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W.P.No.8166 of 2024 etc.

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 15.04.2026

DELIVERED ON : 29.04.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

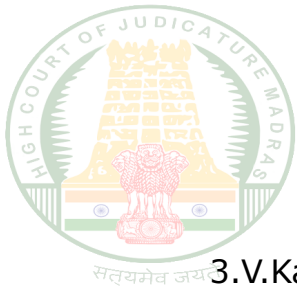
W.P.No.8166 of 2024; W.P.(Crl.) No.396 of 2025
and W.P.(MD) No.26676 of 2025
and WP (Crl.) MP No.184 of 2025W.P.No.8166 of 2024

Arappor Iyakkam,
Rep. by its Managing Trustee
Jayaram Venkatesan,
No.7, Second Floor, Sathya Plaza,
Dr.Thirumoorthy Nagar Main Road,
Nungambakkam, Chennai-600 034.

Petitioner

Vs

- 1.The Director
Directorate of Vigilance and
Anti-Corruption,
No.293, MKN Road, Alandur,
Chennai-600 016.
- 2.The Secretary to Government,
Public Department,
Secretariat, Chennai-600 009.



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3.V.Kasi

No.21/10,Venkata Rathinam Road,
Teynampet, Chennai-18.

4.Rajesh Lakhoni,
Chairman and Managiing Director,
144, Anna Salai, TANGEDCO,
Chennai-600 002.

5.V.Senthil Balaji
S/o.Velusamy,
No.27,Mullai Illam,
Dr.Dgs Dhinakaran Salai,
Chennai-28.

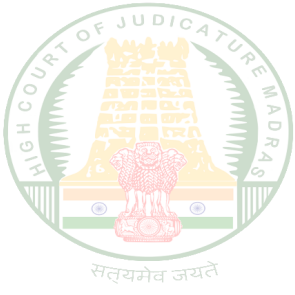
Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a writ of mandamus directing the 1st respondent to register an FIR on basis of the petitioner's complaint dated 06.07.2023 and to constitute a Special Investigation Team by this Court and consequently direct that Special Investigation Team to conduct a time-bound independent, High Court-monitored fair investigation under the Prevention of Corruption Act, 1988; Indian Penal Code and other connected Acts.

For Petitioner: Dr.V.Suresh

For Respondents: Mr.N.R.Elango, Senior Counsel
for Mr.E.Raj Thilak
and Mr.K.M.D.Muhilan
Additional Public Prosecutors for
R1

Mr.P.Kumaresan,
Additional Advocate General
assisted by Ms.E.Ranganayaki,
AGP for R2



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Mr.J.Srinivasa Mohan
for M/s.TVJ Associates
for R3

R4 - No Appearance

Mr.V.Karthic
Senior Counsel
for Mr.Senthil.S. for R5

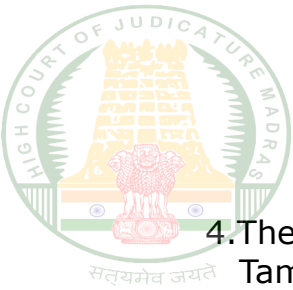
W.P.(CrI.) No.396 of 2025:

E.Saravanan
Deputy Secretary AIADMK
Advocate Wing,
3/9, Central Jail Backside Road,
Hasthampatty,
Salem-636 007

Petitioner

Vs

- 1.The Director
Directorate of Vigilance
and Anti-Corruption,
No.293, M.N.K.Road, Alandur,
Chennai-600 016
- 2.The Superintendent of Police
Chennai City Range,
Vigilance and Anti-Corruption,
Chennai-600 016
- 3.The Chairman and Managing Director,
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO),
144, Anna Salai,
Chenani-600 002



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4.The Tender Inviting Authority
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO),
144, Anna Salai,
Chennai-600 002

5.The Tender Scrutiny Committee
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)
144,Anna Salai, Chennai-600 002

6.V.Senthil Balaji
S/o.Velusamy,
No.27, Mullai Illam,
Dr.DGS Dhinakaran Salai,
Chennai-600 028

7.V.Kasi
No.21/10, Venkata Rathinam Road,
Teynampet, Chennai-600 018

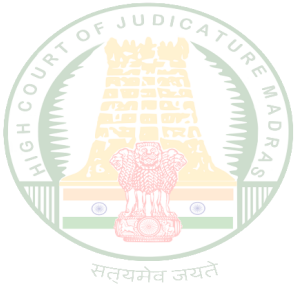
Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a writ of mandamus to direct the 1st respondent to register FIR on the representation dated 28.05.2025, to constitute a Special Investigation Team to conduct a time bound investigation.

For Petitioner: Mr.V.Raghavachari
Senior Counsel
for Mr.A.G.Vedavikas

For Respondents: Mr.N.R.Elango
Senior Counsel
for Mr.E.Raj Thilak
and Mr.K.M.D.Muhilan
Additional Public Prosecutors
for R1 and R2

Mr.P.S.Raman
Advocate General



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assisted by
Mr.D.R.Arun Kumar
Standing Counsel
for R3 to R5

Mr.V.Karthic
Senior Counsel
for Mr.Senthil.S.
for R6

W.P.(MD) No.26676 of 2025:

Rajkumar
S/o.Raja,
No.469, Maruthinagar,
Meikilarpatti, Usilampatti Taluk,
Madurai District.

Petitioner

Vs

- 1.The Chief Secretary to Government,
The Secretariat,
Fort St.George, Chennai-600 009.
- 2.The Director,
The Directorate of Vigilance
and Anti-Corruption,
Alandur, Chennai-600 016.
- 3.The Chairman,
TANGEDCO,
6th Floor, TANTRANSCO Building,
144, Anna Salai, Chennai-600 002.
- 4.The Tender Inviting Authority,
Tamil Nadu Generation and
Distribution Corporation Limited
(TANGEDCO),
No.144, Anna Salai,
Chennai-600 002.



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5.The Tender Scrutiny Committee,
Tamil Nadu Generation and
Distribution Corporation Limited
(TANGEDCO),
No.144, Anna Salai,
Chennai-600 002.

6.V.Senthil Balaji
S/o.Velusamy,
No.27, Mullai Illam,
Dr.DGS Dhinakaran Salai,
Chennai-600 028.

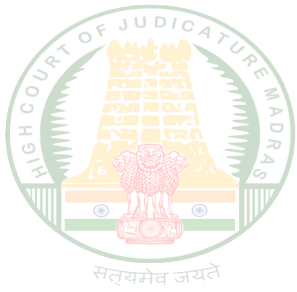
Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a writ of mandamus directing the respondents 1 and 2 to take appropriate action against the respondents 3 to 6 by conducting fair and thorough enquiry by constituting a Special Investigation Team based on the petitioner's representation dated 12.08.2025.

For Petitioner: Mr A.G.Vedavikas
for Mr.J.Senthil Kumaraiah

For Respondents: Mr.P.Kumaresan
Addl. Advocate General
assisted by
Mrs.E.Ranganayaki
Addl. Government Pleader
for R1

Mr.N.R.Elango
Senior Counsel
for Mr.E.Raj Thilak
and Mr.K.M.D.Muhilan
Additional Public Prosecutors
for R2



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Mr.P.S.Raman
Advocate General
assisted by
Mr.D.R.Arun Kumar
Standing Counsel
for R3 to R5

Mr.V.Karthic
Senior Counsel
for Mr.Senthil.S.
for R6

COMMON ORDER

THE CHIEF JUSTICE

W.P.No.8166 of 2024 has been filed by the petitioner/Arappor Iyakkam seeking issuance of a writ of mandamus directing the first respondent to register an FIR on the basis of the petitioner's complaint dated 6.7.2023 and to constitute a Special Investigation Team by this Court and, consequently, to direct the Special Investigation Team to conduct a time-bound, independent, High Court monitored fair investigation under the Prevention of Corruption Act, 1988, Indian Penal Code and other connected Acts.

2. W.P.(Crl.) No.396 of 2025 has been filed by the petitioner, who is a Deputy Secretary of AIADMK Advocate Wing, seeking



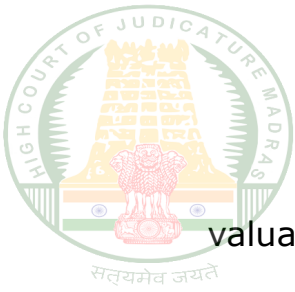
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issuance of a writ of mandamus directing the first respondent to register an FIR on the representation dated 28.5.2025 and to constitute a Special Investigation Team to conduct a time-bound investigation.

3. W.P.(MD) No.26676 of 2025 has been filed by the petitioner, who is stated to be a member of AIADMK party, seeking issuance of a writ of mandamus directing respondents 1 and 2 to take appropriate action against respondents 3 to 6 by conducting fair and thorough enquiry by constituting a Special Investigation Team based on the petitioner's representation dated 12.8.2025.

4. Since the prayer made in these writ petitions and the issues involved are one and the same, these writ petitions were heard analogously and are disposed of by this common order.

5. The core of this controversy centers on the procurement process for electrical Distribution Transformers of varying capacities. The petitioners contend that these contracts were awarded at exorbitant rates, significantly surpassing prevailing market



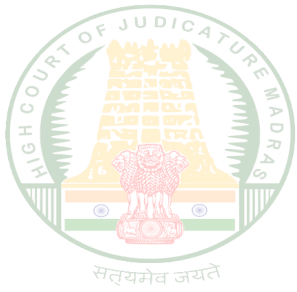
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valuations, resulting in a substantial and unjustifiable loss to the public exchequer. Despite complaints detailing specific allegations of malfeasance against the parties involved, the relevant authorities have failed to register the FIR and conducted a detailed enquiry in the garb of preliminary enquiry against a single person, ignoring even a preliminary enquiry against many other persons named in the complaints, with inordinate and unexplained delay of over three years. Therefore, left with no option, the present petitions are filed.

RELEVANT FACTS:

W.P.No.8166 of 2024:

6.1. The case of the petitioner is that on 6.7.2023, the petitioner submitted a complaint to the first respondent/Directorate of Vigilance and Anti-Corruption regarding a massive scam, which was estimated to the tune of Rs.397 Crores, in procurement of Distribution Transformers by the TANGEDCO. The public servants and private parties had colluded and manipulated the entire tender process by procuring Distribution Transformers at exorbitant rates, much higher than the market price resulting in huge loss to the exchequer thereby unjustly enriching the business groups.



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6.2. The petitioner analysed 10 tenders invited by the TANGEDCO for procurement of a total of 45,800 Distribution Transformers of varying specifications during the period 2021 to 2023 and found that in 7 of these 10 tenders, while as many as more than 20 bidders were shown to have participated, the tender process was vitiated by an obvious and orchestrated cartelization among the bidders and it is seen that every single bidder submitted a quote that was identical to the last decimal point.

6.3. It is averred that the Tender Scrutinizing Committee actively aided the collusive bidding and awarded tenders to the bidders by splitting the tender equally amongst them at rates exorbitantly higher than the prevailing market rates, which resulted in unjust enrichment totalling about Rs.397 Crores to private parties at the expense of public exchequer.

6.4. It is further stated that though the first respondent through its letter dated 22.8.2023 had informed the petitioner that necessary action as per law will be taken on the complaint, yet the



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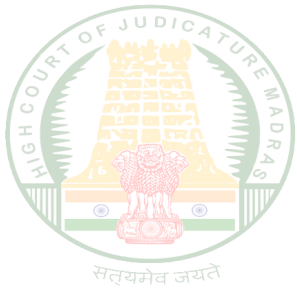
first respondent has not registered an FIR as mandated by law and the first respondent acted in violation of law laid down by the Supreme Court in the case of *Lalita Kumari v. Government of Uttar Pradesh and others*¹. Hence, the petition.

W.P.(Crl.) No.396 of 2025:

7.1. The case of the petitioner is that the petitioner has filed a complaint before the Director, Vigilance and Anti Corruption on 28.05.2025 raising an alarming issue which concerns arbitrary allotment of tenders and consequential financial crimes committed by various public officials. Despite pointing out such illegalities, the respondents have chosen to brush it aside as immaterial and not even an FIR has been registered against the actual perpetrators.

7.2. It is asserted that the non-registration of FIR shows the active involvement of political powers. The complaint points out the active involvement of members of the ruling party who were involved in committing irregularities/corruption while allotting tenders for laying of transformers.

¹ (2014) 2 SCC 1



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7.3. It is averred that the entire process was in violation of Tamil Nadu Transparency in Tenders Act, 1998 in collusion with the bidders and the process reeks of cartelization. Certain persons, including the then Minister for Tamil Nadu Electricity, Prohibition and Excise Department during the period 2021 to 2023, had accorded sanction for floating tenders for distribution of transformers with certain specifications across Tamil Nadu. Despite the presence of such discrepancies, the Tender Scrutinizing Committee failed to exercise due diligence and did not reject the tenders as mandated, but instead proceeded to negotiate with the bidders and awarded the tenders by arbitrarily splitting the orders equally among them. This irregular practice was consistently followed in all tenders conducted between 2021 and 2023. In seven of these tenders, contracts worth Rs.1,068 crores were awarded, resulting in a loss to the public exchequer and corresponding wrongful gain and unjust enrichment to the contractors amounting to approximately Rs.397 crores.

7.4. It is, therefore, pleaded that a Special Investigation Team



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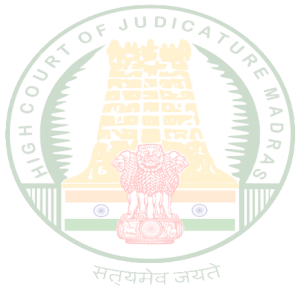
is to be constituted as the offences have been committed by top most officials and an elected representative of the State of Tamil Nadu. Hence, the petition.

W.P.(MD) No.26676 of 2025:

8.1. The case of the petitioner is that award of tenders for supply of Distribution Transformers of different specifications starting from 25KVA up to 500KVA during the years 2021, 2022 and 2023 in TANGEDCO lead to unjust enrichment and loss to the exchequer of about Rs.1182 Crores.

8.2. It is alleged that all the bidders have conspired into quoting pre-decided quotes for the tender and the bidders and public servants appear to have conspired to prefix the rate and the same rate is quoted by all the bidders participating. In support of the aforesaid averments, reference was made to various tenders floated, as follows:

- (i) In respect of tender in M-14/2022-23 all the 30 bidders in the financial bid have quoted the exact the



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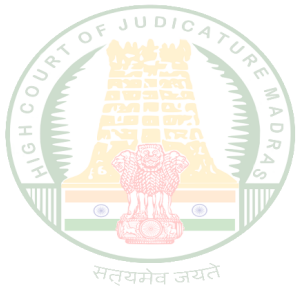


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same rate of Rs.7,07,823/- for each 200 KVA transformer;

(ii) In the bid which was opened in November, 2021, each of 26 bidders in the financial bid quoted the exact same rate of Rs.13,72,930/-. Despite Tender Scrutinising Committee rejecting the tender, they negotiated with the bidders and awarded the tender by splitting the orders equally to a total of 16 bidders who accepted for the negotiated rate of Rs.12,49,800/- per distribution transformer, which is 58% more than the tender value;

(iii) In yet another tender, viz., M-43/2020-21, there are clear evidences of cartelization. Out of a total of 35 bidders, 34 bidders quoted the same rate of Rs.5,62,204.56 per transformer. It is alleged that it is impossible for 34 bidders to quote the same rate including the decimal place of 56 paise. However, the collusive bidding was defeated with 1 bidder quoting Rs.4,62,914/- per transformer and becoming lowest bidder. Therefore, the entire contract, the loss



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to the exchequer would have been Rs.25 Crores;

(iv) In another tender, M-08/2021-22, a total of 34 bidders participated. The price bids of 29 bidders were opened on 15.12.2021. Price bids of another 5 bidders were opened separately on 3.1.2022. All the 34 bidders quoted the same rate of Rs.7,51,660/- per distribution transformer. The rate was later negotiated by the Tender Scrutinizing Committee to Rs.7,29,600/- which is still about Rs.2,66,686/- higher than the rate of the previous tender, which is 33% more.

It is further asserted that out of the awarded value of Rs.1068 Crores in 7 tenders alone, the loss to the exchequer and wrongful gain/unjust enrichment of contractor's total amount would be more than Rs.350 Crores.

8.3. Pointing out the said irregularities and illegalities, on 12.8.2025, the petitioner sent a detailed representation to the respondent authorities to take action against all the public servants and contractors involved. Despite receipt of the same, the



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respondents have not taken any action. Hence, the writ petition.

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REBUTTAL BY THE RESPONDENTS:

Stand of V.Kasi:

9.1. Refuting the writ averments, the third respondent in W.P. 8166 of 2024 (V.Kasi) averred that his role does not specifically relate to the alleged subject-matter. The petitioner, under the guise of raising a complaint against award of tenders, is trying to drag in service matters by projecting incorrect facts. He denied to be the major facilitator of corruption by acting as a close link between the Minister and the tender scrutinizing committee and pleaded that the petitioner is making such wild allegations with oblique motives, without any substance or truth in those allegations.

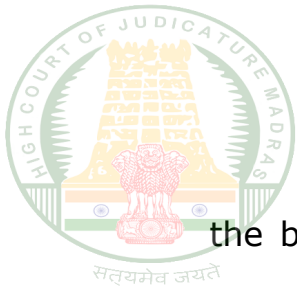
9.2. It is stated that there is no such possibility of fixing any tender. The Financial Controller has no role to play in finalization of the tender or the award of tender. The petitioner has jumped to the conclusion that there is collusion, opposed to competition, resulting in corruption. In the tenders floated by Electricity Board, the specifications are there for everyone to see



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and calculate the price. More importantly, the tender provides Guaranteed Technical Particulars (GTP). All the parameters have been given by the Board like copper core, oil, thickness of coil, etc. Everything is fixed. The costing can be worked out only for that GTP, basing on IEEMA price variation. Without reference to any of the above, a bald statement has been made by making reference to the rates of transformers from few other tenders.

9.3. It is also stated that the third respondent's role as a member of tender scrutinizing committee is very limited. There is a Tender Accepting Committee which is a separate committee in which the third respondent is not a member. There is vested interest acting against the third respondent. It is stated that what was purely internal and on the file is suddenly within the knowledge of the petitioner and, therefore, it is obvious that some vested interest in the department furnished wrong particulars to the petitioner and the petitioner is also using those incorrect facts to target the third respondent. Thus, the petitioner appears to be hand in glove with the vested interest in the department. Hence, the present writ petition is nothing but a private interest litigation, at

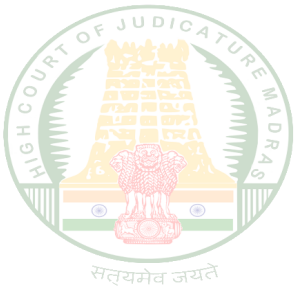


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the behest of certain vested interests in the department and sans merit. He, therefore, prayed for dismissal of the writ petition.

Stand of Tamil Nadu Power Distribution Corporation Limited:

10.1. In W.P.(Crl.) No.396 of 2025, the fourth and fifth respondents, Tamil Nadu Power Distribution Corporation Limited [TNPDC], a successor entity of the TANGEDCO, filed counter-affidavit, *inter alia*, stating that the petitioner did not demonstrate violation of the fundamental rights to maintain this writ petition without any personal injury. The claim that there was a scam in the procurement of Distribution Transformers and a consequential loss to the exchequer is false, baseless, and devoid of any truth. These allegations are not only based on a flawed and unsubstantiated comparison of dissimilar products and a complete misunderstanding of the technical specifications and procurement procedures, but also with an oblique motive to achieve its ill-objective by defaming and using the public utility as a tool. The petitioner has deliberately sensationalized the issue and cast a shadow on the transparent functioning of a public utility.



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10.2. It is stated that the comparison made by the petitioner with transformers from other utilities is fundamentally flawed and misleading. The TNPDCCL's technical specifications are unique, customized and designed from time to time by the Technical Committee to ensure a longer operational life, higher efficiency and reduced failure rates. The petitioner has failed to acknowledge that TNPDCCL exclusively procures copper winding transformers, while other States often utilize lower-cost aluminum winding transformers. The cost of copper is significantly higher and subject to market fluctuations. The petitioner, by making a casual comparison between high grade copper-based transformers and low-cost aluminum transformers by applying an unknown formula of 25% to the value of aluminum transformers to estimate the value of copper transformers has conspicuously, and perhaps deliberately, overlooked or omitted several crucial factors. These include the higher quantity and weight of copper used, the extensive 60-month warranty period required by TANGEDCO and the additional costs associated with transportation across the State.

10.3. It is further pleaded that the petitioner's baseless



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comparison can never be relied upon with the actual transformers procured by respondents 4 and 5. In fact, the usage of copper core transformers with a specified copper winding, the specified quantity of oil within the distribution transformers to withstand the sudden raise in demands due to local climatic conditions, etc. not only resulted in reduction of failure rate to 2.20% as against the National average of 5.81%, but also the cost and manpower involved in attending to such failure that may have occurred resulting in savings running into hundreds of crores year on year.

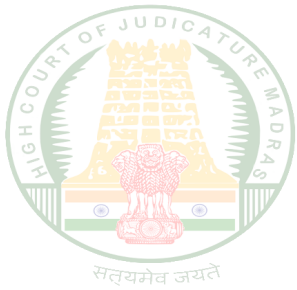
10.4. It is stated that TNPDCCL procures Distribution Transformers of various capacities through fully online, two-part open tendering in strict conformity with the Tamil Nadu Transparency in Tenders Act, 1998 and the Tamil Nadu Transparency in Tenders Rules, 2000, ensuring transparency and complete digital audit trails. The Tender inviting Authority calls for the tender, Tender Scrutiny Committee assess techno-commercial eligibility and approvals are accorded by the Board Level Tender Committee (BLTC) comprising top officers of the TNPDCCL and then final decision is taken by the Board of Directors of the TANGEDCO (now TNPDCCL)



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also comprising Government Nominees, such as Head of the Departments in the Tamil Nadu Secretariat, from Energy, Industries and Finance Departments, respectively, and thereafter the tender is finalized and approved.

10.5. It is stated that no individual officer can finalize the rates or awards and where identical prices are quoted, allocation will be following the provisions in Section 10 (5) of the Tamil Nadu Transparency in Tenders Act, 1998 and Rule 31 of the Tamil Nadu Transparency in Tenders Rules, 2000 by splitting quantities among qualified bidders, subject to capacity and performance, a long-standing mechanism in vogue to ensure timely supplies and service obligations. This kind of allocation eases the procurement of transformer as per the schedule rather than depending on a single bidder for a huge quantity. In fact, seldom a single manufacturer/bidder will be in a position to supply such a huge quantity of Distribution Transformers and, often, in the absence of multiple bidders, the requirements of Distribution Transformers from time to time cannot be met.



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10.6. It is stated that all the participants in the subject tender are registered manufacturers of Distribution Transformers, most of them are small and medium scale industries having limited individual manufacturing capacity and they are neither contractors nor middlemen nor authorised dealers. In tenders of this nature, when several eligible manufacturers quote similar/identical rates and agree to match the price of the lowest bidder to the extent of number of Distribution Transformers they could supply/quote in their bid out of the total tendered quantity, the supply quantity is shared among them in accordance with the tender conditions, the applicable statutory framework and the practice vogue, keeping in mind the TNPDC's requirement to meet the requirement of end/intending consumers across Tamil Nadu. Even the price of the lowest bidder is not accepted mechanically, but is subjected to rigorous negotiations with reference to the prevailing market rates, input costs and commercial conditions.

10.7. It is stated that since Distribution Transformers are essential components for providing electricity supply to new consumers, not only for maintaining uninterrupted power supply,



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but also for quality supply of power at appropriate voltage level, etc., sharing the supply among multiple qualified manufacturers, more particularly when there was no one to supply the entire quantity requisitioned, reduces the procurement risk of the answering respondents and ensures timely delivery, instead of exposing the entire supply requirement to the uncertainty of a single. In every such high value tenders, including the price discovery process, negotiations and finalization of rates, will be placed before the competent authorities including the Board of Directors of TANGEDCO/TNPDCL, for scrutiny and approval, and, therefore, the process is not based on any unilateral or independent decision of any private respondent or individual official.

10.8. It is stated that the comparison sought to be made with the rates reflected in the GeM portal is not only wholly misconceived and misleading but also illogical, since the very same supplier is not shown to have offered identical transformers on the same or similar technical specifications, warranty conditions, testing standards, delivery obligations at various places in a State and destination-based commercial terms. With the aforesaid illogical and ill-advised



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comparison of a Distribution Transformer with different and distinct specification not suiting the distribution system in the State, the allegations of arbitrary allotment, collusion/cartelization, and a supposed “loss of Rs.397 crore” are purely speculative and unsupported by admissible materials.

10.9. It is further stated that identical prices do not *ipso facto* establish cartelization; historically, identical pricing has occurred in Distribution Transformers procurement due to standardized specifications and similar input costs among MSME manufacturers within Tamil Nadu. The records demonstrate strict adherence to the Tamil Nadu Transparency in Tenders Act, 1998 and the Rules framed thereunder, multi-round negotiations, and approvals by BLTC, followed by the Board of Directors. The tender procurement documents maintained by the erstwhile TNEB since the year 1987 till today show that historically manufacturers/suppliers of the Distribution Transformers have been quoting more or less identical prices and the tendering authority has negotiated with them to bring down the price as low as possible and finally fixed most/all of them as L1 and supply materials are distributed among all the



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eligible tenderers, keeping in mind the continuous Distribution Transformer requirement to cater to the need of consumers.

10.10. It is stated that Section 29A(1) of the Tamil Nadu Transparency in Tenders Act, 1998, empowers rejection where bids are abnormally low/high. In the instant case, price reasonableness was established by multi benchmark analysis and negotiations and Board approvals were obtained. As an abundant caution, in 2023, TANGEDCO halted certain supplies half-way by short-closing the awards and floated fresh tenders (100 numbers each across six Distribution Transformers categories), and suffered higher rate inasmuch as in the fresh tender the TANGEDCO discovered rates 8.61% to 13.77% higher than updated PO rates as on 01.09.2023, thereby validating the earlier prices and discrediting the petitioner's "loss" claims.

10.11. It is further stated that TANGEDCO is not succumbing to any coercion or blackmail from the suppliers who are all heavily dependent on TANGEDCO to sustain their business. Since the allegations are bald and false, the writ petition is not maintainable



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and the same is liable to be dismissed.

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10.12. It is further asserted that the files relating to Tender Specification No.M08/2021-22 reveals that a catalog of M/s.Servokon was also available and its transformer was an “off-load” transformer and they quoted its MRP/Unit as Rs.8,51,193/- with an offer price of Rs.7,66,070/-. Since the price of M/s.NJA Industries Private Limited was mentioned as Rs.6,45,000/- but the price of M/s.Servokon was much higher than the price of M/s.NJA Industries Private Limited, the price of M/s.Servokon was not taken up for comparison and the lesser rate of M/s.NJA Industries Private Limited which quoted a lower rate was alone recorded and compared in the official note in order to arrive at a rate after multi-time/multi level negotiations to get a reduced rate. The petitioner's attempt to treat the said quoted/reference price as though it related to an “on-load” transformer is wholly misconceived and contrary to the very clarification issued by the manufacturer itself. Only after opening of the financial bids on 15.12.2021 and on 3.1.2022, the award process proceeded in accordance with law. Therefore, opening of the financial bids on two different days has not vitiated



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the award process in any manner.

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Stand of V.Senthil Balaji:

11.1. The fifth respondent in W.P.No.8166 of 2024, who is also respondent No.6 in W.P.(Crl.) No.396 of 2025 and W.P.(MD) No.26675 of 2025, confuted the allegations levelled in the writ petitions by stating that the petitions do not disclose any direct overt act, decision, instruction, communication or document linking him to any stage of the tender process. The allegations against this respondent are, therefore, not founded on facts, but on speculations and political rhetoric.

11.2. It is stated that under the Tamil Nadu Transparency in Tenders Act, 1998 and the Rules framed thereunder, the tender process is structured and institutional. The Tender Inviting Authority issues the tender notification. The Tender Scrutiny Committee examines eligibility and compliance. The competent Tender Accepting Authority and the Board Level authorities consider the matter in accordance with the statutory framework. The Board of the Corporation, consisting of competent officials and Government



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nominees, takes decisions based on the materials placed before it.

The statutory scheme leaves no scope for personal or extraneous interference in the technical or financial evaluation of bids. In such circumstances, the attempt to attribute personal involvement levelled against him, merely because he held ministerial office at the relevant point of time, is wholly untenable.

11.3. It is averred that he had no statutory, administrative or adjudicatory role whatsoever in the inviting, processing, scrutiny, evaluation, comparison, negotiation or acceptance of the subject tenders. No file, noting, order, direction, instruction, minutes, communication, message or other contemporaneous material has been produced by any of the petitioners to even prima facie demonstrate that he interfered with or influenced the tender process.

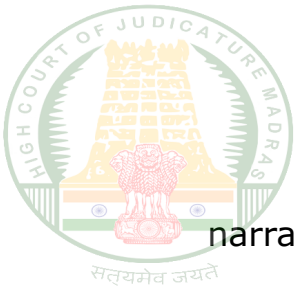
11.4. It is further stated that the petitioners appear to proceed on the erroneous assumption that because he was the Minister dealing with the electricity portfolio, every administrative act of the Corporation is to be presumed to have been done at his



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instance. Such an assumption is legally impermissible. A public office cannot be converted into a ground for automatic criminal insinuation. A serious allegation of corruption or conspiracy must rest on specific pleading and cogent prima facie material. The petitioners repeatedly insist only for the registration of FIR for no reasons for the reasons best known to them.

11.5. It is stated that in W.P.No.8166 of 2024, particularly those attempting to draw an inference of his involvement through allegations against officials such as V.Kasi, are entirely speculative. Even according to the petitioner's own pleading, the allegation is sought to be built through assumptions as to who visited whom, who was allegedly seen where, and what the petitioner believes must have happened. Such inferential pleading, unsupported by records, cannot constitute legal evidence. The allegation that one official was allegedly operating from this respondent's residence or unofficially influencing the tender process at his instance is emphatically denied. There is not a single acceptable material placed before this Court to substantiate such an allegation. The allegation is therefore nothing more than a politically flavoured

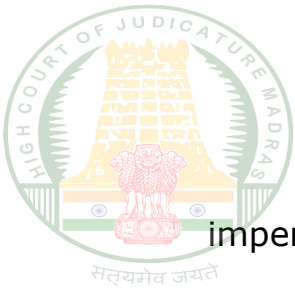


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narrative intended to create sensation and prejudice rather than to present a justiciable case.

11.6. It is further stated that the petitioners have also failed to appreciate that financial concurrence, technical scrutiny, price evaluation, qualification assessment and Board approval are matters undertaken by the designated functionaries and committees under the governing framework. The petitioner's allegation, by itself, does not furnish any basis to implicate this respondent personally, unless there is clear material showing his direct intervention.

11.7. It is stated that much emphasis has been laid by the petitioners on alleged identical pricing, comparison with other rates, alleged cartelization, and supposed loss to the public exchequer. Even those allegations, assuming they are to be examined at all, pertain to the commercial and technical domain of the Corporation and its tender process. The petitioners are attempting to leap from a disputed commercial inference to a personal accusation against this respondent, without any connecting evidence. Such a leap is



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impermissible in law and demonstrates the mala fide design underlying the petitions. The petitioners have not produced any document to show that he has called for the tender, altered specifications, dictated bid conditions, influenced the scrutiny process, participated in price negotiations, directed quantity allocation, or approved the award in favour of bidders. In the absence of such foundational facts, the allegations of collusion, favouritism or criminal misconduct against this respondent are wholly baseless.

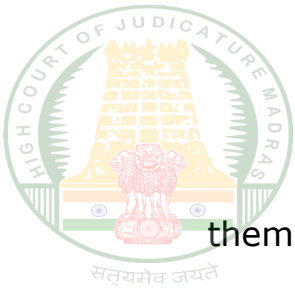
11.8. It is stated that the petitioner in W.P. No.8166 of 2024 has also referred to other proceedings, including matters under the Prevention of Money Laundering Act, bail proceedings and other unrelated controversies which were politically motivated, in an obvious attempt to create prejudice against him before this Court. The pendency of unrelated proceedings can never be treated as proof of guilt, nor can it be used to lower the threshold of pleading required in the present case. Such references are made solely to poison the record and deserve to be eschewed altogether. References made by the petitioners to his continuance in public



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office, his political standing, or alleged perceptions in the public domain are wholly irrelevant for adjudicating the maintainability or merits of the present writ petitions. Constitutional courts are concerned with legally relevant facts and not with speculative narratives or media style insinuations.

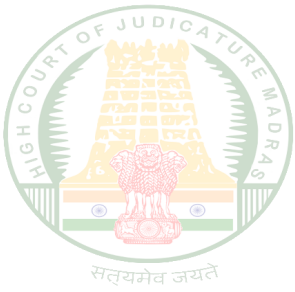
11.9. It is stated that the petitioner in W.P. (Crl.) No.396 of 2025, who has described himself as an office-bearer in the AIADMK Advocate Wing, and the petitioner in W.P. (MD) No.26676 of 2025, who has disclosed his political affiliation, have clearly demonstrated the political backdrop in which these litigations have been launched. The present proceedings are not bona fide public interest litigations, but are politically motivated litigations intended to malign the respondent and secure indirectly, through court process, what cannot be achieved through lawful evidence. Even in the writ petitions styled as public interest, the pleadings against him are notably vague. Expressions such as "probable involvement," "appears to have," "may have facilitated," or "warrants investigation" cannot substitute for pleadings of fact much less prima facie case. Such phrases reveal that the petitioners



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themselves do not possess any definite material against this respondent.

11.10. It is stated that a writ petition cannot be maintained merely to explore whether something incriminating may perhaps be found in future. In fact, the filing of one case before the Single Bench seeking a direction to register an FIR, and during the pendency of the said litigation, the filing of yet another case before the Division Bench at Madurai by another person belonging to the same legal wing, seeking the very same relief, would clearly demonstrate the conduct and motive of the petitioners and constitutes a blatant attempt at forum shopping. The attempt of the petitioners is plainly to reverse the burden. Without first placing any prima facie material of the involvement, they seek an investigation against this respondent in the hope that an enquiry may eventually discover something. Such an approach is alien to law. A person cannot be subjected to public law proceedings, much less to criminal insinuation, merely because the petitioners harbour suspicion or seek political mileage.



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11.11. It is asserted that the allegations of cartelization, etc.

are wholly unfounded inasmuch as almost same set of suppliers are participating and their quote of rate more or less a same rate are not uncommon. In tenders involving standardized products and a limited vendor base, similarity in pricing by itself cannot lead to any such inference. In any case, in the absence of any material, the petitioners' blaming is nothing but an ill-objective to achieve direct political mileage to the political rival. The petitioners, jointly and severally, seek to draw far-reaching conclusions from commercial aspects of the tender, based on illusions. In any event, the said exercise was part of the institutional tender process of the Board and this respondent had no personal role at any stage. The entire case against him is built on a chain of assumptions, namely that because this respondent was the Minister, he must have influenced officials; because certain bids were allegedly similar, there must have been collusion; because one officer is alleged to have been close to the respondent, he must have orchestrated the entire process. In this regard, each link in this chain much less the dots is unsupported/unconnected by evidence. The case is founded entirely on assumptions and cannot be the basis for any relief against this



respondent.

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11.12. It is stated that the petitioners have not come to this Court with clean, objective or legally sustainable pleadings insofar as fifth respondent in W.P.No.8166 of 2024 is concerned. The allegations are motivated, reckless and defamatory in character. The attempt is to tarnish his image and drag his name into a disputed procurement issue without any direct material whatsoever. The records of the Corporation, the statutory structure governing the tender process, and the absence of any material connecting the respondent with the decision-making process would clearly demonstrate that the allegations made against this respondent are false and unsustainable. In fact, the respondent, at no point acted outside the bounds of law, nor has exercised any role contrary to the statutory procurement mechanism.

11.13. It is stated that while the matter is still pending adjudication before this Court, the petitioner "Jayaram of Arappor lyakkam" has, on the eve of the ensuing election, uploaded and circulated a video in the public domain/social media on 27.03.2026

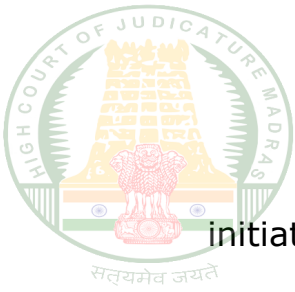


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setting out only their own version as the crux of the issue, while wholly ignoring the counter arguments, explanations and justifications of the respondents. Such a one-sided publication is ex facie prejudicial and is clearly intended to influence and prejudice the minds of the electorate by creating an impression as though all the allegations levelled by the petitioners already stand concluded and established. The statement made in the said video that "this is the time to ask" is a clear reference to the upcoming election and an appeal to the public not to vote for the ruling party, thereby revealing the ulterior motive behind the publication. Hence, the said video is liable to be removed forthwith. For all the aforesaid reasons, it is prayed that the writ petitions insofar as they seek any relief against the this respondent are liable to be dismissed as devoid of merits, unsupported by prima facie evidence, vitiated by political motive with exemplary cost and thus render Justice.

Rejoinder by Arappor Iyakkam:

12.1. Confuting the aforesaid stand taken by the respondents, the petitioner in W.P.No.8166 of 2024 has filed a common rejoinder affidavit stating that there has been a two year delay for even



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initiation of enquiry from the date of complaint. While the petitioner's complaint is dated 6.7.2023, the DVAC sought prior approval for conducting detailed enquiry after confirmation from Vigilance Commissioner on 22.1.2024 to the Government. However, the government, after a huge delay of 20 months, accorded prior approval for preliminary enquiry against the third respondent (Kasi) alone on 26.9.2025. The time line for providing prior approval as per Section 17A of the Prevention of Corruption Act is only 3 months with provision of extension by a maximum of 1 month. Thus, the huge delay in providing prior approval is unexplained. Prior approval was granted only because the petitioner approached this Court. While the petitioner's complaint has named several public servants and DVAC seems to have sought prior approval for detailed enquiry against several public servants, it is not clear why the Government accorded prior approval against only public servant alone, that too, only a preliminary enquiry as against detailed enquiry.

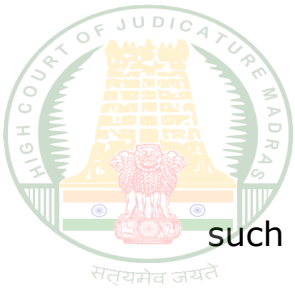
12.2. It is asserted that under the garb of preliminary enquiry, the DVAC is conducting a full-fledged investigation without the



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registration of the FIR. The scope of preliminary enquiry is only to ascertain by conducting a discreet confidential enquiry whether there is appearance of cognizable offence or not to register a FIR. When the Vigilance Manual describes the scope of preliminary enquiry and its completion in 2 months, more than 5 months have passed since the registration of preliminary enquiry on 13.10.2025. The actions of the DVAC are not fair and under the guise of preliminary enquiry what the investigating agency has done is to conduct a detailed investigation without registering FIR. The huge delay in registration of FIR could also result in loss of key evidence such as call records, etc.

12.3. It is further stated that the fact that Tender Scrutinizing Committee members and other senior public servants failed to act shows that they are also liable for their actions for being active participants in the cartelization process. The response of the Tender Inviting Authority that while other States procure aluminum transformers, TNPDCCL procures copper wound transformers, which are significantly higher priced compared to aluminum transformers, is wrong as the petitioner's complaint is for different transformers



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such as 500 KVA, 250 KVA, 200 KVA, 100 KVA and 63 KVA.

Amongst these, for 500 KVA, 250 KVA, 200 KVA and 100 KVA transformers, comparison has been directly made against copper wound transformers procured by other State Electricity Departments. In fact, the petitioner has made market comparisons by taking into account a variety of rates such as (a) GeM rate, (b) previous tender rate of TNPDC; (c) cost data of TNEB Engineers; (d) other State rates. Even TNPDC's own procurement with same specifications previously shows significantly lower price. Hence, the counter-affidavit of respondents 4 and 5 no way dispels the factual material showing cartelization, price fixing, bid collusion and conspiracy to defraud the exchequer by making redundant the TN Transparency in Tenders Act, 1998, Competition Act, 2002 and other laws.

Status report of DVAC:

13.1. During the course of the hearing, on 6.4.2026, the DVAC filed a common status report, *inter alia*, stating the petition of the petitioner (Arappor Iyakkam) dated 6.7.2023 was received by the DVAC on 10.7.2023. A factual verification of the said petition



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was carried out and thereafter the same was sent to the Vigilance Commissioner, through a report on 22.8.2023. The Vigilance Commissioner, vide letter dated 10.11.2023, directed the DVAC to conduct a detailed enquiry after getting prior approval from the competent authority. The DVAC addressed the Principal Secretary to Government, Energy Department seeking prior approval for registration of detailed enquiry, vide letter dated 22.1.2024.

13.2. It is averred that discreet verification on the petition dated 28.5.2025 sent by the petitioner in W.P.(Crl.) No.396 of 2025 and petition dated 14.8.2025 sent by the petitioner in W.P.(MD) No.26676 of 2025 was conducted by the officer of DVAC and found that the allegations mentioned in the petitions were similar to those raised in the petition sent by petitioner in W.P.No.8166 of 2024 and those petitions were clubbed together with the aforesaid petitions.

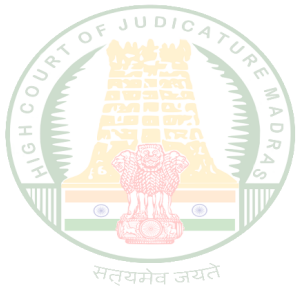
13.3. It is further stated that prior approval was accorded vide Government letter dated 26.9.2025. DVAC ordered to register a preliminary enquiry through Memorandum dated 10.10.2025. Accordingly, preliminary enquiry was registered on 13.10.2025



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against Kasi, Financial Controller (Purchase-I), TANGEDCO, Chennai
and taken up for enquiry.

13.4. It is also stated that, during the course of enquiry, relevant documents were collected, the documents were scrutinized and connected witnesses were enquired. The preliminary enquiry has revealed that there is no prima facie evidence to ascertain that between 2021 and 2023, TANGEDCO has awarded tender to the various firms for higher value in the procurement of various capacity of Distribution Transformers of a range of specifications starting from 25 KVA to 500 KVA, thereby causing loss to the exchequer and other allegations. Accordingly, the preliminary enquiry was concluded and further action dropped, since the allegations mentioned in the above three petitions were not substantiated and the final report was sent to the Vigilance Commissioner by the DVAC on 04.04.2026. The closure report will be served on the first informant, viz. Arappor Iyakkam, in compliance with the judgment of *Lalita Kumari v. Government of Uttar Pradesh and others* (supra).



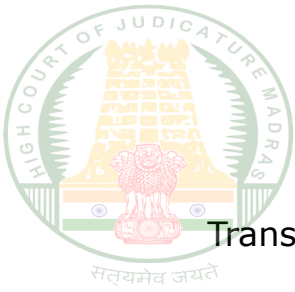
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**SUBMISSIONS MADE BY LEARNED COUNSEL FOR THE
PETITIONERS:**

14.1. Dr.V.Suresh, learned counsel for the petitioner in W.P.No.8166 of 2024, submitted that in the methodology undertaken by the petitioner, they found that in 7 of the 10 tenders there was clear evidence of unjust enrichment to the contractors and resultant loss to the exchequer amount to Rs.397 crores. It is further submitted that the procurement process in question is not merely irregular, but runs athwart the spirit and letter of the Tamil Nadu Transparency in Tenders Act, 1998, which was enacted to ensure that the public exchequer is protected through a transparent, arm's-length process. However, the evidence of collusion and cartelization, exemplified by identical bids, demonstrates that the transparency was purely superficial. Underneath the procedural formalities there is a secretive agreement between bidders and public servants, which suppressed the discovery of the true market price.

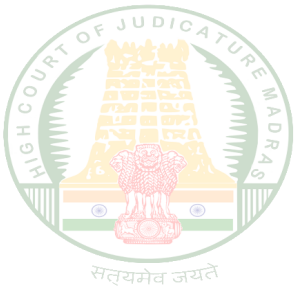
14.2. Referring to Sections 12 and 29A of the Tamil Nadu



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Transparency in Tenders Act, 1998, it is submitted that considering the fact that the tender value was abnormally high compared to the market rate, the Tender Scrutinizing Committee ought to have rejected the tender, but instead the Committee negotiated with the bidders and awarded the tender by splitting the orders equally to a total of 16 bidders who accepted for the negotiated rate. He drew our attention to the wrong comparison of market rates by the Tender Scrutinizing Committee.

14.3. Pointing out the overt act attributable to V.Kasi, who was the Financial Controller (Purchase), learned counsel for the petitioner submitted that he is part of the Tender Scrutinizing Committee and should have rejected/cancelled the tenders after seeing the collusive bidding of all bidders quoting the same amount. There is zero competition as there are no competitive rates in the tender. However, he not only approved them, but also approved them at rates much higher than the prevailing market rate and tender value creating a huge loss to the exchequer. It is submitted that V.Kasi appears to have great influence with Minister, Senthil Balaji, using which tenders seem to be fixed illegally.



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14.4. It is further submitted that the said V.Kasi was ordered to compulsorily retire from service on 19.03.2021 by the then Chairman and Managing Director, but the fourth respondent in this petition, Rajesh Lakhoni, appears to have violated the service regulation of the Board in inducting him back. It is also submitted that said Rajesh Lakhoni acted with ulterior motive to get V.Kasi back in service for reasons known best to him. When the Tender Scrutinizing committee approved the fraudulent and corrupt tenders wherein the bidders have quoted the same rate, Rajesh Lakhoni, as Chairman and Managing Director and member of the Board, approved the tenders without questioning the collusive bidding. Rajesh Lakhoni was the Chief Administrative person of TANGEDCO and should have cancelled and taken action against the corrupt and collusive tenders, but instead he seems to have played a very active role in aiding and abetting the corruption by getting approval for the corrupt tenders in the Board of TANGEDCO.

14.5. It is also submitted that Section 17A of the Prevention of Corruption Act postulates a timeline of three months, with



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extension of one month, but in the case on hand though the complaint was given in 2023, approval was granted for preliminary enquiry selectively against Kasi on 26.9.2025 and all of a sudden, on 4.4.2026, the enquiry was completed holding that there is insufficient oral and documentary evidence to substantiate the allegations and, hence, further action is dropped.

14.6. In support of the aforesaid submissions, Shri Suresh placed reliance on various decisions of the Supreme Court and various High Courts:

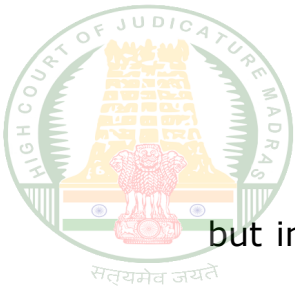
- (i) *Sanjay Dinanath Tiwari v. Director General of Police (Anti Corruption) and others*²;
- (ii) *Kripa Shankarram Niranjana Singh v. Sanjay Dinanath Tiwari and others*³;
- (iii) *Kripa Shankarram Niranjana Singh v. Sanjay Dinanath Tiwari and others*⁴;

15.1. Shri V.Raghavachari, learned Senior Counsel appearing for the petitioner in W.P. (Crl) No.396 of 2025, submitted that once or twice there can be repetition in respect of one or two bidders,

² 2012 SCC OnLine Bom 259

³ SLP (C) No.7725 of 2012, dated 13.3.2012

⁴ Civil Appeal No.7788 of 2013, dated 2.9.2013

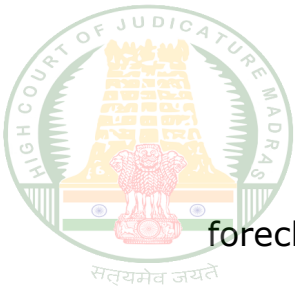


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but in at least nine tenders all the bidders quoted the same rate. It is added that quoting of identical rates for Distribution Transformers across various capacities, without a single variation in decimal points, transcends the realm of coincidence. In a sector characterized by diverse manufacturing overheads, logistics, and raw material costs, such mathematical uniformity reeks of collusion. It serves as an undeniable "smoking gun", proving the existence of a clandestine pre-arrangement designed to subvert the competitive bidding process.

15.2. It is further submitted that the said Kasi was suspended and directed to be compulsorily retired. However, he was re-inducted into service in violation of the Rules.

15.3. It is also submitted that when the allegation is levelled against the Minister, the person who is to conduct investigation belongs to a lower rank and no independent decision can be taken by such person. The complaint is pending for almost two years, but, all of a sudden, in the first week of April, 2026, the petitioner was called to attend the enquiry and thereafter the enquiry was



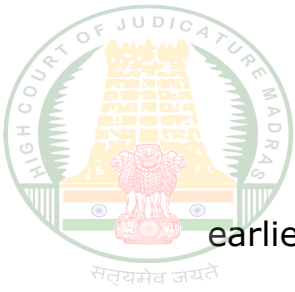
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foreclosed with much haste, scuttling the procedure. For three long years, the respondent authorities did not take any action, but suddenly, when the matter was being finally heard by this court, the enquiry was closed. This, according to him is a serious matter which requires investigation by an unbiased agency.

15.4. Referring to the decision of the Supreme Court in *Save Mon Region Federation and another v. State of Uttar Pradesh*⁵, he submitted that when repeatedly the very same persons are successfully awarded tenders the Supreme Court directed investigation by Central Bureau of Investigation. There are narrow set of beneficiaries and there is arbitrariness in public procurement. He submitted that any person with an unbiased mind would have directed registration of an FIR, when all the bidders are quoting the same price and there are various allegations of corruption.

15.5. It is further submitted that in matters involving allegations of systemic corruption and the embezzlement of public funds, the investigative machinery must be set in motion at the

⁵2026 INSC 320



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earliest possible opportunity. Delay in such matters is not merely a procedural lapse, it is a fatal blow to the integrity of the evidence. It is submitted that the towering delay in addressing the formal complaints has allowed the suspected parties time to potentially suppress records and formalize their illicit gains. Given the depth of the alleged conspiracy between public servants and private bidders, an internal inquiry would be a futile exercise, as done in this case and, therefore, it is pleaded that this is the fittest case for reference to an independent agency like the Central Bureau of Investigation.

16. Shri A.G.Vedavikas, learned counsel appearing for the petitioner in W.P.(MD) No.26676 of 2025, submitted that he is adopting the arguments advanced by learned counsel for the petitioners in the other two writ petitions.

17.1. Learned Advocate General appearing on behalf of the Tamil Nadu Power Distribution Corporation Limited submitted that W.P.(Crl.) No.396 of 2025 and W.P.(MD) No.26676 of 2025 are filed by members of the same political party. They have no locus standi. Both the members belong to the legal wing of the same political



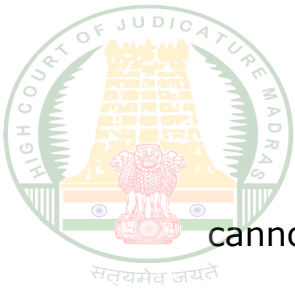
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party. One filed in Madras and the other in Madurai. These two writ petitions are politically motivated and publicity interested litigations.

The averments in both the writ petitions are one and the same.

17.2. In respect of the allegations levelled by the petitioner in W.P.No.8166 of 2024, it is further submitted that procurement of Distribution Transformers is the life blood of the electricity distribution system. He submitted that around four lakh transformers are operating in Tamil Nadu and the annual requirement of replacement is approximately 20000 transformers. There are approximately 40 to 50 manufacturers of transformers, who are all clustered in and around Chennai, barring one or two manufacturers from the other States. Most the names of the bidders will be repeating and these names are repeating for the last 20 to 25 years.

17.3. It is also submitted that several bidders join together and quote the same rate to the last decimal point. No single bidder can meet the requirement of the Electricity Board. L1 is chosen and called for negotiation to discuss the best rate and since L1 alone



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cannot supply all the transformers, the other qualified tenderers are called for and directed to supply certain quantity at the rate fixed for L1. This, according to learned Advocate General, is permissible under Section 10(5) of the Tamil Nadu Transparency in Tenders Act, 1998, which allows the authorities to split the quantity where the price is the same. Reference is also made to Rule 31 of the Tamil Nadu Transparency in Tenders Rules, 2000 in support of this submission. The said practice is not unusual, but it is fairly common. Parallel pricing is very common in cases where the tendering authority calls all the tenderers and awards part of the contract to each tenderer. In this regard, reliance is placed on a decision of the Supreme Court in *Rajasthan Cylinders and Containers Ltd v. Union of India*⁶. He submitted that for block supplies, they take the lowest price, negotiate with the lowest quoting bidder and request all the eligible bidders to quote the same price.

17.4. It is further submitted that the comparison of the products pointed out by Dr.Suresh, counsel for the petitioner in

⁶(2020) 16 SCC 615



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W.P.No.8166 of 2024, with the transformers purchased by the TANGEDCO is like comparing chalk and cheese.

17.5. Answering the issue raised by the petitioner in W.P.No.8166 of 2024 that in tender, M-08/2021-22, a total of 34 bidders participated; the price bids of 29 bidders were opened on 15.12.2021, whereas the price bids of another 5 bidders were opened separately on 3.1.2022 and all the bidders quoted the same rate of Rs.7,51,660/- per distribution transformer, it is submitted that all the 34 bidders submitted e-tenders. All of them submitted their financial bids within the stipulated time. What the law prohibits is receiving of price bid after the last date. In this case, no material is produced to substantiate the plea that the price bid was received after the last date.

17.6. Pointing out to the tender process involved in Tender No.100/11, wherein, according to the petitioner there is an estimated loss of Rs.397 crores, learned Advocate General submitted that the price was approved by the Tender Committee at Rs.4,13,590/- per transformer. The bidder gives minimum warranty



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of five years. 5% of the entire tender value has to be deposited with the TANGEDCO as security deposit for nearly 72 months. The procedure contemplated has been followed strictly and all safeguards have been taken by the TANGEDCO and there is no violation as alleged by the petitioner.

17.7. Qua the contention of the petitioner that other States often utilize lower-cost aluminum winding transformers, learned Advocate General submitted that in the State of Kerala, where Aluminium is used in transformer, the total quantity used is 87 Kgs per transformer, whereas in the State of Tamil Nadu, the total quantity of Copper used in the transformer is 152 kgs. Copper is being used based on the recommendation of the experts and the quality of the transformer required by TANGEDCO cannot be subject to the discretion of the petitioner.

17.8. It is submitted that the TANGEDCO is under the control of the Accountant General's office, which is a constitutional body. On the basis of the complaints lodged, the office of the Accountant General sought particulars from the TANGEDCO and found no basis



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in the allegations levelled. In the absence of any empirical data available for registration of an FIR, the writ petitions sans substance are to be dismissed.

18.1. Mr.V.Kartic, learned Senior Counsel appearing on behalf of the fifth respondent in W.P.No.8166 of 2024, submitted that in the whole process of awarding tender, the government also does not have any say in the working of the Tender Committee and, therefore, the fifth respondent has no role to play in the tender process.

18.2. It is further submitted that the fifth respondent is available in the Secretariat and residence, which is a camp office, and officials of the Electricity Board come to him to apprise the situation. The presence of the officials of the Electricity Board, by itself, does not mean that there is something more to it than meets the eye.

19.1. Mr.N.R.Elango, learned Senior Counsel appearing on behalf of the DVAC, on the basis of a report in a sealed cover which

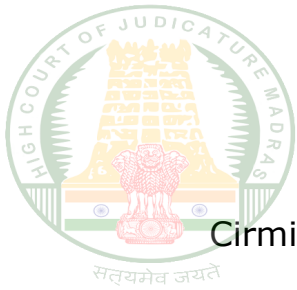


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was produced during the course of hearing, submitted that each of the allegation has been culled out and the allegations were split into seven major heads and each of the major head has been taken into consideration. A comparison was drawn with the prices of distribution transformers in Rajasthan and Tamil Nadu and there was no loss to the government found.

19.2. It is further submitted that DVAC Manual contemplates that each one of the entries are supervised by the Superintendent of Police and placed before the Director at every stage. This enquiry was monitored by the highest level of officers in the rank of Director General of Police. There is no official loss to the government and there is no prima facie evidence to substantiate any of the allegations. To invoke the provisions of the Prevention of Corruption Act, the complaint has to reveal something which attracts the offence.

19.3. It is also submitted that the proposition laid down in *Lalita Kumari v. Government of Uttar Pradesh and others* (supra) is no more a good law in view of the change in the law from Code of

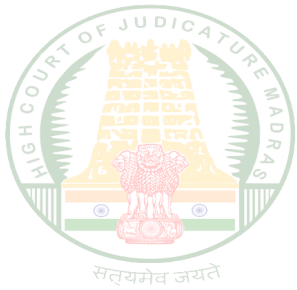


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Criminal Procedure to the Bharatiya Nagarik Suraksha Sanhita. He drew the attention of the court to the Parliamentary Standing Committee discussions.

19.4. It is further submitted that the Constitutional Court has no power to order for an investigation or registration of FIR. If the police do not take any action, the person aggrieved must approach the Magistrate.

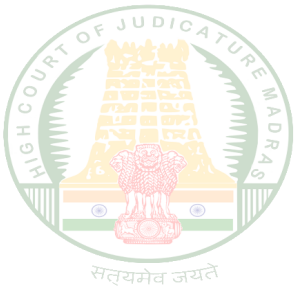
19.5. It is submitted that the decision of the Supreme Court in *Save Mon Region Federation and another v. State of Uttar Pradesh* (supra) relied upon by Mr.V.Raghavachari, learned Senior Counsel, does not apply to the facts of the present case. It is submitted that in that case all the bidders are relatives of the Chief Minister; no tender was called for. In that case, the Supreme Court ordered enquiry by the Comptroller and Auditor General of India and based on the report, considering the exceptional circumstances, the Supreme Court order investigation by CBI. In the case on hand, there is no material to substantiate any allegation.



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20. We have heard learned counsel for the respective parties and bestowed our serious consideration to the respective submissions.

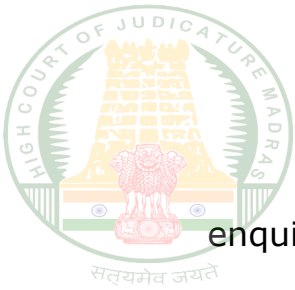
21. These three writ petitions raise identical issues wherein serious allegations have been made in the matter of procurement of distribution transformers by submitting collusive bids by quoting the same price and tenders were awarded to all the said parties for procurement of approximately 26,300 transformers during the period between 2021 and 2023 at extortionate rates compared to the then prevailing market value, thereby resulting in huge financial loss to the public exchequer. Though complaints were lodged for taking action against the persons involved in the decision making process, it did not evoke any response and, therefore, the petitioners are before us seeking direction to the Director of Vigilance and Anti-Corruption to register an FIR and to constitute a Special Investigation Team to conduct a time-bound, independent and/or High Court monitored fair investigation under the Prevention of Corruption Act.



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22. All the three petitioners, in one voice, contended that as per the authoritative pronouncement of the Supreme Court in various decisions on the issue, it is mandatory on part of the police officials to register an FIR when the information discloses a cognizable offence. It is further contended that even if the police officials were of the opinion that the complaint does not disclose an offence of cognizable nature, a preliminary verification or inquiry for limited purpose of ascertaining as to whether a cognizable offence has been committed can be held, but the same has to be completed in six weeks. However, in the case at hand, though the earliest complaint was made on 6.7.2023, the DVAC took almost three years to conduct the preliminary enquiry and the net result of the enquiry is that there is no *prima facie* evidence to substantiate the allegations. Dissatisfied with the report of the DVAC, the petitioners pray for constitution of a court-monitored Special Investigation Team or investigation by the Central Bureau of Investigation.

23. Qua the law on the issue pertaining to registration of an FIR when a complaint is made and as to whether preliminary

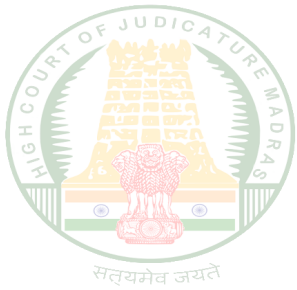


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enquiry is sine qua non for registration of FIR or not, the Supreme Court time and again emphasized the procedure to be followed.

24. The Constitution Bench of the Supreme Court in *Lalita Kumari v. Government of Uttar Pradesh and others (supra)*, elaborately dealt with (a) the duty of the police officer in registering offence if cognizable offence is disclosed; (b) scope of preliminary enquiry; and (c) as to what type and in which cases preliminary enquiry is to be conducted. The relevant observations of the Supreme Court read thus:

“73. The legislature has consciously used the expression “information” in Section 154(1) of the Code as against the expression used in Sections 41(1)(a) and (g) where the expression used for arresting a person without warrant is “reasonable complaint” or “credible information”. The expression under Section 154(1) of the Code is not qualified by the prefix “reasonable” or “credible”. The non-qualification of the word “information” in Section 154(1) unlike in Sections 41(1)(a) and (g) of the Code is for the reason that the police officer should not refuse to record any information relating to the commission of a cognizable offence on the ground



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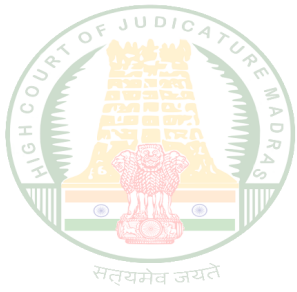
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that he is not satisfied with the reasonableness or credibility of the information. ***In other words, reasonableness or credibility of the said information is not a condition precedent for the registration of a case.***

...

93. The object sought to be achieved by registering the earliest information as FIR is inter alia twofold : one, that the criminal process is set into motion and is well documented from the very start; and second, that the earliest information received in relation to the commission of a cognizable offence is recorded so that there cannot be any embellishment, etc. later.

94. Principles of democracy and liberty demand a regular and efficient check on police powers. One way of keeping check on authorities with such powers is by documenting every action of theirs. Accordingly, under the Code, actions of the police, etc. are provided to be written and documented. For example, in case of arrest under Section 41(1)(b) of the Code, the arrest memo along with the grounds has to be in writing mandatorily; under Section 55 of



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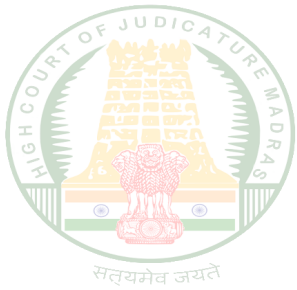


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the Code, if an officer is deputed to make an arrest, then the superior officer has to write down and record the offence, etc. for which the person is to be arrested; under Section 91 of the Code, a written order has to be passed by the officer concerned to seek documents; under Section 160 of the Code, a written notice has to be issued to the witness so that he can be called for recording of his/her statement, seizure memo/panchnama has to be drawn for every article seized, etc.

95. The police is required to maintain several records including case diary as provided under Section 172 of the Code, General Diary as provided under Section 44 of the Police Act, etc. which helps in documenting every information collected, spot visited and all the actions of the police officers so that their activities can be documented. Moreover, every information received relating to commission of a non-cognizable offence also has to be registered under Section 155 of the Code.

96. The underpinnings of compulsory registration of FIR is not only to ensure transparency in the criminal justice-delivery system but also to ensure "judicial oversight".



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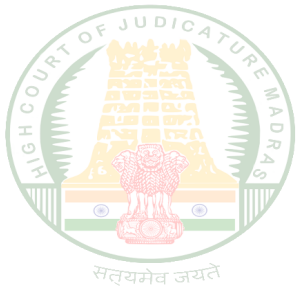


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Section 157(1) deploys the word "forthwith". Thus, any information received under Section 154(1) or otherwise has to be duly informed in the form of a report to the Magistrate. Thus, the commission of a cognizable offence is not only brought to the knowledge of the investigating agency but also to the subordinate judiciary.

97. The Code contemplates two kinds of FIRs : the duly signed FIR under Section 154(1) is by the informant to the officer concerned at the police station. The second kind of FIR could be which is registered by the police itself on any information received or other than by way of an informant [Section 157(1)] and even this information has to be duly recorded and the copy should be sent to the Magistrate forthwith. The registration of FIR either on the basis of the information furnished by the informant under Section 154(1) of the Code or otherwise under Section 157(1) of the Code is obligatory. The obligation to register FIR has inherent advantages:

97.1. (a) It is the first step to "access to justice" for a victim.



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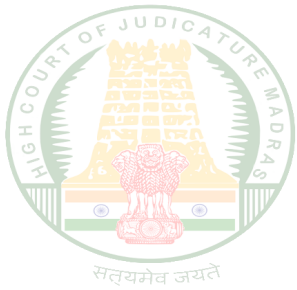
97.2. (b) *It upholds the "rule of law" inasmuch as the ordinary person brings forth the commission of a cognizable crime in the knowledge of the State.*

97.3. (c) *It also facilitates swift investigation and sometimes even prevention of the crime. In both cases, it only effectuates the regime of law.*

97.4. (d) *It leads to less manipulation in criminal cases and lessens incidents of "antedated" FIR or deliberately delayed FIR."*

...

119. Therefore, in view of various counterclaims regarding registration or non-registration, **what is necessary is only that the information given to the police must disclose the commission of a cognizable offence. In such a situation, registration of an FIR is mandatory. However, if no cognizable offence is made out in the information given, then the FIR need not be registered immediately and perhaps the police can conduct a sort of preliminary verification or inquiry for the limited purpose of ascertaining as to whether a cognizable offence has been committed. But, if the information given clearly mentions the commission of a cognizable**



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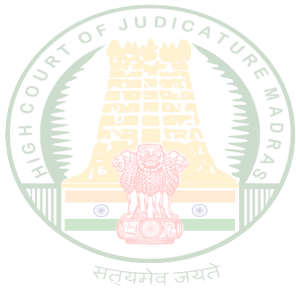
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offence, there is no other option but to register an FIR forthwith. Other considerations are not relevant at the stage of registration of FIR, such as, whether the information is falsely given, whether the information is genuine, whether the information is credible, etc. These are the issues that have to be verified during the investigation of the FIR. At the stage of registration of FIR, what is to be seen is merely whether the information given ex facie discloses the commission of a cognizable offence. If, after investigation, the information given is found to be false, there is always an option to prosecute the complainant for filing a false FIR.

120. In view of the aforesaid discussion, we hold:

120.1. The registration of FIR is mandatory under Section 154 of the Code, if the information discloses commission of a cognizable offence and no preliminary inquiry is permissible in such a situation.

120.2. If the information received does not disclose a cognizable offence but indicates the necessity for an



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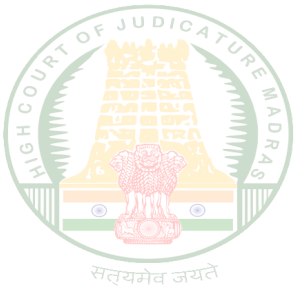
*inquiry, a **preliminary inquiry may be conducted only to ascertain whether cognizable offence is disclosed or not.***

*120.3. **If the inquiry discloses the commission of a cognizable offence, the FIR must be registered. In cases where preliminary inquiry ends in closing the complaint, a copy of the entry of such closure must be supplied to the first informant forthwith and not later than one week.** It must disclose reasons in brief for closing the complaint and not proceeding further.*

120.4. The police officer cannot avoid his duty of registering offence if cognizable offence is disclosed. Action must be taken against erring officers who do not register the FIR if information received by him discloses a cognizable offence.

*120.5. **The scope of preliminary inquiry is not to verify the veracity or otherwise of the information received but only to ascertain whether the information reveals any cognizable offence.***

120.6. As to what type and in which cases



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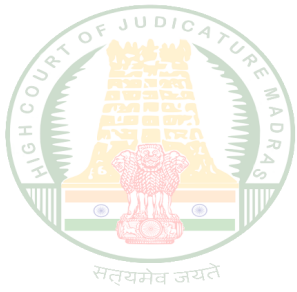
preliminary inquiry is to be conducted will depend on the facts and circumstances of each case. The category of cases in which preliminary inquiry may be made are as under:

- (a) Matrimonial disputes/family disputes*
- (b) Commercial offences*
- (c) Medical negligence cases*
- (d) **Corruption cases***

(e) Cases where there is abnormal delay/laches in initiating criminal prosecution, for example, over 3 months' delay in reporting the matter without satisfactorily explaining the reasons for delay.

The aforesaid are only illustrations and not exhaustive of all conditions which may warrant preliminary inquiry.

*120.7. While ensuring and protecting the rights of the accused and the complainant, **a preliminary inquiry should be made time-bound and in any case it should not exceed fifteen days generally and in exceptional cases, by giving adequate reasons, six weeks' time is provided. The fact of such delay and the causes of it must be reflected in the General Diary entry.** [Modified as per the decision in Lalita Kumari v. State of U.P.,*



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(2023) 9 SCC 695].

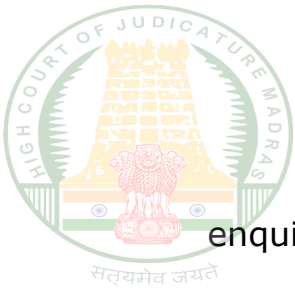
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120.8. Since the General Diary/Station Diary/Daily Diary is the record of all information received in a police station, we direct that all information relating to cognizable offences, whether resulting in registration of FIR or leading to an inquiry, must be mandatorily and meticulously reflected in the said diary and the decision to conduct a preliminary inquiry must also be reflected, as mentioned above."

[emphasis supplied]

25. Thus, *Lalita Kumari* case (supra) explicitly categorized corruption as a specific exception to the general rule of immediate FIR registration. It established that a preliminary enquiry may be conducted first to determine if a cognizable offence actually exists. In *P.Sirajuddin v. State of Madras*⁷, decided well before *Lalita Kumari* case (supra), the Supreme Court emphasized the need for caution when dealing with public officials. The Supreme Court observed that before a public servant is publicly accused of serious dishonesty or professional misconduct and an FIR is registered against him, a responsible officer should first conduct a suitable

⁷ AIR 1971 SC 520



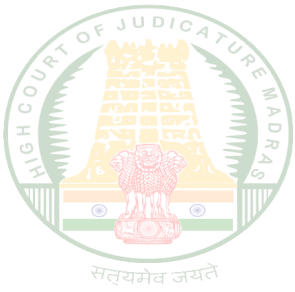
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enquiry to protect the individual from baseless reputational damage.

26. The aforesaid decision in *Lalita Kumari* case (supra) has been referred to and relied upon in a later decision in *Charansingh v. State of Maharashtra and others*⁸. The issue that arose for consideration was whether conducting an enquiry before filing a First Information Report (FIR) is lawful and, if so, what are the limitations. Though it was held that in such cases preliminary enquiry at pre-registration stage is permissible, and in a given case it may be desirable also, it being a case of allegation of corruption against the public servant, it was clearly emphasised as to what would be scope of such preliminary enquiry. It was held that it is enough if the Police Officer on the basis of the information given suspects the commission of a cognizable offence, and not that he must be convinced or satisfied that a cognizable offence has been committed. The relevant observations are reproduced hereunder:

"15.2. ... Even at the stage of registering the FIR, what is required to be considered is whether the information given discloses the commission of a

⁸(2021) 5 SCC 469



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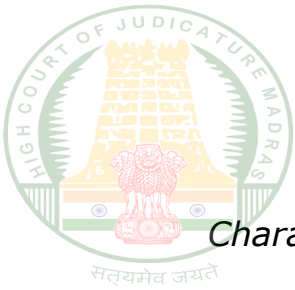
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*cognizable offence and the information so lodged must provide a basis for the police officer to suspect the commission of a cognizable offence. **At this stage, it is enough if the police officer on the basis of the information given suspects the commission of a cognizable offence, and not that he must be convinced or satisfied that a cognizable offence has been committed.***

[emphasis supplied]

27. The principle laid down in the aforesaid decision clarifies that the scope of a preliminary enquiry is narrow. Its primary purpose is to ensure that the process does not become a tool for undue delay once the initial information clearly indicates that a cognizable offence has been committed. Furthermore, the law does not require a police officer to reach a state of absolute certainty or final satisfaction regarding the crime at this early stage. Once a police officer has a reasonable basis to suspect that a cognizable offence has been committed, he is legally obligated to register the FIR.

28. While the Supreme Court in *Lalita Kumari* (supra) and



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Charansingh (supra) affirmed that preliminary enquiries are legally permissible in specific circumstances, it simultaneously established a strict procedural safeguard of expediency. The Court has repeatedly emphasized that such enquiries must be finalized within the shortest time frame possible to ensure the legal process is not bypassed. The Supreme Court's rulings are clear that the allowance for a preliminary enquiry is not a "legal shield" or a loophole that justifies delaying a criminal case. As soon as the information provided indicates that a cognizable offence has occurred, the period of enquiry must end and the formal registration of the case must begin.

29. The necessity to hold preliminary enquiry in all cases of allegation of corruption is not an absolute and mandatory requirement as has been held by the Supreme Court in two recent judicial pronouncements: (i) *State of Karnataka v. T.N.Sudhakar Reddy*⁹; and (ii) *State of Karnataka v. Sri Channakeshava.H.D.*¹⁰.

30. In *T.N.Sudhakar Reddy* (supra), the following two

⁹2025 INSC 229

¹⁰2025 SCC OnLine SC 753



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questions were framed for consideration by the Supreme Court:

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"A. *Whether a preliminary inquiry was mandatory before directing registration of an FIR under the PC Act in the facts of the case at hand or whether the source information report could be treated to be a substitute for the preliminary inquiry?*

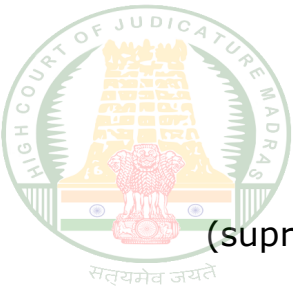
B. *Whether the Order dated 4th November, 2023, passed by the Superintendent of Police under Section 17 of the PC Act, is sustainable in the eyes of law?"*

31. The first issue as to whether a preliminary inquiry was mandatory before directing registration of an FIR under the PC Act in the facts of the case at hand or whether the source information report could be treated to be a substitute for the preliminary inquiry was considered by the Supreme Court in the light of the earlier decisions in the case of *P.Sirajuddin* (supra); *Lalita Kumari* (supra); *CBI and Another v. Thommandru Hannah Vijaylakshmi and another*¹¹; and *State of Telangana v. Managipet Alias Mangipet Sarveshwar Reddy*¹².

32. Taking note of the declaration of law in *Lalita Kumari* case

¹¹(2021) 18 SCC 135

¹²(2019) 19 SCC 87



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(supra) and *Managipet Alias Mangipet Sarveshwar Reddy* (supra),

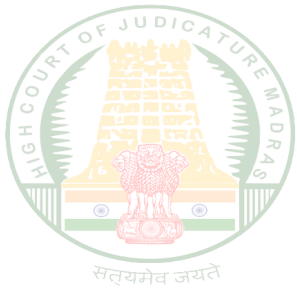
the following observations were made by the Supreme Court in

Sudhakar Reddy case (supra):

"21. Following the rationale of Lalita Kumari (supra), this Court in Managipet (supra) held that while the decision in Lalita Kumari (supra) noted that a preliminary inquiry was desirable in cases of alleged corruption, this does not vest a right in the accused to demand a preliminary inquiry. Whether the preliminary inquiry is required to be conducted or not will depend on the peculiar facts and circumstances of each case, and it cannot be said to be a mandatory requirement, in the absence of which, an FIR cannot be registered against the accused in corruption-related matters.

22. The relevant paragraphs from Managipet (supra) are extracted herein below:-

"33. In the present case, the FIR itself shows that the information collected is in respect of disproportionate assets of the accused officer. The purpose of a preliminary inquiry is to screen wholly frivolous and motivated complaints, in furtherance of acting fairly and

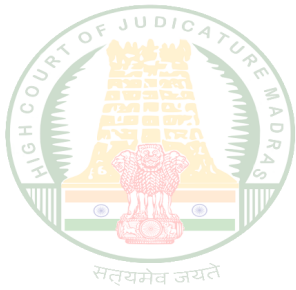


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objectively. Herein, relevant information was available with the informant in respect of prima facie allegations disclosing a cognizable offence. Therefore, once the officer recording the FIR is satisfied with such disclosure, he can proceed against the accused even without conducting any inquiry or by any other manner on the basis of the credible information received by him. It cannot be said that the FIR is liable to be quashed for the reason that the preliminary inquiry was not conducted. The same can only be done if upon a reading of the entirety of an FIR, no offence is disclosed. Reference in this regard, is made to a judgment of this Court in State of Haryana v. Bhajan Lal, 1992 Supp (1) SCC 335 : 1992 SCC (Cri) 426, wherein, this Court held inter alia that where the allegations made in the FIR or the complaint, even if they are taken at their face value and accepted in their entirety, do not prima facie constitute any offence or make out a case against the accused and also where a criminal proceeding is manifestly attended with mala fides and/or where the proceeding is maliciously



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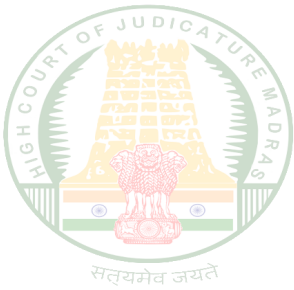


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instituted with an ulterior motive for wreaking vengeance on the accused and with a view to spite him due to private and personal grudge.

34. Therefore, **we hold that the preliminary inquiry warranted in Lalita Kumari is not required to be mandatorily conducted in all corruption cases.** It has been reiterated by this Court in multiple instances that the type of preliminary inquiry to be conducted will depend on the facts and circumstances of each case. There are no fixed parameters on which such inquiry can be said to be conducted. Therefore, any formal and informal collection of information disclosing a cognizable offence to the satisfaction of the person recording the FIR is sufficient."

23. A three-judge bench of this Court in Thommandru Hannah Vijayalakshmi (*supra*) extensively discussed the judicial precedents and legal principles governing the requirement of conducting a preliminary inquiry before registration of an FIR. **The Court affirmed the view taken by**



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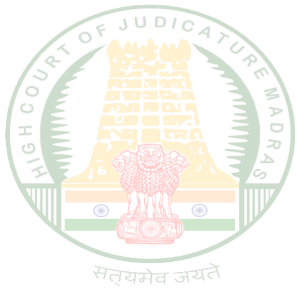
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the two-judge Bench in Managipet (supra), holding that a preliminary inquiry may not be necessary if the officer recording the FIR possesses relevant information which discloses the commission of a cognizable offence. The relevant extracts from Thommandru Hannah Vijayalakshmi (supra) are reproduced herein below:-

"32. [...]... we hold that since the institution of a Preliminary inquiry in cases of corruption is not made mandatory before the registration of an FIR under the CrPC, PC Act or even the CBI Manual, for this Court to issue a direction to that affect will be tantamount to stepping into the legislative domain.

39. The precedents of this Court and the provisions of the CBI Manual make it abundantly clear that a preliminary inquiry is not mandatory in all cases which involve allegations of corruption.

The decision of the Constitution Bench in Lalita Kumari [Lalita Kumari v. State of U.P., (2014) 2 SCC 1 : (2014) 1 SCC (Cri) 524] holds that if the information received

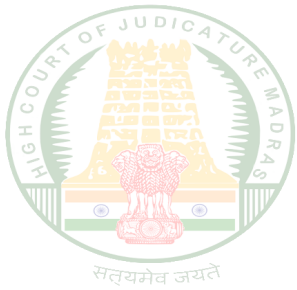


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*discloses the commission of a cognizable offence at the outset, no preliminary inquiry would be required. **It also clarified that the scope of a preliminary inquiry is not to check the veracity of the information received, but only to scrutinise whether it discloses the commission of a cognizable offence.** Similarly, Para 9.1 of the CBI Manual notes that a preliminary inquiry is required only if the information (whether verified or unverified) does not disclose the commission of a cognizable offence. Even when a preliminary inquiry is initiated, it has to stop as soon as the officer ascertains that enough material has been collected which discloses the commission of a cognizable offence. A similar conclusion has been reached by a two-Judge Bench in Managipet [State of Telangana v. Managipet, (2019) 19 SCC 87 : (2020) 3 SCC (Cri) 702] as well. Hence, **the proposition that a preliminary inquiry is mandatory is plainly contrary to law, for it is not only contrary to the decision of the Constitution Bench in Lalita Kumari [Lalita Kumari v. State of U.P., (2014) 2***



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***SCC 1 : (2014) 1 SCC (Cri) 524] but
would also tear apart the framework
created by the CBI Manual."***

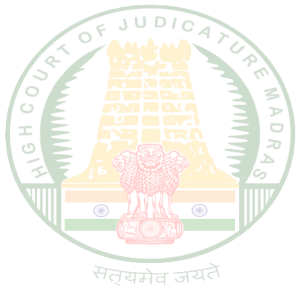
[emphasis supplied]

33. It was clearly enunciated by the Supreme Court that a preliminary enquiry is a narrow, specialized tool designed to balance two competing interests: protecting public servants from meritless harassment, while preventing the arbitrary suppression of legitimate corruption charges, and that its purpose is strictly to verify if a "suspected" offence exists, rather than to conduct a full investigation. The Supreme Court ruled that an enquiry is not an absolute requirement in every instance, but its necessity is determined on a case-to-case basis, depending entirely on whether the available facts already clearly disclose a cognizable offence.

34. The conclusion arrived at by the Supreme Court in *Sudhakar Reddy case* (supra) is reproduced hereunder:

"51. In view of the above discussion, we conclude that:-

a. The High Court erred in coming to the conclusion



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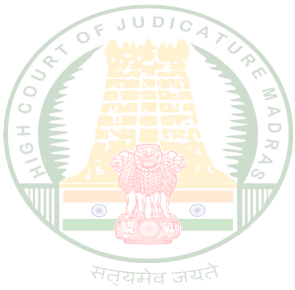
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that the order dated 4th December, 2023, passed by the Superintendent of Police, was directly passed under Section 17 of the PC Act, thereby violating the mandatory provisions of the PC Act.

b. The preliminary inquiry is not mandatory in every case under the PC Act. If a superior officer is in seisin of a source information report which is both detailed and well-reasoned and such that any reasonable person would be of the view that it prima facie discloses the commission of a cognizable offence, the preliminary inquiry may be avoided.

c. Section 17 of the PC Act relates specifically to the investigation process, and not the initial act of registering the FIR, for which it relies on the provisions of the CrPC. Hence, it places limitations on only the investigation; it does not impede the fundamental duty of the law enforcement agency to record and register an FIR for cognizable offences.

d. On a harmonious reading of the provisions of the PC Act and the CrPC, it is manifest that the Superintendent of Police is competent to direct the registration of an FIR if he has information about the



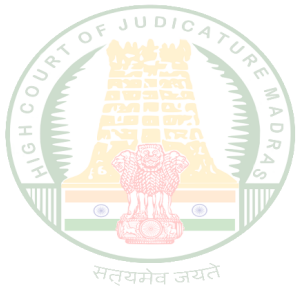
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commission of a cognizable offence, punishable under the PC Act. The former is also competent to simultaneously direct the Deputy Superintendent of Police to register an FIR for the offences under the PC Act, with the understanding that the subsequent investigation will be subject to the restrictions outlined in Section 17 of the PC Act. A composite order to register the FIR and conduct investigation aligns with the statutory framework of the CrPC and the PC Act."

35. In the case of *State of Karnataka v. Sri Channakeshava.H.D.* (supra), the Supreme Court reaffirmed that conducting a preliminary enquiry is not a mandatory prerequisite in corruption cases. The relevant observation is reproduced hereunder:

"12. To sum up, this Court has held that *in matters of corruption a preliminary enquiry although desirable, but is not mandatory. In a case where a superior officer, based on a detailed source report disclosing the commission of a cognizable offence, passes an order for registration of FIR, the requirement of preliminary enquiry can be relaxed.*"



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[emphasis supplied]

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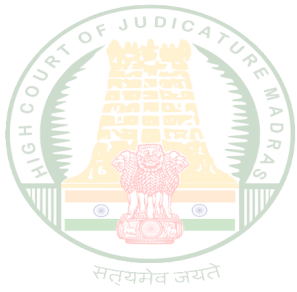
36. In *Pradeep Nirankarnath Sharma v. State of Gujarat*¹³, the legal position in this regard was further explained in furtherance of what has been held in *Lalita Kumari v. Government of U.P.* (supra) as follows:

"13. We have carefully considered the submissions of the appellant and perused the records. The legal position regarding the registration of FIRs in cases of cognizable offences is well-settled. This Court, in Lalita Kumari, has categorically held that the registration of an FIR is mandatory under Section 154 CrPC if the information discloses the commission of a cognizable offence. ...

....

*14. The scope of a preliminary inquiry, as clarified in the said judgment, is limited to situations where the information received does not prima facie disclose a cognizable offence but requires verification. **However, in cases where the information clearly discloses a cognizable offence, the police have no discretion to conduct a preliminary inquiry before registering an FIR. The decision in Lalita Kumari does not create an***

¹³ (2025) 4 SCC 818



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absolute rule that a preliminary inquiry must be conducted in every case before the registration of an FIR. Rather, it reaffirms the settled principle that the police authorities are obligated to register an FIR when the information received prima facie discloses a cognizable offence.

15. In the present case, the allegations against the appellant pertain to the abuse of official position and corrupt practices while holding public office. Such allegations fall squarely within the category of cognizable offences, and there exists no legal requirement for a preliminary inquiry before the registration of an FIR in such cases.”

[emphasis supplied]

37. While the law clearly establishes that allegations of official misconduct and corruption constitute cognizable offence and there is no strict legal necessity for a preliminary enquiry before filing an FIR, learned Senior Counsel for the DVAC argues that the DVAC Manual imposes a mandatory requirement for such an initial probe. Essentially, the argument suggests that even if the general criminal



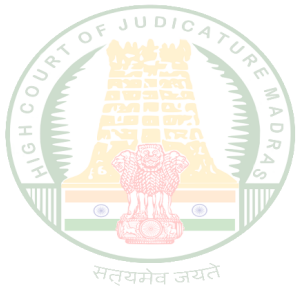
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law does not demand a preliminary enquiry, the specific procedural guidelines contained in the DVAC Manual create a separate, binding obligation to conduct a preliminary enquiry.

38. The Manual of DVAC provides for (i) enquiry and investigation procedures; and (ii) preliminary enquiries. The Manual also provides for nature of enquiries/investigations and authority for taking up enquiries/investigations, which read thus:

"14. Nature of Enquiries/Investigations

*The Directorate of Vigilance and Anti-Corruption undertakes enquiries/investigations into complaints/ information about specific acts of bribery or corruption and allied malpractices in the exercise of official authority by Public Servants under the control of the State Government and also employees of the Public Undertakings, Corporations set up by the State Government. **Usually, the first enquiry into a complaint/ information is in the nature of a Preliminary Enquiry. If the Preliminary Enquiry discloses material which merits an open probe, a Detailed Enquiry is taken up.** If the material thrown up in a Preliminary Enquiry or a Detailed Enquiry makes out a prima facie case for a criminal*



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prosecution, a Regular Case is registered under Section 154 of the Code of Criminal Procedure, 1973, and investigation taken up in terms of relevant provisions of the Code of Criminal Procedure 1973. When specific information is received that a particular Public Servant is demanding money for discharge of his official duty in a specified instance, a "Trap" is also attempted.

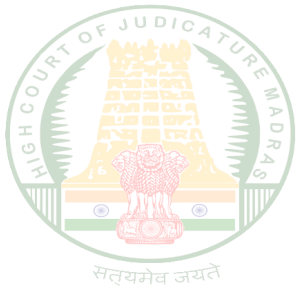
15. Authority for taking up Enquiries/Investigations

(1) Enquiries and investigations of regular criminal cases, including traps, may be taken up by the Directorate of Vigilance Anti-Corruption, in accordance with the following orders only:-

(i) Preliminary Enquiries against Government Servants falling under Groups A, B, C and D (excepting Members of All-India Services, District Collectors and Heads of Departments) may be taken up on the orders of the Director of Vigilance and Anti-Corruption;

(ii) Detailed Enquiries against Government Servants falling under Groups C and D may be taken up on the orders of the Director of Vigilance and Anti-Corruption;

(iii) Detailed Enquiries against Government Servants falling under Groups A and B (excepting Members of



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All-India Services, District Collectors and Heads of Departments) may be taken up only with the concurrence of the Vigilance Commissioner;

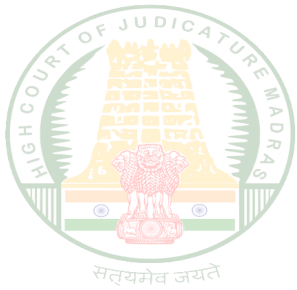
(iv) Regular Cases other than Trap Cases may be registered against Government Servants falling under Groups A, B, C or D (excepting Members of All-India Services, District Collectors and Heads of Departments) only with the prior permission of the Vigilance Commissioner, provided that where a Magistrate orders investigation under Section 156(3) of the Code of Criminal Procedure 1973, no such prior permission of the Vigilance Commissioner need be obtained;

(v) Trap cases against Government Servants falling under Groups C and D may be organised on the orders of the Superintendents of Police in the Directorate of Vigilance and Anti-Corruption;

(vi) Trap cases against Government Servants falling under Groups A and B (excepting Members of All-India Services, District Collectors and Heads of Departments) may be organised on the orders of the Director of Vigilance and Anti-Corruption obtained through the Additional/Deputy Director of Vigilance and Anti-Corruption or direct;

and

(vii) In respect of Members of All-India Services,



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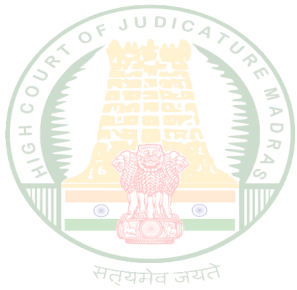
District Collectors, Heads of Departments and Managing Directors/Chief Executives of Statutory Bodies, Corporations and State owned Companies, the following procedure will be followed-

- (a) the Director of Vigilance and Anti-Corruption shall not start a Preliminary Enquiry, unless specifically authorised by the Government in consultation with the Vigilance Commissioner;***
- (b) the Government may order Detailed Enquiries, grant permission to register criminal cases and trap cases; and***
- (c) the Vigilance Commissioner may also give concurrence for Detailed Enquiry, on the basis of Preliminary Enquiry reports.***

(2) The procedure in respect of Government Servants falling under Groups A and B shall be followed in the case of employees of Statutory Bodies, Corporations and State owned Companies whose starting pay is Rs.1,640 and above per month, and the procedure in respect of Government Servants falling under Groups C and D shall be followed in the case of such employees whose starting pay is below Rs.1,640/- per month.

18. Scope and procedures

Usually, the first enquiry into a complaint or

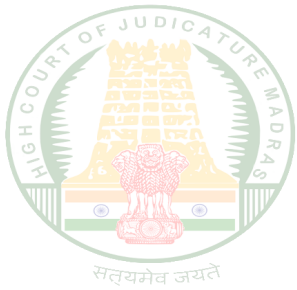


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information is in the nature of a Preliminary Enquiry. This Preliminary Enquiry should be conducted with the utmost secrecy. Witnesses should normally be contacted only through sources or otherwise, indirectly. Where it becomes necessary to contact them directly, the purpose of enquiry must be suitably camouflaged. Willingness of witnesses to make statements may be ascertained, but actual statements should not be recorded. Departmental files and other records, including those that may be available with private sources like Hotels, Lodging houses, Shops etc., may be looked into. Departmental records may also be taken into custody wherever considered desirable in the interest of preserving any available evidence. Where there is some difficulty in taking them into custody, the Investigating Officer may peruse the records in the Department itself and if a particular record were to be found important for purposes of further enquiry, a written requisition should be given to the local responsible officer of the Department to keep that particular record in safe custody, under his personal responsibility, so that the record could be taken over, at a later stage, when required. Records with private parties may also be taken into custody, if the parties do not raise any objection. If objections are raised,



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summons from a Magistrate may be got issued by filing a written report before the Magistrate, indicating that an enquiry is being made into the alleged commission of an offence connected with bribery, corruption etc., and the need to secure the records concerned for the purpose of the enquiry.

27. Time Limit

Every Preliminary Enquiry shall be completed with the greatest possible expedition and a report submitted to reach the headquarters of the Directorate of Vigilance and Anti-corruption in no case later than 2 months from the date of its registration."

[emphasis supplied]

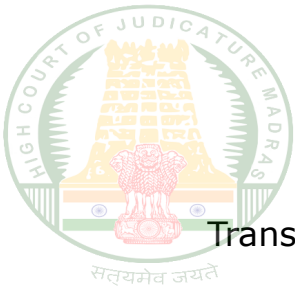
39. In the case on hand, Shri V.Thamizhmani, Deputy Superintendent of Police, Chennai City-III Unit, Vigilance and Anti-Corruption is the Enquiry Officer of the preliminary enquiry. In his status report dated 6.4.2026, the said officer stated that upon receipt of the complaint dated 6.7.2023 from the petitioner Arappor Iyakkam, the same was forwarded to the Vigilance Commissioner through a report dated 22.8.2023. The Vigilance Commissioner, vide letter dated 10.11.2023, directed the Director of Vigilance and



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Anti-Corruption to conduct a detailed enquiry after getting prior approval from the competent authority. On 22.1.2024, the DVAC addressed a letter to the Principal Secretary to Government, Energy Department seeking prior approval for registration of detailed enquiry. In the report, it has also been stated that since the complaints sent by the petitioners in W.P. (Crl.) No.396 of 2026 and W.P.(MD) No.26676 of 2025 are similar to those raised by Arappor Iyakkam, those two complaints were clubbed together.

40. It is stated that pursuant to the prior approval granted by the Government on 26.9.2025, the DVAC ordered to register preliminary enquiry through Memorandum dated 10.10.2025 and, accordingly, preliminary enquiry was registered against Kasi, Financial Controller (Purchase), TANGEDCO and taken up for enquiry. The report also states that during the course of enquiry, documents were collected, witnesses were examined and the same were scrutinized. Finally, the officer came to the conclusion that there is no prima facie evidence to ascertain that between 2021 and 2023, TANGEDCO has awarded tender to various firms for higher value in the procurement of various capacity of Distribution



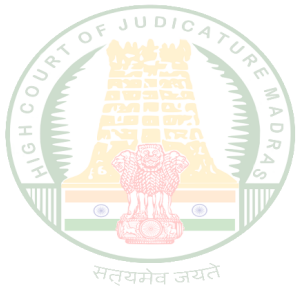
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Transformers of a range of specifications started from 25 KVA to 500 KVA and thereby caused loss to the exchequer. The summary findings are reproduced below:

"1. By comparing the Ex works price as per IEEMA updation, GeM price and the Board approved price, it is ascertained that the price difference arrived in percentage is -0.69% and there is no appreciable loss to the government and there is no prima facie evidence to substantiate the loss as alleged by the petitioner.

2. During the period from 2020 to 2022, bidders quoted the same rate in the tender process for the procurement of various categories of Distribution Transformers.

On perusal of 21 tender documents between 2011-2020, the quoting of same price is in practice since long period dating back to 2011. In a specific tender M-32/2013-14 for the capacity 200 KVA/22KV DT, all the 25 bidders quoted L1 price and all the bidders were awarded tender. The quoting of the same price by bidders is not a sudden practice. Since 2011 many officials would have changed and it shows that the quoting of same price is for the benefit of all



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small and medium manufacturers rather it has nothing to do with the officials. There is no fraudulent or dishonest intention to favour particular group.

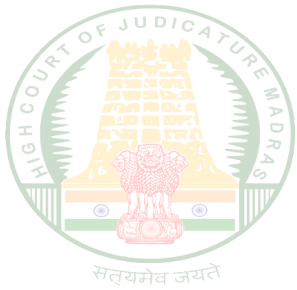
3. If the tenders were rejected, the act of floating the next tender would require additional time and the immediate requirements could not be met otherwise.

4. Also, the quoted price of the Distribution Transformers was in line with the prevailing market rates per unit.

5. No complaints or objections were raised by any of the participating bidders regarding this purposes.

6. There were no changes in the technical or commercial specifications for the procurement of Distribution Transformers during the period from 2020 to 2022.

7. The above act of quoting same price by the bidders does not match with any of the ingredients of cartel like exercising limit, control or attempt to control the production, distribution, sale or price of, or trade in goods or provision of services. The TNTIT



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Act 1988 also does not forbid quoting same price.

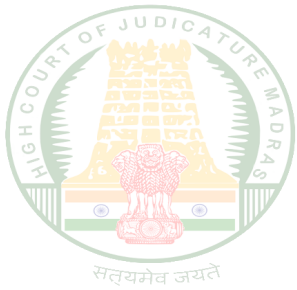
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8. On perusal of the documents and from examining the SE/MM Tr.Murali, it is found that the TANGEDCO is procuring the Distribution Transformer with Off load Tap Circuit Changer and also compared the quoted price with that of Off Tap circuit changer Distribution Transformer available in the GeM Portal.

9. Tr.V.Kasi, as a Financial Controller is one of the member of Tender Scrutinizing Committee. His role is to offer remarks on the evaluation of the tender based on commercial specifications. He has no power to either accept or reject a tender of any bidder(s).

10. In the process of tender, any tender process as a whole or any bidder can be rejected by the Board Level Tender Committee or Board based on the recommendations of the Tender Committee. All the decisions taken at any level related to accepting or disapproving a tender is a collective decision of the BLTC or the Board consisting of senior IAS officers.

11. From the Vinai Electric Company, the penalty amount of Rs.95,91,652/- was imposed and based



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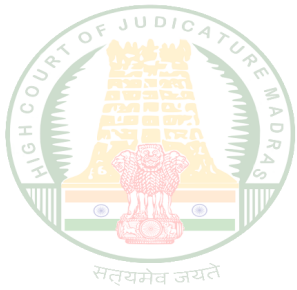


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on approval in 466th BLTC meeting held on 11.6.2025, the penalty amount was recovered. Following this, the CMD/TNPDCL in his note approved on 23.10.2025 accorded approval to accept the remaining supply of DT's and to release payment to the firm which was stopped on 14.7.2023.

12. All the tender process for procurement of Distribution Transformers except 500 KVA/11KV/433V EEL-2, it is approved by the Board to issue a 15 days short tender notice instead of 30 days notice though the tender value exceed Rs.2 crores as the proposed materials are very much essential for achieving the one lakh agricultural service connections as announced by the Government of Tamil Nadu and to meet out the cancelled quantity of recent tender finalized for procurement of 250 KVA/11 KV/433V EEL-2 DTs by the TANGEDCO 102nd Board Meeting held on 29.10.2021 (M-09).

13. Further, the CE/MM stated that the Accountant General Audit has perused the alleged tender files M-12/2021-22 on 13.09.2023, M-10/2021-22 on 11.10.2023, M-13/2022-23 on 17.10.2023, M-10/2022-23 on 19.10.2023 and M-11/2021-22 on



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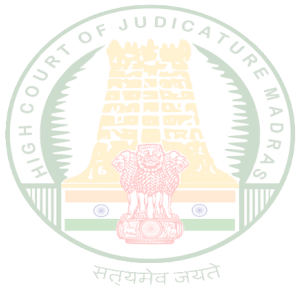


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27.10.2023 and has not offered any remarks till date. The lack of audit objections and lack of complaints from the bidders indicate procedural fairness and transparency in the tender process.

14. Electricity acts as an essential service as per Tamilnadu Essential Services Maintenance Act, 2022, Section 2(1)(a) describes essential service which includes (I) any service connected with the supply of water or electricity. If the procurement of Distribution Transformers is delayed, the power supply would be interrupted and it would have detrimental effect on the society."

41. Learned counsel for the petitioner in W.P.No.8166 of 2024 argued that the scope of a preliminary enquiry is strictly limited to a discreet, confidential verification of whether a cognizable offence exists to justify registration of an FIR. While the Vigilance Manual mandates a two-month deadline for this process, nearly three years have passed since the original complaint was filed in this case. Learned counsel for the petitioners contend that because of this egregious delay and violation of the prescribed timeline, the Enquiry Officer's report should be legally disregarded.

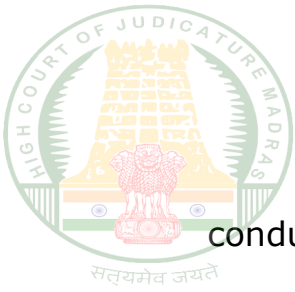


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42. From a bare perusal of the complaint dated 6.7.2023 of Arappor Iyakkam, it is clear that they sought criminal investigation against the public servants of TANGEDCO, including Kasi (Financial Controller), firms involved in corruption, Rajesh Lakhoni, Minister Senthil Balaji and other public servants. However, the preliminary enquiry, bearing No.PE 118/2025/ TANGEDCO/CC III, was registered only against V.Kasi. When the complaint is against various public servants of TANGEDCO, which includes V.Kasi, Rajesh Lakhoni and Minister Senthil Balaji, it is not known as to why the Government accorded prior approval for conducting enquiry against V.Kasi alone by omitting others. The respondent authorities have failed to provide any explanation or justification for their decision to refrain from taking action against the other individuals. Despite the allegations leveled against these parties, the specific reasoning or evidence that influenced the authorities' choice to exclude them from the current proceedings remains entirely undisclosed.

43. In the instant case, the complaint was lodged by Arappor Iyakkam on 6.7.2023. Approval was sought by DVAC for



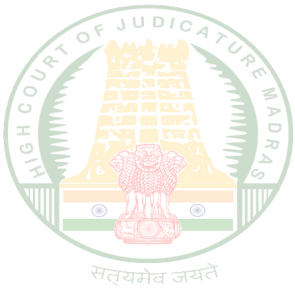
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conducting detailed enquiry on 22.1.2024. Approval for preliminary enquiry was granted on 26.9.2025 against Kasi alone. The act of the DVAC in seeking approval to conduct detailed enquiry is unwarranted, as what is mandated is only a preliminary enquiry. At the stage of receiving a complaint, all that the officer has to see is whether a cognizable offence has been made out or not. The Supreme Court time and again held that when the allegation is of corruption, that too, against a public servant, such allegations fall squarely within the category of cognizable offences, and there exists no legal requirement for a preliminary inquiry before the registration of an FIR in such cases.

44. At this juncture, it is apposite to refer to Clause 20 of the Vigilance Manual, which reads thus:

"20. Conversion into Detailed Enquiry

*When an Investigating Officer **finds oral or documentary evidence forthcoming in a Preliminary Enquiry, he should report this immediately to Headquarters and seek approval for conversion of the Preliminary Enquiry into a Detailed Enquiry** unless it is decided to seek*



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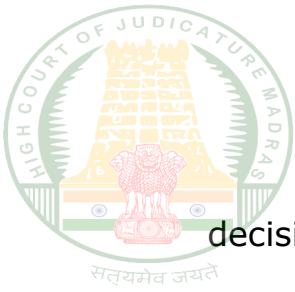
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permission to register a Regular Case.”

[emphasis supplied]

45. In the case on hand, while the DVAC sought permission to conduct detailed enquiry against Kasi and many others on 22.01.2024, the Energy Secretary has accorded prior approval to conduct a preliminary enquiry as against Kasi alone. While the complaint has named several public servants and DVAC sought prior approval for detailed enquiry against several public servants, it is not clear why the Government accorded prior approval against one public servant alone and, that too, only a preliminary enquiry as against detailed enquiry sought by DVAC.

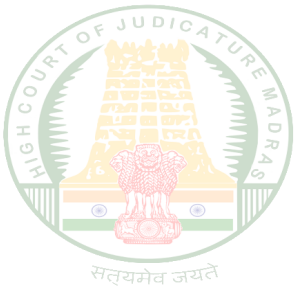
46. From the clauses of the Vigilance Manual quoted above, it is explicit that there is a difference in scope between a preliminary enquiry and a detailed enquiry. Thus, when the DVAC had studied the complaint and documents and had clearly asked for approval to conduct a detailed enquiry, the Government granted approval only for preliminary enquiry, that too, against Kasi alone. The excessive and unjustified delay in granting permission, coupled with the



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decision to downgrade the investigation from a detailed enquiry [without registration of an FIR] to a preliminary enquiry and limit its scope solely to Kasi, strongly suggests an attempt by the government and relevant authorities to suppress the truth and these actions create a reasonable suspicion of a cover-up designed to shield high-ranking officials and political figures, thereby undermining the integrity of a free, independent, and fair investigation.

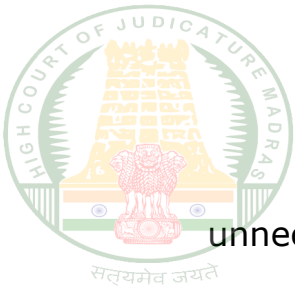
47. Clause 27 of the Vigilance Manual postulates that every preliminary enquiry shall be completed with the greatest possible expedition and a report submitted to reach the headquarters of the Directorate of Vigilance and Anti-corruption in no case later than two months from the date of its registration. Even assuming approval was granted for preliminary enquiry on 26.9.2025, DVAC has dropped action on the complaint on 4.4.2026, much beyond the time frame contemplated under the Vigilance Manual and the DVAC has failed to provide any justification for this delay, leaving the extended period of inaction entirely unexplained.



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48. At this juncture, it is apposite to point out that a bare perusal of the report of the DVAC dated 4.4.2026 shows that as many as 44 witnesses have been examined and 68 documents have been obtained. Each of the allegation was dealt with in detail, as if the authority is conducting a detailed enquiry into the matter. In a 73-Page preliminary enquiry report, the DVAC holds that there is insufficient oral and documentary evidence to substantiate the allegations against Kasi and further action is dropped. Under the guise of preliminary enquiry, the DVAC ex facie appears to have conducted a detailed enquiry. In any event, the scope of a preliminary enquiry is inherently narrow and must not be permitted to escalate into a "mini-trial" prior to the formal registration of an offence. Its legal purpose is strictly confined to verifying the existence of a cognizable offence, rather than serving as an exhaustive evidentiary hearing or a premature adjudication of the merits of the case.

49. If the DVAC was of the view that the complaint failed to establish a cognizable offence, then conducting an exhaustive investigation involving 44 witnesses and 68 documents was entirely



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unnecessary and legally unjustifiable. Such extensive action by the DVAC clearly demonstrates that they moved far beyond the limited scope of a preliminary enquiry and instead engaged in a full-scale probe before even registering the case. It is ostensibly clear that the DVAC utilized the preliminary enquiry as a mere pretext to conduct a full-scale investigation without the legally required registration of an FIR.

50. That apart, we find that the timeline for providing prior approval as per Section 17A of the Prevention of Corruption Act is only three months with provision of extension by a maximum of one month. The huge delay in providing prior approval is unexplained. The action of the DVAC is in direct conflict with the legal principles enunciated by the decision of the Supreme Court in *Vijay Rajmohan v. CBI*¹⁴. In the said decision, the Supreme Court held that the new proviso to Section 19 of the Prevention of Corruption Act mandating that the competent authority shall endeavour to convey the decision on the proposal for sanction within a period of three months can only be read and understood as a compelling statutory obligation;

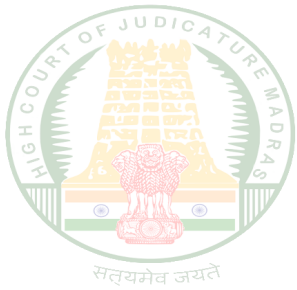
¹⁴ (2023) 1 SCC 329



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and that the sanctioning authority must bear in mind that public confidence in the maintenance of the rule of law, which is fundamental in the administration of justice, is at stake here. By causing delay in considering the request for sanction, the sanctioning authority stultifies judicial scrutiny, thereby vitiating the process of determination of the allegations against the corrupt official. The Supreme Court ultimately held thus:

"36. Accountability has three essential constituent dimensions : (i) responsibility, (ii) answerability, and (iii) enforceability. Responsibility requires the identification of duties and performance obligations of individuals in authority and with authorities. Answerability requires reasoned decision-making so that those affected by their decisions, including the public, are aware of the same. Enforceability requires appropriate corrective and remedial action against lack of responsibility and accountability to be taken. Accountability has a corrective function, making it possible to address individual or collective grievances. It enables action against officials or institutions for dereliction of duty. It also has a preventive function that helps to identify the procedure or policy which has become non-functional and to improve upon it.

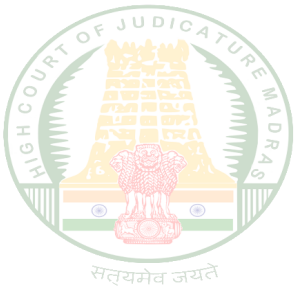


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37. Accountability, as a principle of administrative law, when applied to the issue that we are dealing with, translates in this manner. Responsibility for grant of sanction for prosecution of a public servant under Section 19 of the PC Act is always vested in the appointing authority. Identification of appointing authority is always clear and straightforward. The 2018 Amendment specifically obligates the appointing authority to convey the decision within three months and to provide for the reasons to be recorded in writing for the extended period of one month. This amendment, in fact, evidences legislative incorporation of answerability, the second constituent of accountability. For enforceability, Parliament has expressly empowered the Central Vigilance Commission under Section 8(1)(f) of the CVC Act to review the progress of the applications pending with the competent authorities, and this function must take within its sweep the power to deal with the consequences of failure of the competent authority to comply with its statutory duty. This power and responsibility of CVC is clear from the provisions of the statute and decipherable from functions entrusted to it.

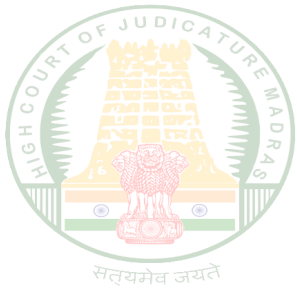


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38. In conclusion, we hold that upon expiry of the three months and the additional one-month period, the aggrieved party, be it the complainant, accused or victim, would be entitled to approach the writ court concerned. They are entitled to seek appropriate remedies, including directions for action on the request for sanction and for the corrective measure on accountability that the sanctioning authority bears. This is especially crucial if the non-grant of sanction is withheld without reason, resulting in the stifling of a genuine case of corruption. Simultaneously, CVC shall enquire into the matter in the exercise of its powers under Sections 8(1)(e) and (f) and take such corrective action as it is empowered under the CVC Act.

39. The second issue is answered by holding that the period of three months, extended by one more month for legal consultation, is mandatory. The consequence of non-compliance with this mandatory requirement shall not be quashing of the criminal proceeding for that very reason. **The competent authority shall be accountable for the delay and be subject to judicial review and administrative action by CVC under Section 8(1)(f) of the CVC**



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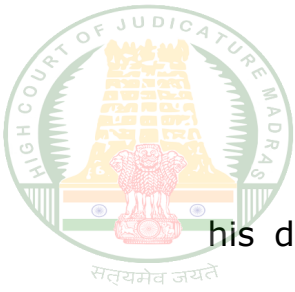
Act.”

[emphasis supplied]

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51. We also find that in the complaint of Arappor Iyakkam a specific allegation was made against Rajesh Lakhoni, the Chairman and Managing Director that he had violated the service regulation of the Board in inducting Kasi back without placing the issue before the Board as per 17(g)(v) and (vi); and that when the Tender Scrutinizing Committee approved the fraudulent and corrupt tenders, wherein the bidders have quoted the same rate, the said Rajesh Lakhoni, as Chairman and Managing Director and member of the Board, approved the tenders without questioning the collusive bidding. It is alleged that instead of cancelling the tender and taking action against the corrupt and collusive tenderers, he played a very active role in aiding and abetting the corruption by getting approval for the corrupt tenders in the Board of TANGEDCO.

52. It is also seen from the complaint of Arappor Iyakkam that allegations were levelled against the Minister, Senthil Balaji, to the effect that V.Kasi, the key conspirator of corruption, appears to be close associate of Senthil Balaji and is known to have carried out



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his daily work from the residence of the Minister and this prima facie indicates that V.Kasi has carried out the illegalities at the behest/influence of the then Minister Senthil Balaji.

53. While the DVAC sought permission to conduct detailed enquiry against the Kasi and many others on 22.1.2024, the Government have accorded prior approval on 26.9.2025 to conduct a preliminary enquiry against only one public servant, Kasi. The nearly 20-month delay in granting approval, left entirely unexplained by the authorities, constitutes a significant procedural lapse that cannot be overlooked or treated as inconsequential. Such a prolonged period of inaction without justification raises serious concerns regarding the legitimacy of the process and must be given substantial weight in evaluating the case. Further, the lack of any justification for failing to initiate action against the other individuals named in the complaint strongly suggests that the matter was handled improperly. This unexplained omission makes it clear that the procedural integrity of the investigation was compromised, indicating that the complaint was not dealt with in a transparent or lawful manner. Therefore, the petitioners, in our considered view,



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are justified in approaching the writ court.

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54. We also notice that the complaint was pending from 2023. The petitioner, Arappor Iyakkam, participated in the enquiry on 1.4.2026 and submitted documents on 2.4.2026, when the matter was being finally heard by this court. It is seen that, all of a sudden, on 4.4.2026, the so-called preliminary enquiry was concluded rendering a finding that there is no material to substantiate the allegations against Kasi and, therefore, further action is dropped. The fact that a complaint languishing for nearly three years was suddenly concluded while the matter was already under final hearing before the court is highly suspicious. This abrupt haste to close the proceedings at such a critical legal juncture further intensifies doubts regarding the transparency and impartial functioning of the DVAC.

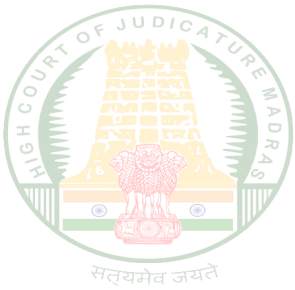
55. The Court finds that the Government's decision to restrict the enquiry solely to Kasi, combined with the DVAC's conduct in performing a full-scale investigation under the guise of a preliminary enquiry, is untenable. Considering the fact that the



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matter was pending consideration for over three years and was abruptly concluded while the court was hearing the case, coupled with unexplained delays that exceeded all legal timelines, we are of the view that the entire process is fundamentally biased and devoid of the essential standards of fairness.

56. In light of the aforementioned reasons, we find ourselves unable to endorse the process undertaken by the DVAC or to accept the Government's unexplained failure to accord sanction against the other individuals named in the complaints. Consequently, we are of the firm view that this matter warrants referral to an independent agency. Our aforesaid conclusion is strictly confined to the procedural irregularities involving the selective and delayed grant of sanction, as well as the questionable manner in which the proceedings were terminated, it does not extend to, nor reflect any opinion on, the underlying merits of the tender process. Consequently, we find it unnecessary to elaborate on the various judicial precedents cited by counsel on either side concerning the intricacies of the tendering process or the issue of parallel pricing.

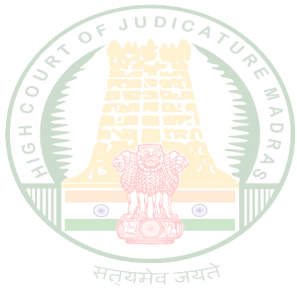


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57. At this stage, we feel it seemly to refer to a decision of a Division Bench of the Bombay High Court in *Sanjay Dinanath Tiwari* (supra), wherein it was held that it is court's duty to play corrective role, when there is apathy, partiality, obstruction in investigation process or undue pressure from powerful interests. In that case, the Court directed the memorandum of petition to be treated as FIR of the petitioner therein lodged before the Commissioner of Police, Mumbai and directed the Commissioner of Police to continue with the investigation. On appeal, the Supreme Court refused to interfere with the directive of the High Court to treat the writ petition as FIR and ultimately disposed of the appeal with a direction to place final report before the Magistrate/Special Court to proceed further.

58. We shall now refer to the decision the Supreme Court in the case of *Save Mon Region Federation and another* (supra), on which heavy reliance was placed by Mr.V.Raghavachari. In the said decision, the Supreme Court adumbrated the applicable standard for invoking court-directed investigation and held thus:

"6. *The petitioners seek a direction for investigation*



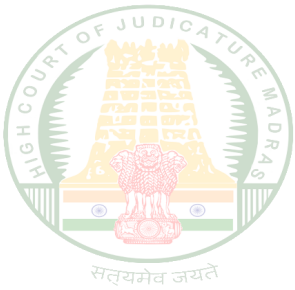
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by the CBI or, in the alternative, the constitution of a SIT. **It is well settled that, in exercise of jurisdiction under Article 32 of the Constitution, this Court possesses the constitutional authority to direct that an investigation be carried out by an agency other than the ordinary State investigating machinery, including the CBI, where the circumstances of the case so warrant.** At the same time, the jurisprudence of this Court has consistently emphasised that such power is to be exercised with restraint.

7. In *State of W.B. v. Committee for Protection of Democratic Rights*, (2010) 3 SCC 571, the Constitutional Bench of this Court held that a direction by a constitutional court to the CBI to investigate a cognizable offence within the territory of a State is not barred merely for want of State consent, and such a direction does not violate the federal structure or the doctrine of separation of powers. The Court also underscored that constitutional courts, as protectors of civil liberties, have not only the power but also the obligation to protect fundamental rights, including under Article 21. However, the same decision cautions that the



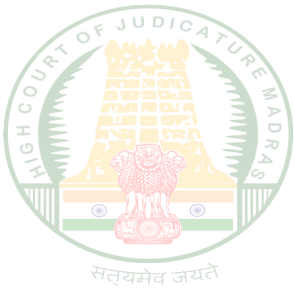
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very amplitude of the power under Articles 32 and 226 of the Constitution of India requires great care in its exercise. It has been reiterated that a direction to the CBI is not to be made as a matter of routine or merely because allegations have been levelled against the local police. **The extraordinary power is to be exercised sparingly and cautiously, and in exceptional situations where it becomes necessary to lend credibility and instil confidence in the investigation, or where the incident has wider ramifications, or where such a course is necessary for doing complete justice and enforcing fundamental rights.**

...

8. The governing principle is that transfer of investigation to the CBI is justified only in rare and exceptional cases where it is necessary to do justice between the parties and to instil confidence in the public mind, or where the investigation by the State police lacks credibility and it is necessary to secure a fair, honest and complete investigation. Illustratively, such transfer may be warranted where high officials of the State are involved, where the accusation is against top officials of the investigating agency such that they may influence the course of investigation, or where the investigation is prima facie found to be



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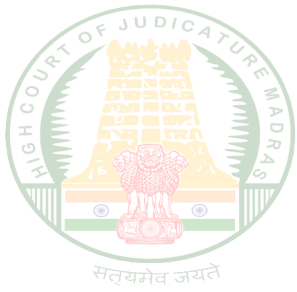


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tainted or biased.

9. These principles also make it clear that this Court, while considering a request for CBI investigation or constitution of an SIT, does not undertake an adjudication on culpability. The Court examines whether the material placed discloses a prima facie case which necessitates entrustment of investigation to an independent agency so that the rule of law is upheld and the investigative process commands confidence, particularly where the status or authority of persons implicated may reasonably give rise to apprehensions about the impartiality of the ordinary investigative process. ***In determining whether the extraordinary jurisdiction to entrust investigation to the CBI should be exercised, the Court ordinarily examines whether the material placed before it discloses (i) a prima facie case raising serious questions of legality, (ii) circumstances suggesting that investigation by the ordinary State machinery may not inspire confidence where high public functionaries are implicated, and (iii) the necessity of an independent inquiry to preserve public confidence in the rule of law."***

[emphasis supplied]



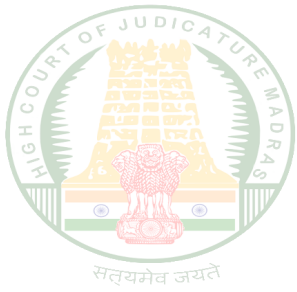
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59. In the present case, the procedures adopted by both the State and the DVAC are so heavily marked by unfairness that they fail to inspire any public confidence, creating an absolute necessity for an independent enquiry to ensure the integrity of the investigation. All the allegations levelled in the complaints concern public contracting under the authority of the State and are directed against persons who occupy high constitutional and political office in the State. In such circumstances, leaving the matter to be investigated by agencies that function under the administrative control of the State would raise a serious and reasonable apprehension, in the public mind, about institutional independence. The credibility of the process is as important as its eventual outcome. Where a case concerns the integrity of public procurement and involves allegations of conflict of interest at the highest levels, an investigation must be not only fair, but must also appear fair.

60. We, therefore, allow the writ petitions with the following directions:

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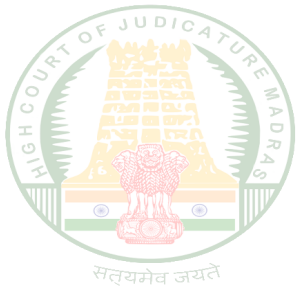


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- (i) The investigation pertaining to the complaints lodged by the petitioners are hereby transferred to the Central Bureau of Investigation;
- (ii) The DVAC is directed to handover all the material available with them and their report to the Investigating Agency appointed within two weeks from the date of uploading of this order;
- (iii) On such handing over of all the documents and evidence by the DVAC, the Investigating Agency appointed shall conduct *de novo* investigation, as it deems fit, and proceed further in accordance with law;
- (iv) The State Government, TANGEDCO and DVAC are directed to extend full cooperation to the Investigating Agency to conduct effective investigation and ensure that all documents are placed before the Investigating Agency to proceed further in



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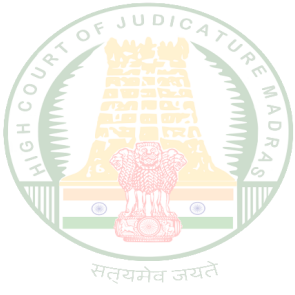
the matter; and

(v) The Investigating Agency appointed shall take earnest steps to conclude the proceedings as expeditiously as possible and in accordance with law.

61. We make it clear that the observations made in this judgment are limited only for the purpose of deciding whether independent investigation is warranted and shall not be construed as finding on the merits of the allegations and they shall not prejudice any person in any proceedings that may arise.

62. There shall be no order as to costs. Consequently, interim application stands closed.

The Registry is directed to communicate a copy of this order to the Joint Director and Head of Zone, Central Bureau of Investigation, III Floor, E.V.K.Sampath Building, College Road, Chennai – 600 006, the Investigating Agency appointed vide this order.

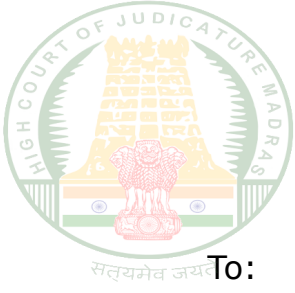


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(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN,J)
29.04.2026

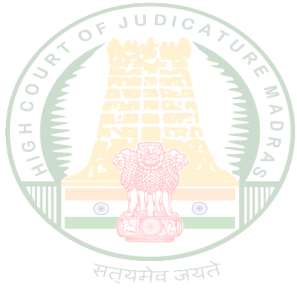
Index : Yes
Neutral Citation : Yes
sasi



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To:

- 1.The Director
Directorate of Vigilance and
Anti-Corruption,
No.293, MKN Road, Alandur,
Chennai-600 016.
- 2.The Secretary to Government,
Public Department,
Secretariat, Chennai-600 009.
- 3.The Superintendent of Police
Chennai City Range,
Vigilance and Anti-Corruption,
Chennai-600 016
- 4.The Chairman and Managing Director,
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO),
144, Anna Salai,
Chennai-600 002
- 5.The Tender Inviting Authority
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO),
144, Anna Salai,
Chennai-600 002
- 6.The Tender Scrutiny Committee
Tamil Nadu Generation and Distribution
Corporation Limited (TANGEDCO)
144,Anna Salai, Chennai-600 002
- 7.The Chief Secretary to Government,
The Secretariat,
Fort St.George, Chennai-600 009.



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THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.
(sasi)

W.P.No.8166 of 2024; W.P. CrI. No.396 of 2025
and W.P.(MD) No.26676 of 2025

29.04.2026