FIRST INFORMATION REPORT
முதல் தகவல் அறிக்கை
(Under Section 173 BNSS)

TAMIL NADU POLICE
INTEGRATED INVESTIGATION FORM-I

C 8323742 11/AC/2026/CC-II

1. District : Chennai city PS: VS AC - CSU-III Year: 2026 FIR No.: Date:
மாவட்டம் காவல்நிலையம் ஆண்டு மு.த.அ. எண் நாள்

2. (i) Act சட்டம்: PC Act 1988 Sections பிரிவுகள்: 13(1)(c) and 13(1)(d) r/w 13(2)

(ii) Act சட்டம்: Sections பிரிவுகள்:

(iii) Act சட்டம்: IPC Sections பிரிவுகள்: 120B, 201, 204, 406 and 409

(iv) Other Acts & Sections பிற சட்டங்களும், பிரிவுகளும் :

3. (a) Occurrence of Offence Day : Date from : Date to :
குற்ற நிகழ்வு நாள் நாள் முதல் 2013-2014 நாள் வரை 20/அக்டோபர்/2015

Time Period : Time from : Time to :
நேர அளவு நேரம் முதல் நேரம் வரை

(b) Information Received at PS. Date : Time :
காவல் நிலையத்திற்கு தகவல் கிடைத்த நாள் 08.09.2026 நேரம் 20.00hrs

(c) General Diary Reference : Entry No(s) Time :
பொது நாட்குறிப்பில் பதிவு விவரம் எண் 08.09.2026 நேரம் 20.00hrs

4. Type of Information : Written/ Oral / Electronic form :
தகவலின் வகை : எழுத்து மூலம் / வாய் மொழியாக / மின்னணு வடிவம் written

5. Place of Occurrence (a) Direction and Distance from PS:
குற்ற நிகழ்விடம் (அ) காவல்நிலையத்திலிருந்து எவ்வளவு தூரமும், எத்திசையும் O/o The Directorate of Medical and Rural Health Services [ESI] Chennai-600-006

Beat Number : (b) Address :
முறைக் காவல் எண் முகவரி

(c) In case outside limit of this Police Station, then the Name of P.S : District :
இக்காவல் நிலைய எல்லைக்கப்பால் நடந்து இருக்குமாயின், அந்நிலையில் அந்த கா.நி.பெயர் மாவட்டம்

6. Complainant /Informant (a) Name : T. KANDASAMY (b) Father's/ Husband's Name : THIYAGARAJAN [Late]
குற்றமுறையீட்டாளர்/ தகவல் தந்தவர் பெயர் தந்தை / கணவர் பெயர்

(c) Date / Year of Birth : (d) Nationality : (e) Passport No. :
நாள் / பிறந்த ஆண்டு நாட்டினம் INDIAN வெளிநாட்டு கடவுச்சீட்டு எண்

Date of Issue : Place of Issue :
வழங்கப்பட்ட நாள் வழங்கப்பட்ட இடம்

(f) Occupation : (g) Address : VS AC, CSU-III, ALANDUR, CHENNAI-600-016
தொழில் Dy. Supdt. of Police முகவரி

7. Details of Known/Suspected/Unknown accused with full particulars. (Attach separate sheet if necessary)
தெரிந்த / ஐயப்பாட்டிற்குரிய / தெரியாத குற்றஞ்சாட்டப்பட்டவரின் முழுமையான விவரங்கள்
(தேவையெனில் தனித்தாள் இணைக்கவும்)
1. Dr. M. RAJU, Formerly Director of Medical and Rural Health Services [ESI] Retired.
2. Tr. G. Jeeva, Formerly Superintendent, Director of Medical and Rural Health Services now Assistant Accounts Officer, Labour Welfare Board, Chennai
3. Tr. M. Rakesh, Formerly Assistant Director of Medical and Rural Health Services, now O/o the Govt. Unani Medical College, Arumbakkam, Chennai.
4. Tr. S. Nagalingam, Formerly Assistant Director of Medical and Rural Health Services [Expired]

8. Reasons for delay in reporting by the complainant / Informant:
குற்றமுறையீட்டாளரால் / தகவல் கொடுப்பவரால் முறையிட்டதில் தகவல் கொடுப்பதில் தாமதம் No Delay

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

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

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

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

SEPARATE SHEET ENCLOSED

13. Action taken : Since the above report reveals commission of offence(s) u/s as mentioned at Item No.2 registered the case and took up the Investigation / directed K. VARUNKUMAR Rank INSPECTOR to take up the Investigation / Refused Investigation / transferred to PS..... C.S.U-III .....on point of jurisdiction.

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

FIR read over to the Complainant / Informant, admitted to be correctly recorded and a copy given to the Complainant / Informant free of cost.
மு.த.அ. குற்றமுறையீட்டாளருக்கு / தகவல் தந்தவருக்கு படித்துக்காட்டி, அது சரியாக எழுதப்பீட்டு இருப்பதாக ஏற்றுக் கொள்ளப்பட்டு, அதன் படி நகல் ஒன்று இலவசமாக கொடுக்கப்பட்டது.

08/9/26

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

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

15. Date & Time of despatch to the court:
நீதிமன்றத்திற்கு அனுப்பப்பட்ட நாளும், நேரமும்
08.09.2026

Name: பெயர் T. KARUPPASAMY
Rank: நிலை DSP .....No. எண் .....

..... Continuation to column No.12 of FIR in Cr.No.11/AC/2026/CSU-III, Dated:08.09.2026.

Submitted:

Based on the letter in Ref No.15589/ESI/SC/1/2015, Dated:01.07.2022 of the Director of Medical and Rural Health Services(ESI)(C), Chennai-6 a Preliminary Enquiry in PE.31/2023/MED/CSU-III, dtd:05.05.2023 was registered against the Accused Officers.

The allegations During the year between 2013-2014 and 2014-2015 the Accused Officers who were working in the Directorate of Medical and Rural Health Services (ESI) had procured Allopathy, Ayurvedic and Siddha Medicines by violating the procedures laid in the purchase of same and caused huge financial loss to the Government. Further, the Accused Officers, in order to screen the improper purchase, purposely misplaced the files related to the purchase of medicines. Thereby, the Accused Officers had committed serious Irregularity and lapses in the procurement of medicines during the above mentioned alleged period. The above violation of procedures was revealed by the O/o. the Comptroller and Audit General in its Inspection Report in Deputy AG/SSI (Civil-2)/III/10-0004/15-16/58, dated:19.06.2015. In the above inspection report certain irregularities were found that during the period from 10.04.2014 to 02.05.2014 and from 08.04.2015 to 20.05.2015 in the purchase of Siddha, Ayurvedic & Allopathy medicines resulted in financial loss to the Government to the tune of Rs.7,94,11,923/- by not following the procurement procedures. In this regard, files in the official custody of Accused Officers were found missing pertaining to the purchase of medicines. The Preliminary Enquiry conducted against marginally noted Accused Officers revealed the following facts:

In Tamil Nadu there are 8 Hospitals and 216 Dispensaries run by the Employees State Insurance (ESI) for their beneficiaries. The Government of Tamil Nadu is the Administrative Authority of the above Hospitals and Dispensaries. The Directorate of Medical and Rural Health Services (DMRHS, ESI) is the Supervisory Authority of the above Hospitals and Dispensaries. As per the administrative guidelines, the DMRHS would procure medicines from the

companies that are made agreement with ESI Corporation, New Delhi, under Running Rate Contract.

RUNNING RATE CONTRACT:

A running rate contract is an agreement between a buyer and a supplier to supply goods or services at pre-negotiated, fixed unit rates over a specific period. While the rates are set, the quantities and delivery schedules are flexible and determined by individual supply orders placed as needed during the contract's term. This model provides flexibility for both parties, securing competitive rates for the buyer while allowing suppliers to receive a steady stream of orders without repeated bidding.

If the DMRHS decided to purchase medicines in lower rate than that of Running Rate Contract it should be implemented through Tamil Nadu Medical Service Corporation (TNMSC) which is a Public Sector of Government of Tamil Nadu. Further, the Government of Tamil Nadu has formed a Purchase Committee under the Head of the Managing Director, TNMSC, Chennai to verify the indent and for the integration of procurement of medicines. Moreover, during the year 2013, the Government of Tamil Nadu has nominated Tamil Nadu Medicinal Plant Farms and Herbal Medicines Corporation Limited (TAMPCOL) as a Governing Agency for the purchase of Ayurvedic Medicines. If any medicines are not available under Running Rate Contract/TNMSC or TAMPCOL, the same may be procured through local purchase which shall not exceed Rs.1,00,000/- per purchase. This purchase is meant for emergency medicines only.

The Officials of Comptroller and Audit General of India (CAG), Tamil Nadu has conducted audit on the Purchase accounts of the DMRHS for the period between 2013 and 2015. The Audit was conducted on the dates from 10.04.2014 to 02.05.2014 and from 08.04.2015 to 20.05.2015. The Audit was conducted during March 2018 and the report was submitted to the Government of Tamil Nadu. This report revealed certain irregularities regarding the purchase of Rub N Run Oil and Liver Tonic resulted in financial loss to Government to the tune of Rs.1.59 Crores by violating the procurement procedures for the above said period.

The audit revealed that Accused Officials 1 to 4 have committed certain wilful irregularities in the procurement of Allopathy, Siddha and Ayurvedic medicines for the alleged period. The irregularities caused Financial Loss to the Government Ex-chequer. AO-1 to AO-4 have violated the rules/norms formed by the Government and placed purchase order with boosted rates and caused financial loss to Government. After receiving the Comptroller and Audit General of India (CAG) Report, the Government has formed Special Team and inspected the documents related to the procurement of medicines. The Special Team inspected the documents and confirmed the violations made by the AO-1 to AO-4 in the procurement of medicines. During the inspection by the Special Team, it was also found that several documents were missing which are connected to the procurement procedures. AO-1 to AO-4 in collusion with each other placed purchase order without following the procedures and without getting NOC from the appropriate authorities which caused huge loss to the Government Ex-chequer.

The Comptroller and Audit General of India (CAG) Audit Report revealed that Rub-n-Run Oil and Liver Tonic were exorbitantly priced in comparison with equal medicines in Running Rate Contract list and thereby caused loss to the Government for a tune of Rs.1.59 Crores. The Comptroller and Audit General of India (CAG) Audit found that Rub N Run Oil and Liver Tonic, which were procured in violation of purchase procedures, were exorbitantly priced in comparison in the equivalent medicine in RRC list / TAMPCOL thereby the Accused Officers caused huge monitory loss to the Government to a tune of Rs.1,59,76,350/-.

Boosted Cost on procurement of Rub N Run Oil and Liver Tonic

Year	No.of bottles purchased	Purchase price per bottle (100 ml)	Cost of equivalent medicine per bottle (100 ml) (50 ml x2)	Difference	Amount
		(In Rs.)			
	Rub N Run Oil				
2013-14	60,000	195	64	131	78,60,000
2014-15	9,500	185	64	121	11,49,500
	Liver Tonic	Purchase price per bottle (300 ml)	Cost of equivalent medicine per bottle (300 ml) (100 ml x3)		
2013-14	55,000	175	48.33	126.67	69,66,850
TOTAL					1,59,76,350/-

The Preliminary Enquiry revealed that during the period 2013–2014 and 2014–2015, serious procedural irregularities occurred in the procurement of Siddha, Ayurvedic, and Allopathy medicines by the Directorate of Medical and Rural Health Services (ESI), Chennai. The accused officers 1 to 4 failed to adhere to the Government's procurement guidelines, the Tamil Nadu Tender Transparency Act, and the ESI Corporation's Manual on Purchase Procedures. Medicines were purchased without obtaining necessary approvals or NOCs from TAMPCOL and without following the Running Rate Contract norms. In several instances, medicines were procured at rates higher than those approved, resulting in substantial financial loss to the Government.

The Preliminary Enquiry reveals that AO-1 Dr. M. Raju, (formerly Director of Medical and Rural Health Services (ESI), AO-2 Thiru G. Jeeva (formerly Superintendent, Store Section), AO-3 Thiru M. Rakesh (formerly Assistant, Store Section) and AO-4 Thiru.Nagalingam, formerly Assistant, Store Section all are O/o. the DM&RHS committed serious irregularities in the procurement of Siddha, Ayurvedic and Allopathic medicines. These irregularities allegedly led to a **financial loss of Rs.1,59,76,350/-** to the Government, resulting from non-compliance with prescribed procurement procedures. The said loss was brought to light during an audit conducted by the Office of the Comptroller and Auditor General of India (CAG), Chennai. AO-4 Tr.Nagalingam, formerly Assistant, Store Section, was expired on 07.01.2023. As the Preliminary Enquiry revealed prima facie material against AO-1 Dr.M.Raju, (formerly Director of Medical and Rural Health Services (ESI), AO-2 Thiru G.Jeeva (formerly Superintendent, Store Section), AO-3 Thiru M. Rakesh (formerly Assistant, Store Section) permission was addressed to the Government to register Criminal Case against aforesaid accused accordingly the Government vide its Letter No.2(D) No.15/K1/2025, dated:05.05.2026 has accorded permission to register a Regular Case against them. Hence, I am registering a case today 08.09.2026 in City Special Unit-III in Crime No.11/AC/2021/CC-II, u/s.13(1)(c) and 13(1)(d) r/w 13(2) of the Prevention of Corruption Act, 1988 and Sections 120B, 201,204,406 and 409 of the Indian Penal Code against AO-1 Dr. M. Raju, (formerly Director of Medical and Rural Health Services (ESI), AO-2 Thiru G. Jeeva (formerly Superintendent, Store

(F)

Section), AO-3 Thiru M. Rakesh (formerly Assistant, Store Section) and AO-4 Thiru.Nagalingam, formerly Assistant, Store Section. The Original FIR is submitted to the Hon'ble Principal Judge, City Civil & Sessions Court, Chennai. The copies sent to respective officers and took up the case for investigation.

05/9/26

(T.KANDASAMY),
Deputy Superintendent of Police,
Vigilance and Anti-Corruption,
City Special Unit-III,
Alandur, Chennai-16.