law that, competitive bids in a tender submitted by a Company and another bid submitted by one of its own Directors, are prohibited, whereas 5 Tenders (in ROC.No.1089/2015/MD3 and others) of Coimbatore Corporation during 2014-2015, the KCP Engineers Pvt Ltd and it's Director, K.Chandraprakash, bid amongst themselves and one of them won the contract.
- (c) Similarly, there is a clear pattern of collusive bidding, in 14 tenders (ROC.No.4518/2014/MD4 and others) of Coimbatore Corporation during 2014-2015 worth Rs.5.86 Crores, in which only two parties, i.e, KCP Engineers Pvt Ltd and J.Robert Raja, bid for tenders and KCP Engineers wins all the 14 contract. It is to be noted that K.Chandraprakash is the Director of KCP Engineers (P) Ltd and J.Robert Raja was also the shareholder of KCP Engineers (P) Ltd. Glaringly, the EMD for J Robert Raja for all the 14 tenders were paid from the account of Tmt. Sundari, mother of K. Chandraprakash, the director of KCP engineers Pvt Ltd .

(d) Similarly, pattern of collusive bidding is seen in case of the Firm M/s S.P.Builders, a Proprietorship concern owned by R.Murugesan. The data analysis of 131 Tender files of the Coimbatore Corporation for the period between January 2015 and October 2015, reveals that M/s. SP builders has been used as a shell bidder/ the only co-bidder in all the 131 tenders. Out of 131 tenders, it lost 130 tenders to one of the following companies/firms namely, KCP Engineers (P) Ltd, M/s. Vardhan Infraastructure, M/s. Constronics India, M/s. P.Senthil & Co or J.Robert Raja.

The above mentioned examples are only a tip of the ice-berg indicating collusive bidding, such practices are anti-competitive in nature and are in violation of the rule 31 of TN Transparency in Tenders Rules 2012. These large scale malpractices in tenders happened with the inducement of former Minister on the senior officials of the Municipal Corporations.

B. Malpractices in Tender Negotiations & C. Execution of work.

(a) The Report No. 4 of 2020 of the Comptroller and Auditor General of India (Govt. Of Tamilnadu – G&SSA), mentions the malpractices in Greater Chennai Municipal Corporation, under the heading '*Injudicious award of contracts*', the modus operandi adopted by officials and contractors in the tender malpractices were highlighted. It is found that the bidders while submitting financial bids, quote 'abnormally high' and 'abnormally low' prices for some components/items than the prescribed 'scheduled rates' of the tender document. In order to ensure that the final tender award value is less than the overall estimated value of the tender, during

the negotiations stage, with active connivance of the officials, the accused tenderers further reduce the prices of the items which are already quoted 'abnormally low' and retain the prices of the items which are quoted 'abnormally high'. After the Award of the tender, the work execution begins during which, the accused contractor wilfully omit/commit by 'under executing' the item quoted already 'abnormally low' and also over executing the item quoted already 'abnormally high', which infers that the whole tender process is redundant and meaningless. Same Modus operandi was used in one Tender related to Bus route Road in BRRC.No.0356/2015, which was given to KCP Engineers Pvt Ltd, resulting in heavy loss to the exchequer and wrongful gain to themselves.

- (b) The Report No. 8 of 2016 of the Comptroller and Auditor General of India (Govt. Of Tamilnadu – Local Bodies), has clearly brought out anomalies in Tender file BRR.C.No.B1/0348/2015 Package-10 strengthening and relaying of road with DBM and CBC after cold milling by Paver Finisher using Plastic waste along with Traffic Improvement work at 7 Bus Route Roads in Zone-7 for the year 2014-2015 awarded to a contractor M/s.S.P Builders for 21.42 crore and work was completed (August 2016) at the cost of Rs.16.62 crore. Scrutiny of tender documents revealed that the tender schedule included an item viz., "Providing and laying Dense Bituminous Macadam (DBM) upto 100 mm thickness Camber Correction" for a total quantity of 2,396 Cu.m and the contractor quoted Rs.7000 per cum for that item. After negotiation, the contractor reduced the rate to Rs.6000/-per Cu.m. However,

agreement was entrusted (June 2015) into with the contractor for an amount of Rs.20.92 crore after deleting the above item. It is noticed that, in lieu of the deleted item, another item viz., "Camber correction work using Bituminous Macadam (BM) 50 mm thickness" was entrusted to the contractor as non tendered item at the rate of Rs.8,369.84 per Cu.m for a total quantity of 1,120 cum. As the contractor had quoted Rs.6000 per cum for chamber correction with DBM during tender which was higher specification than BM12, the Greater Chennai Corporation could have executed the Camber correction using the above item without deleting the same from the agreement. However, Camber correction for a total quantity of 1440.21 cum was executed using BM as a non-tendered item. Failure of Officials of Greater Chennai Corporation to make use of the lesser rates by quoted by the contractor in Camber correction work had resulted in excess expenditure of Rs.34.13 Lakh and caused loss to the government. This CAG Report confirms the violation and loss caused of removal of Camber Correction.

- (c) Similarly, On 26.09.2017, a Tender (HDCB2/4854/2017) with estimated tender value Rs.5,04,17,100/- notified for providing Human resource 302 Staff nurse for Urban Primary Health Center, Greater Chennai Corporation. Two firms, M/s. Falcon and M/s. GA Web World Development Pvt. Ltd. have participated and both failed to qualify technically as they did not have OD of Rs.5 Crores. However, M/s.Vardhan Infraastructure did not participate as they did not have Rs.5 Crore experience in a single work of similar job. They had achieved it only in December 2017 after the above mentioned Urban Health Care tender ended. So the tender inviting authority

not only re-tendered it in January 2018 to enable M/s.Vardhan Infraastructure to participate but also brazenly tweaked in favour of M/s.Vardhan Infraastructure. Instead of relaxing the rules for more people to participate, the Tender inviting authority increased the turnover to Rs.20 crores in each of last 3 financial years from existing Rs.10 crores. This made sure that no other contractor can qualify technically. But then even M/s.Vardhan Infraastructure did not have Rs.20 Crore turnover in each of the last 3 years. They only had a turnover of Rs.15.17 Crores in 2014-15. But instead of disqualifying M/s.Vardhan Infraastructure at the technical qualification stage, the tender authorities awarded contract to them for Rs.5,69,57,019/- much above the Scheduled rate. This proves the violations in the tender rules by criminal misconduct on part of accused and unknown officials of the Greater Chennai Corporation to favour M/s. Vardhan Infraastructure.

(3). The Following below mentioned, paragraphs- a, b, c, d, clearly brings out the association of AO-1, with the companies/firms/propriety in whose name the Tenders were illegally awarded during the year 2014 to 2018.

a) The A-1 & his family members have business transactions with M/s. KCP Engineers Pvt Ltd, by way of two lease deeds executed between Mr. P. Anbarasan (AO-1's Elder brother) and Mr. K. Chandraprakash, Managing Director, KCP Engineers (P) Ltd vide Document No.5021/2013 and 5022/2013 registered on 23.04.2013 at Sular SRO office. This land with an extent of 2.3

acre in document No.5021 and 2.7 acre in document No.5022 were given on lease for the purpose of operating business of KCP engineers Private Ltd, which discloses their association even before AO-1 becoming a Minister.

- b) One R. Chandrasekar, a close associate of AO-1 is the key person who used to decide the companies to whom the tenders to be awarded. He used to dictate/direct the officials of Municipal Corporations, sitting from the official residence of the A-1, at Roja illam, Greenways Road, R.A.Puram, Chennai. Tr. R. Chandrasekar's father Tr.KU Rajan, is also a close associate of AO-1 for more than 20 years. It is noted that, during time of offence, R. Chandrasekar was holding the Post of AIADMK Party, Youth Wing Secretary, Coimbatore Rural district, under direct control of the AO-1 in his capacity as AIADMK party, District Secretary of Coimbatore Rural district. The freedom given by the AO-1 to Mr. R Chandrasekar to deal with Municipal Corporations officials thereby inducing the public servants to cause injudicious award of tenders for undue pecuniary advantage to the alleged companies clearly brings out the role of the A-1.
- c) Mr K.Chandraprakash and Mr R.Chandrasekar, are the founders & major shareholders of KCP Engineers (P) Ltd. It is to note that, the majority of the alleged companies, directly/indirectly benefited by tenders have either K.chandrapraksh, R.Chandrasekar and/or their relatives as shareholder/partners/directors as tabulated below. This clearly shows their nexus with each other.

K.Chandraprakash and/or his relatives (1)	R.Chandrasekar and/or his relatives (2)	Both (1 & 2)
M/s. Vardhan Infrastructure	AR ES PE Infra (P) Ltd	KCP Engineers Private Limited
M/s. Madras Infra	M/s. Two Leaf Media	Constromall Goods (P) Ltd
M/s. Hosur Builders	C.R.Construction	Invicta Meditek Ltd, now Constronics Infra Ltd
K.Chandraprakash, Proprietary Concern		Ratnaa Lakshmi Hotels (P) Ltd
Aalayam Foundations (P) Limited		Vaidurya Hotels (P) Ltd
		Aalam Gold & Diamond (P) Ltd.,
		M/s. Constronics India

d) The financial transactions of the M/s. S.P Builders, during the period, 01.04.2014 to 31.03.2018 with M/s. P. Senthil & Co (Firm of S.P.Anbarasan, brother of AO-1), KCP Engineers (P) Ltd, M/s. Vardhan Infraastructure, M/s. CR constructions, and M/s. J Robert Raja clearly reveals the role and nexus of M/s. S.P.Builder, in aiding to get tenders for above mentioned alleged companies by transpiring with officials under the illegal instructions of the former minister A-1.

(4). Analysis of the high trajectory of growth rate of these alleged companies shown as below.

Table – 1

S.No.	Alleged Company/Firm/Proprietorship	Turnover FY 2012-13 (Crores)	Turnover FY 2018-19 (Crores)	Growth Percentage (%)
1	Vardhan Infrastructure	2.02	66.72	3202.90
2	C.R. Constructions	0.38	43.56	11363.15
3	KCP Engineers Pvt Ltd	42.54	453.92	967.04
4	ACE Tech Machinery Component India Pvt. Ltd	34.20	155.42	354.44
5	P.Senthil & Co	7.68	16.28	112.00
6	Aalayam Foundation Pvt Ltd	0.55	15.05	2636.36

Table – 2

S.No.	Alleged Company/Firm/Proprietorship	Turnover FY 2015-16 (Crores)	Turnover FY 2017-18 (Crores)	Growth Percentage (%)
7	Hosur Builders (Started in 2015)	0.93	19.61	2008.60
8	Constromics India (Started in 2014)	0.86	42.11	4796.50

Table-3

S.No.	Alleged Company/Firm/Proprietorship	Year 1 Turnover FY 2018-19 (Crores)	Year 2 Turnover FY 2019-20 (Crores)	Growth Percentage (%)
9	Constromall Goods Pvt Ltd	0.84	3.14	273.81
10	Aalam Gold and Diamonds Pvt Ltd*	106.92	160.60	50.21

*- This company made a turnover of over Rs. 100 Crores in first year of it's Operations

(5). From the above material circumstances, it is revealed that A-1. Tr.S.P.Velumani, S/o.E.A.Palanisamy (the Former Member of Legislative Assembly, Thondamuthur Assembly Constituency and formerly Minister for Municipal Administration, Rural Development, Corporations and Panchayat Unions, Poverty Alleviation Programmes, Rural Indebtedness, Urban and Rural Water Supply (TWAD) and Implementation of Special Programme in Government of Tamil Nadu and formerly Chairman of Chennai Metropolitan Water Supply and Sewerage Board, and now Member of Legislative Assembly, Thondamuthur Assembly Constituency), had dishonestly and fraudulently, misappropriated the funds involved in the tenders. Further he violated conduct Rule 23 of the Tamilnadu Government Business Rules and Secretariat Instructions, which specifically prohibits the Minister in charge of a Department from acting on any matter in which he has a conflict of interest. Further, he had transpired and induced the officials of Municipal corporations to perform improperly and dishonestly a public duty in anticipation of or in consequence of accepting an undue advantage from the abettor contractors and their associated entities as mentioned below.

A-2. Tr.P.Anbarasan, S/o. E.A.Palaniswamy, Partner, M/s. P. Senthil & Co., Shareholder, Sri Maha Ganapathi Jewellers (P) Ltd., A-3. KCP Engineers Private Ltd., A-4 Tr.K.Chandraprakash, Managing Director, KCP Engineers Private Limited, Shareholder, Aalayam Foundations Private Limited, Director, Constronics Infra Ltd. (formerly known as Invicta Meditek Ltd.), Shareholder, Constromall Goods Pvt. Ltd., Shareholder, Vaidurya Hotels (P) Ltd., Director and Shareholder, Ratnaa Lakshmi Hotels (P) Ltd., Director/Shareholder, Aalam Gold and Diamonds (P) Ltd., A-5 Tr. R.Chandrasekar, Director / Shareholder, KCP Engineers Private Limited, Shareholder, Aalayam

Foundations Private Limited, Shareholder, Constromall Goods Pvt. Ltd., Shareholder, Vaidurya Hotels (P) Ltd., Shareholder, Ratnaa Lakshmi Hotels (P) Ltd., Director/Shareholder, Aalam Gold and Diamonds (P) Ltd., Partner, M/s. Two Leaf Mediaa, A-6 Tr.R.Murugesan, Proprietor of S.P. Builders, A-7 Jesu Robert Raja, Proprietor, A-8. The Ace-tech Machinery Components India Pvt. Ltd., A-9 Constronics Infra Ltd. (formerly known as Invicta Meditek Ltd.), A-10 Constromall Good Pvt. Ltd., A-11, Sri Maha Ganapathi Jewellers (P) Ltd., A-12, Aalayam Foundations Private Limited, A-13 Vaidurya Hotels (P) Ltd., A-14 Ratnaa Lakshmi Hotels (P) Ltd., A-15 Aalam Gold and Diamonds (P) Ltd., A-16 AR ES PE INFRA (P) LTD., A-17 Tr. KU Rajan, proprietor, CR construction, others and unknown officials.

There is prima facie material that A-1 to A-17, Unknown others and Unknown officials of Municipal corporations of Greater Chennai city and Coimbatore city, with dishonest intentions entered into criminal conspiracy during the year 2014 to 2018, in injudiciously awarding of tenders in Bus route Road, Storm water drain and contracts pertaining to outsourcing of the staff for Health department and certain other contract works in Greater Chennai and Coimbatore municipal corporations by violating the procedure established by law and thereby committed cheating and criminal misappropriation of public money amounting to several Crores of Rupees of the Govt of Tamilnadu and thereby committed offences punishable under Sections 120 B, r/w 420 IPC, 409 IPC, section 13(2) r/w 13(1)(c) and 13(1)(d) of Prevention of Corruption Act 1988, r/w 109 IPC .

Therefore this FIR is being registered after obtaining prior permission of the competent authority u/s. 17(A)(1) of Prevention of Corruption Act, 1988 as amended in 2018. This day 09.08.2021 at 1600 hrs., i am registering a case in DVAC Headquarters Cr.No.16/2021 u/s 120 B, r/w 420 IPC, 409 IPC, section 13(2) r/w 13(1)(c) and 13(1)(d) of Prevention of Corruption Act 1988, r/w 109 IPC against the marginally noted accused and taken up investigation. The original FIR is submitted before the Special Judge, Special Court for the cases under Prevention of Corruption Act, Chennai.



(B. GANGADHAR)
Superintendent of Police,
Special Investigation Cell,
Vigilance & Anti-Corruption,
Alandur, Chennai - 600 016.