

FIRST INFORMATION REPORT

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

TAMIL NADU POLICE
INTEGRATED INVESTIGATION FORM-I

8081615

C

1. District : **Chennai** PS: **VAAAC** Year: **2023** FIR No.: **01/2023** Date: **27.2.2023**
மாவட்டம் காவல்நிலையம் ஆண்டு முத.அ. எண் நாள்
2. (i) Act சட்டம்: **13(B) r/w 130(C) & 130(D) of the PC Act 1988 & 2018** Sections பிரிவுகள்: **13(B) r/w 130(C) & 130(D)**
(ii) Act சட்டம்: **IPC** Sections பிரிவுகள்: **13(B) r/w 130(C)**
(iii) Act சட்டம்: **IPC** Sections பிரிவுகள்: **120(B), 420, 406 IPC**
(iv) Other Acts & Sections பிற சட்டங்களும், பிரிவுகளும் :
3. (a) Occurrence of Offence Day : Date from : **2001** Date to : **2019**
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 : Time :
காவல் நிலையத்திற்கு தகவல் கிடைத்த நாள் நேரம்
(c) General Diary Reference : Entry No(s) Time :
பொது நாட்குறிப்பில் பதிவு விவரம் எண் நேரம்
4. Type of Information : Written/ Oral : **Written**
தகவலின் வகை : எழுத்து மூலம் / வாய் மொழியாக
5. Place of Occurrence (a) Direction and Distance from PS: **TANGECO HA Office, Anna Salai Chennai**
குற்ற நிகழ்விடம் (அ) காவல்நிலையத்திலிருந்து எவ்வளவு தூரமும், எத்திசையும் **8 Km North**
Beat Number : (b) Address : **Anna Salai, Chennai**
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 கா.நி.பெயர் மாவட்டம்
6. Complainant /Informant (a) Name : **TRANDASAMY** (b) Father's/ Husband's Name : **A. Thinganjan**
குற்றமுறையிட்டாளர்/ தகவல் தந்தவர் பெயர் தந்தை / கணவர் பெயர்
(c) Date / Year of Birth : **52 yrs** (d) Nationality : **Indian** (e) Passport No. :
நாள் / பிறந்த ஆண்டு நாட்டினம் வெளிநாட்டு கடவுச்சீட்டு எண்
Date of Issue : Place of Issue :
வழங்கப்பட்ட நாள் வழங்கப்பட்ட இடம்
(f) Occupation : **DSP, VAAAC Chennai** (g) Address : **293 MKV Road, Alambur Chennai-16**
தொழில் முகவரி
7. Details of Known/Suspected/Unknown accused with full particulars. (Attach separate sheet if necessary)
தெரிந்த / ஐயப்பாட்டிற்குரிய / தெரியாத குற்றஞ்சாட்டப்பட்டவரின் முழுமையான விவரங்கள்
(தேவையெனில் தனித்தான் இணைக்கவும்)
separate sheet attached
8. Reasons for delay in reporting by the complainant / Informant:
குற்றமுறையிட்டாளரால் / தகவல் கொடுப்பவரால் முறையிட்டதில் தகவல் கொடுப்பதில் தாமதம்
Detail Enquiry conducted

9. Particulars of properties stolen / involved (Attach separate sheet if necessary)
களவாடப்பட்ட / களவிற்குள்ளான சொத்துக்களின் விவரம் (தேவையெனில் தனித் தாளில் இணைக்கவும்)
10. Total value of properties stolen / involved :
களவாடப்பட்ட / 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)

Attached Separately

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 J. (Name) Rank (Rank) to take up the Investigation / Refused Investigation / transferred to PS.....on point of jurisdiction.

எடுக்கப்பட்ட நடவடிக்கை : மேலே குற்ற முறையீட்டில் உள்ளவை 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. குற்றமுறையீட்டாளருக்கு / தகவல் தந்தவருக்கு படித்துக்காட்டி, அது சரியாக எழுதப்பட்டு இருப்பதாக ஏற்றுக் கொள்ளப்பட்டு, அதன் படி நகல் ஒன்று இலவசமாக கொடுக்கப்பட்டது.

14. Signature / Thumb Impression of the Complainant / Informant
குற்றமுறையீட்டாளர் / 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: 28.2.2013
நீதிமன்றத்திற்கு அனுப்பப்பட்ட நாளும், நேரமும் 05:30hr

Name: பெயர் J. KANDASAMY
Rank: நிலை Deputy Superintendent of Police
Chennai City - V, VDAC
Chennai - 16

Continuation of Column No.7 of FIR in V&AC, Chennai City-V Detachment
Cr.No.01/AC/2023/CC-V.

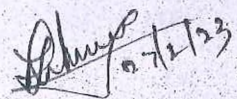
- A.1 Tr.N.Palaniappan, formerly CE/Mech/Coal, TANGEDCO, Chennai.
- A.2 Tr.V.Chellappan, formerly Director/Coal, TANGEDCO. Now at Karur.
- A.3 Tr.M.Manoharan, formerly DFC, TANGEDCO. Chennai.
- A.4 Tr.D.K.Narasimhan, formerly EE/Electrical, TANGEDCO, Chennai.
- A.5 Tr.Srinivasashankar, formerly AEE/Electrical and other unknown officials of TANGEDCO, Chennai worked from 2001 to 2009.
- A.6 Tr.S.P.Palaniappan, formerly Director and other unknown officials of M/s South India Corporation, Pvt., Ltd.,
- A.7 M/s South India Corporation, Pvt., Ltd., Chennai.
- A.8 M/s Western Agencies (Madras) Pvt Ltd., Chennai.
- A.9 Tr.A.P.Kunjukannan, Power of Attorney, M/s Western Agencies (Madras) Pvt Ltd., Chennai
- A.10 Tr.K.C.Rajan, Managing Director, M/s Western Agencies (Madras) Pvt Ltd., Chennai.

Continuation of Column No.12 of FIR in V&AC, Chennai City-V Detachment
Cr.No.01/AC/2023/CC-V.

Submitted

It is submitted that based on the factual verification report sent to the Government on the basis of petition dated 19.09.2018 of Tr.Jayaram Venkatesan, Convener, Arappor Iyakkam, a NGO having office at No.7, Satya Plaza, Second Floor, D.Thirumoorthy Nagar Main Road, Nungambakkam, Chennai, the Government in their letter No.AC/435-1/2021 Public (SC) Department, dated 30.08.2021 had accorded permission to register a Detailed Enquiry against Tr.P.Thangamani, formerly Minister for Electricity, Prohibition and Excise and others to enquire into the allegations stated in the petition. The Director, Vigilance and Anti-Corruption vide Memorandum in No.DE 35/2021/PUB/HQ DT.02.09.2021 ordered to register a Detailed Enquiry. Based on the outcome of Detailed Enquiry this case is registered against marginally noted accused.

2. During the alleged period between the years 2011 and 2016, the Accused-1 Tr.N.Palaniappan. worked as Chief Engineer /Mech/Coal (i/c),

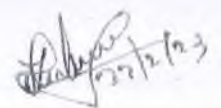
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TANGEDCO, Chennai, Accused-2 Tr.V.Chellappan, worked as Director/Coal, TANGEDCO, Chennai, Accused-3 Tr.M.Manoharan, worked as Dy. Financial Controller, TANGEDCO, Chennai, Accused-4 Tr.D.K.Narasimhan, worked as Executive Engineer /Electrical, TANGEDCO, Chennai and Accused-5 Tr.Srinivasashankar, worked as Asst. Executive Engineer /Electrical, TANGEDCO, Chennai and other unknown officials of TANGEDCO worked from 2001 to 2019 they were Public Servants under the purview of 2(c) of the Prevention of Corruption Act, 1988.

3. A.O.1 to A.O5 were the tender committee members for the alleged tender specification in No.Coal-28 Dt.18.09.2000 and Tender Specification No.Coal-30 Dt.03.09.2001. The Tender Committee Members are responsible officials to frame the tender conditions and specifications and submit the same to the higher officials of TANGEDCO. Further, they will prepare Draft Tender Conditions and Norms before floating the tender to the Public view.

4. The Detailed Enquiry revealed that Tamil Nadu Generation and Distribution Corporation (in short TANGEDCO) procures indigenous coal about 204 lakh MT from the subsidiary companies of Coal India Limited and transports through rail-sea-rail route from IB valley (Chattisgarh), Talchar (Odisha) and Raniganj (West Bengal) to load ports viz., Vishakapattinam Port, Paradip Port, and Haldia Port and then to discharge ports viz., Chennai Port and Tuticorin Port for further transportation to its power stations located at Chennai, Mettur and Tuticorin.

5. For transportation of thermal coal from various collieries to load ports and handling of coal at load ports and discharge ports, the Board of TANGEDCO in its 833rd meeting conducted on 08.08.2000 approved for floating an open tender. The tender for handling Coal at Vishakapattinam Port was floated vide tender specification No.Coal-28/Dated 18.09.2000. The Enquiry revealed that technical bid was opened on 20.10.2000 and three companies including M/s South India Corporation Pvt., Ltd (In short SIC Ltd) were selected as successful technical bidders. Further, price bids were opened on 03.11.2000 by A3 Tr.M.Manoharan and A4 Tr.D.K.Narasimman. After the due tender process, Coal Handling contract was awarded vide Purchase Order No.49 Dt.20.02.2001 to the M/s South India Corporation Pvt. Ltd., for a period of 5 months with option to extent 1 or 2 months by TANGEDCO. The TANGEDCO conducted negotiations with the SIC Ltd., and

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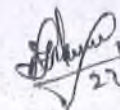
reduced the Wagon Unloading Charges (WUC) from Rs.149/- to Rs.131.40 per Metric Ton.

6. The Enquiry revealed that the wagon unloading charges at Vishakapattinam Port in schedule 2 of the purchase order had put the rate as Rs.131.40 per MT. This rate was divided into two components, viz., the first part of Rs.24.05 was the fixed payment rate paid to the contractor for rendering his service and the second part was the statutory labour charge of Rs.107.35 per MT paid to the Vizag Dock Labour Board (in short VDLB). Further, this statutory labour rate has 2 components namely Labour charges paid to the Port for engaging their labourers in handling the coal and the other part was the levy paid to the Vishakapattinam Port Trust. The labour charges should be paid by the SIC Ltd., to the VDLB and the same should be reimbursed from the TANGEDCO by submitting the document for quantity of coal handled by the SIC Ltd at Vizag Port.

7. The levy is a tax charged by the Vishakapattinam Port Trust based on the number of permanent labourers of Vizag Dock Labour Board used by the contractor. The Levy will not be charged if temporary labourers are used by the contractor. In the Purchase order No.49 issued by TANGECO, it is very clear that reimbursement of statutory labour charges should be done by submitting the document defining the quantity of coal handled by number of labourers used and levy amount paid to the Port Trust.

8. The statutory labour charge varies on the basis of the orders of Tariff Authority for Major Ports (TAMP) and circulars from the Vizag Port. Accordingly, TANGEDCO issues labour wage revision letter to the Contractors.

9. The contract awarded to SIC Ltd., in tender specification No.Coal-28/Dated 18.09.2000 vide purchase order No.49 Dt.20.02.2001 has ended on 03.09.2001. Further, the TANGEDCO issued another tender notice vide Tender Specification No.Coal-31 Dated 28.09.2001 for transporting thermal coal from Vishakapattinam Port Trust to Chennai and Tuticorin Ports. Sale of tender documents commenced on 08.10.2001 and closed on 07.11.2001. Including A-7 M/s South India Corporation Pvt Ltd, Chennai and A-8 M/s Western Agencies Madras Pvt Ltd., Chennai 11 firms had purchased tender documents for participating in the above said tender. Before opening the bid for above said tender, M/s Western Agencies Madras Pvt Ltd., filed a Civil Suit


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before the City Civil Court, Chennai praying to direct the TANGEDCO to clarify certain specifications noted in the tender documents. In the above said civil suit, it was also prayed to order interim injunction for opening of bid documents until the clarification of specifications. Accordingly, the Court ordered interim injunction and further ordered permanent injunction in opening the bid documents.

10. The Detailed Enquiry revealed that, SIC Ltd., conspired with M/s Western Agencies Madras Pvt Ltd., to file the civil suit and obtained permanent injunctions in opening the bid documents connected to the tender specification in No.Coal-31 Dated 28.09.2001 by using the injunctions order, M/s South India Corporation Pvt Ltd., managed to continue the coal handling contract at Vishakapattinam Port till 2019. The Accused A1 to A5 had not taken any necessary steps to vacate the injunction orders and continued to issue purchase order to SIC Ltd. upto the year 2019 for coal handling process at Vishakapattinam Port.

11. The enquiry revealed that the SIC.Ltd., had mostly used temporary contract workers of the Vishakapattinam Port Trust who were paid much below the ceiling rates when compared with the permanent VDLB Labourers charges. Therefore, not only the wages are lower, since levy is calculated as percentage of wages, the levy charges were also low. It has come to light that between the years 2011 to 2016, the Contractor SIC Ltd., has paid Rs.232,44,73,148/- (Wages of Rs.38,81,14,605/- and Levy of Rs.193,62,61,543/-) to the Vishakapattinam Port. But without submitting any documentary proof at TANGEDCO, the SIC.Ltd., has claimed Rs.1267.49 Crores (Wages of Rs.282.80 Crores and Levy of Rs.984.69 Crores) just by using the ceiling rates.

12. The Enquiry revealed that, the Chairman, TANGEDCO through his letter No.CE/M/COAL/SE/CH/E2/A4/F.P.O.49/D.51/2016 dated: 20.10.2016 to the Director of Tariff for Major Ports had mentioned that the TANGECO had paid Rs.1267.49 Crores as reimbursement for Coal unloading charges between the period April 2011 to March 2016. But, the Vishakapattinam Port Trust vide their letter No.VPT/AC/TAMP/PRL/16/161 dated: 23/12/2016 informed TAMP that the Thermal coal unloading operations were being handled by South India Corporation Limited and a sum of Rs. 239.56 Crores was paid towards labour charges including Levy during the years between

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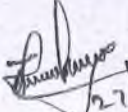
April 2011 and March 2016. Hence, there is a huge variation found between the wagon unloading charges paid by the M/s South India Corporation Pvt., Ltd., to the Vishakapattinam Port Trust and reimbursement of the same from the TANGEDCO.

13. Further, the Enquiry revealed that this undue favour to the contractor by the officials of TANGEDCO has also been questioned by Audit Branch of TANGEDCO as well as the Comptroller and Audit General of India (CAG). The local audit branch brings to light that TANGEDCO has not only been reimbursing the wages for wagon unloading of coal, but also have been reimbursing service tax (Levy) without verifying the actual amount paid by the TANGEDCO to SIC Ltd. This means that the contractor South India Corporation Private Limited had reimbursed a sum of Rs.1267.49 Crores towards Wagon unloading charges instead of the actual amount of Rs.239.56 Crores that was paid to the Vishakapattinam Port Trust.

14. AO.1 to AO.5 who prepared the specifications for Tender documents and purchase order for awarding contract to the SIC Ltd., knowingly omitted the condition that the reimbursement of statutory labour charges should be done by the contractor SIC Ltd. by submitting the document proof that the quantity handled and number of permanent labourers used for loading/unloading of coal at Vishakapattinam Port Trust.

15. M/s South India Corporation, Pvt., Ltd., in order to continue the coal handling at Vishakapattinam Port, has colluded with M/s Western Agencies to file Civil Suit in O.S.No.6652/2001 and 276/2005 against TANGEDCO and managed to get interim injunctions and prolonged the trial by repeated adjournments. The A.O.1 to A.O.5 were aware of the fact that M/s South India Corporation, Pvt., Ltd., was behind the M/s Western Agencies in prolonging trial.

16. The enquiry revealed that M/s South India Corporation, Pvt. Ltd. has paid an amount of Rs.217,31,06,640/- as Levy to Vishakapattinam Port Trust for the period between 2011-12 to 2018-19, whereas TANGEDCO had paid an amount of Rs.1126,10,64,460/- to M/s South India Corporation, Pvt. Ltd. as reimbursement of Levy. Thus, difference between the above said amount, that is RS. Rs.908,79,57,820/- was the loss caused to the TANGEDCO and wrongful gain to the SIC Ltd. It is also suspected that, loss may caused to the

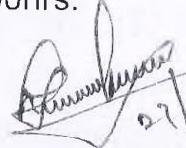

27/2/23

Government during the period from 2001 to 2010 due to the illegal activities of the Accused and it can be unearthed during investigation.

17. In continuation of the above, M/s South India Corporation Private Ltd., in collusion with TANGEDCO officials and M/s Western Agencies (Madras) Pvt Ltd., had extended the contract awarded in P.O.49 dt.20.02.2001, for 98 times by merely filing 2 Original Suits in O.S. No.6652/2001 and 276/2005 before the Hon'ble City Civil Court, Chennai and continued the contract awarded in 2001 till 2019. This contract was extended without any change in terms and conditions for almost 18 years with labour charge revision which benefitted the accused firm M/s South India Corporation Pvt., Ltd. and caused loss to the TANGEDCO since 2001. Thereby, the Accused A1 to A5 in collusion with M/s South India Corporation Pvt., Ltd., caused huge loss to the TANGEDCO and committed the offence that attracts u/s 120(B), 420 IPC and 13(2) r/w 13(1)(c) & 13(1)(d) of Prevention of Corruption Act, 1988 and 13(2) r/w 13(1)(a) of the Prevention of Corruption Act 1988 as amended by the Prevention of Corruption (Amendment) Act, 2018 and A.6 and A.7 committed the offence that attracts Sec.120(B), 420, 406, IPC r/w 13(2) r/w 13(1)(c) & 13(1)(d) of Prevention of Corruption Act, 1988, A.8 to A10 committed the offence that attracts Sec.120(B), 420, 406 IPC and 13(2) r/w 13(1)(c) & 13(1)(d) of Prevention of Corruption Act, 1988.

The competent authority vide letter No.16690/A5/A52/2020-1 Dt.05.08.2022 accorded permission to register case against the accused A.O1 to A.O 5. As the A.6 to A.10 are private individuals, no permission is needed.

Hence, I am registering a case against A-1 to A-10 for the aforesaid offences committed by them today dated 27.02.2023 at 19.00hrs.


27/2/23
Deputy Superintendent Of Police,
Vigilance And Anti-Corruption,
Chennai City-V,
Chennai-600 016.