



Crl.O.P.No.4633 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED : 10.07.2026

CORAM :

THE HONOURABLE MR. JUSTICE G.K.ILANTHIRAIYAN

Crl.O.P.No.4633 of 2026

and

Crl.M.P.No.3270 of 2026

C.Ganesan,
S/o.Chokkalingam Pillai,
Inspector of Police,
SBCID Security (Core Cell),
Chennai.

... Petitioner

Vs.

1.The State Represented by
The Deputy Superintendent of Police,
Vigilance and Anti-Corruption,
City Special Unit-I,
Chennai-28.

2.The Additional Superintendent of Police,
Vigilance and Anti-Corruption,
Chennai-28.

... Respondents

Prayer: Criminal Original Petition filed under Section 438 of the Code of Criminal Procedure, 1973 read with Section 442 of the Bharatiya Nagarik Suraksha Sanhita, 2023, to call for the records relating to the impugned Final Report in CC No.13 of 2019 on the file of the Special Judge for Prevention of Corruption Act Cases, Chennai in Crime No.4/AC/2012/CC-I on the file of the Additional Superintendent of Police, Vigilance and Anti-Corruption, City Special Unit-I, Chennai-28, quash the same.



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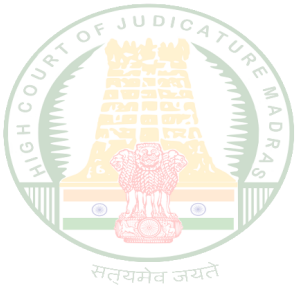
For Petitioner : Mr.K.Muthu Ganesa Pandian

For Respondents : Mr.R.Ganesh Kumar
Counsel for Government of Tamil Nadu
(Criminal Side)

ORDER

The Petitioner, who was arrayed as 1st Accused has filed this Criminal Original Petition, praying to quash the impugned Final Report in C.C.No.13 of 2019 on the file of the Special Judge for Prevention of Corruption Act Cases, Chennai in Crime No.4/AC/2012/CC-I on the file of the Additional Superintendent of Police, Vigilance and Anti-Corruption, City Special Unit-I, Chennai-28.

2. The case of the prosecution is that the Petitioner/A1 submitted an application, requesting the Tamil Nadu Housing Board (TNHB) for a House Plot under public quota. On receipt of the same, the Housing and Urban Development Department assigned a file in File No.HB-5(1)/5732/2008 and an Office Note was initiated to allot a vacant High-Income Group (HIG) Plot bearing Plot No.1023 (4370 sq.ft.) of Mogappair Eri Scheme, Tamil Nadu Housing Board (TNHB), Mogappair Division to the Petitioner/A1 under Government Discretionary Quota (GDQ) in the Impeccable Honest Government Servant Category.



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3. The said Office Note was approved by the then Joint Secretary to Government and thereafter by the then Secretary of Housing and Urban Development Department and thereafter by the then Housing Minister/A3. Upon approving the same, a Government Order in G.O (2D) No.170, Housing and Urban Development Department dated 10.03.2008 was issued; thereby, the vacant High-Income Group (HIG) House Plot bearing Plot No.1023 (4370 sq.ft.) of Mogappair Eri Scheme, Tamil Nadu Housing Board (TNHB) Mogappair Division was allotted to the Petitioner/A1, who was the then Personal Security Officer (PSO) of former Chief Minister of Tamil Nadu.

4. Even before the receipt of Provisional Allotment Order dated 18.03.2008, and without obtaining permission or No Objection Certificate from the Tamil Nadu Housing Board (TNHB), the Petitioner/A1 entered into an Agreement for Joint Development on 16.03.2008 with one K.Padma, who was arrayed as 2nd Accused, thereby agreeing to hand over 85% of undivided share in the said House Plot for which the 2nd Accused agreed to pay a sum of Rs.74,13,100/- being total value of the House Plot payable to the Tamil Nadu Housing Board (TNHB).



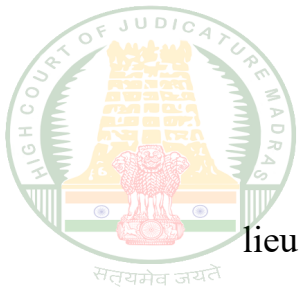
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5. The Tamil Nadu Housing Board (TNHB) issued provisional allotment *vide* Allotment Order No.MRA.4/01022/2008 to the Petitioner/A1 on 18.03.2008 and executed a Lease-cum-Sale Agreement on the said date in favour of the Petitioner/A1.

6. As per Clause 5 of the Lease-cum-Sale Agreement dated 18.03.2008, the lessee/purchaser shall not be entitled to assign, sub-let or part with the possession of the whole or any part of the property without previous permission in writing from the lessor/vendor.

7. As per the Joint Development Agreement, the 2nd Accused issued a Cheque for the said sum i.e., Rs.74,13,100/- in favour of the Tamil Nadu Housing Board (TNHB) on 31.03.2008, thereby, the Petitioner/A1 had executed a Joint Development Agreement with the 2nd Accused on 27.04.2008.

8. On receipt of the entire sale consideration, the Tamil Nadu Housing Board (TNHB) had executed a Sale Deed in respect of the allotted plot in favour of the Petitioner/A1. Subsequently, the Petitioner/A1 received a sum of Rs.19,66,000/- from the 2nd Accused in



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lieu of 15% of the undivided share of House Plot and executed a General

Power of Attorney in favour of the 2nd Accused on 23.02.2009 *vide* Doc.No.245 of 2009, in turn, the 2nd Accused sold the undivided share in favour of 3rd party for a sum of Rs.1,01,38,400/- by a registered Sale Deed dated 03.06.2009 *vide* Doc.No.1912 of 2009, thereby, the Petitioner/A1 had committed criminal misconduct by obtaining an undue pecuniary advantage of Rs.19,66,000/- as a public servant.

9. After completion of inquiry and investigation, the Respondents filed Final Report and the same has been taken cognizance by the Trial Court.

10. Learned counsel for the Petitioner submits that no charge is made out as against the Petitioner/A1 since the High-Income Group (HIG) Plot was allotted in favour of the Petitioner under Government Discretionary Quota (GDQ) in the Impeccable Honest Government Servant Category.

11. There is no absolute impediment for the Petitioner to deal with the property. Only after allotment of the plot dated 10.03.2008, the



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Petitioner/A1 had entered into the Joint Development Agreement with the 2nd Accused dated 16.03.2008. Insofar as Rs.19,66,000/- is concerned, originally the Petitioner/A1 entered into the Joint Development Agreement and agreed to give 85% of undivided share in favour of the 2nd Accused. Insofar as the remaining undivided share of 15% is concerned, the 1st Accused sold out the same by way of execution of Power of Attorney in favour of the 2nd Accused, which in turn was sold out, and the 1st Accused received the sale consideration to the tune of Rs.19,66,000/- that too after obtaining necessary permission from his Department dated 16.04.2009.

12. In fact, he obtained permission even for purchase of the house plot which was allotted in his favour and for development including sale of the same. Therefore, the receipt of Rs.19,66,000/- cannot be construed as a pecuniary advantage. Therefore, the entire proceedings cannot be sustained and is liable to be quashed.

13. Per contra, the learned Counsel for the Government of Tamil Nadu (Criminal Side) submits that the Petitioner was allotted a house plot under Government Discretionary Quota (GDQ) in the Impeccable Honest



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Government Servant Category when the 3rd Accused was Housing Minister and also utilizing the circumstances that the Petitioner/A1 was the Personal Security Officer for the former Chief Minister of Tamil Nadu.

14. It is submitted by the learned Counsel for the Government of Tamil Nadu that, after having been allotted in his favour and even before the issuance of Provisional Allotment Order dated 18.03.2008, the Petitioner/A1 entered into the Joint Development Agreement with the 2nd Accused on 16.03.2008 itself, which is in clear violation of Lease-cum-Sale Agreement entered between the Tamil Nadu Housing Board (TNHB) and the Petitioner/A1.

15. It is further submitted that the Petitioner/A1 had undue pecuniary advantage to the tune of Rs.19,66,000/- by selling his undivided share of 15% in the House Plot, which was allotted in his favour without any permission from the lessor/vendor namely the Tamil Nadu Housing Board (TNHB).



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16. It is therefore submitted that the Petitioner/A1 has committed criminal breach of trust and had cheated the public exchequer and obtained/received undue pecuniary advantage to the tune of Rs.19,66,000/-. Hence, the charges are clearly made out against the Petitioner/A1.

17. Learned Counsel for the Government of Tamil Nadu further submits that the 3rd Accused had in fact filed a Discharge Petition and the same was allowed by the Trial Court.

18. Subsequently, this Court had *suo moto* set aside the order passed by the Trial Court and directed the Trial Court to proceed with the trial. However, it was challenged before the Hon'ble Supreme Court of India and the 3rd Accused obtained stay of all further proceedings of the trial in CC No.13 of 2019 on the file of the learned Special Judge for Prevention of Corruption of Act Cases, Chennai.

19. Heard the learned counsel for the Petitioner and the learned counsel for the Government of Tamil Nadu (Criminal Side).



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20. There are three accused involved in the criminal case, in which the Petitioner was arrayed as A1. The Petitioner/A1 is a Government Official, and was working as a Personal Security Officer (In the rank of Inspector of Police) to the former Chief Minister of Tamil Nadu.

21. The Petitioner/A1 was allotted High-Income Group (HIG) Plot bearing Plot No.1023 to an extent of 4370 sq.ft., by the Tamil Nadu Housing Board (TNHB) under Mogappair Eri Scheme, Tamil Nadu Housing Board (TNHB), Mogappair Division by the Provisional Allotment Order dated 18.03.2008 in Government Order in G.O (2D) No.170, Housing and Urban Development Department dated 10.03.2008, thereby, the Tamil Nadu Housing Board (TNHB), Mogappair Division had entered into a Lease-cum-Purchase Agreement dated 18.03.2008 in which Clause 5 says that the lessee/purchaser shall not be entitled to assign, sub-let or part with the possession of the whole or any part of the property without previous permission in writing from the lessor/vendor.

22. A specific charge as against the Petitioner/A1 is that even before the allotment of the house plot, the Petitioner/A1 entered into a Joint Development Agreement with the 2nd Accused thereby, agreed to



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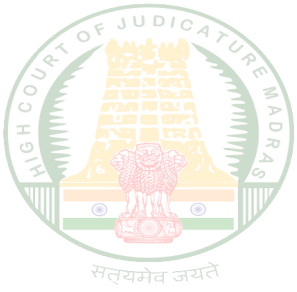
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hand over 85% of undivided share in the house plot and the 2nd Accused agreed to pay a sum of Rs.74,13,100/- being total value of the house plot.

23. On perusal of the records, it is revealed that the Petitioner/A1 had entered into the Joint Development Agreement with the 2nd Accused on 16.03.2008. Even before the said Agreement, the Petitioner/A1 was allotted the said House Plot on 10.03.2008 *vide* G.O (2D) No.170, Housing and Urban Development Department dated 10.03.2008.

24. Therefore, it cannot be said that even before the allotment, the Petitioner/A1 had entered into the Joint Development Agreement with the 2nd Accused. As rightly pointed by the learned counsel for the Petitioner, there is absolutely no legal impediment for the Petitioner/A1 to enter into the Joint Development Agreement in order to develop the property.

25. After the Joint Development Agreement dated 16.03.2008, the vendor namely the Tamil Nadu Housing Board (TNHB), Mogappair Division entered into Lease-cum-Sale Agreement dated 18.03.2008.



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26. In the said Lease-cum-Sale Agreement, there is a Clause which states that during the pendency of the Lease-cum-Sale Agreement, the lessee/purchaser shall not be entitled to assign, sub-let or part with the possession of the whole or any part of the property without previous permission in writing from the lessor/vendor.

27. Therefore, it does not say that the Petitioner/A1 should not enter into any Agreement for joint venture that too to develop the property.

28. The Petitioner/A1 being the allottee of the House Plot, he has every right to enter into the Joint Development Agreement with the 2nd Accused. In fact, the entire sale consideration was paid by the 2nd Accused as early as 24.03.2008 *vide* Cheque No.178476 which was acknowledged by the Tamil Nadu Housing Board (TNHB) *vide* TNHB Receipt No.CH/014888 dated 31.03.2008, thereby, the Tamil Nadu Housing Board (TNHB) had executed a Sale Deed on 07.08.2008 in favour of the Petitioner/A1 and registered the same *vide* Doc.No.3544 of 2008.

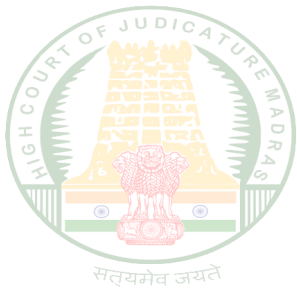


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29. Therefore, after registering the Sale Deed in favour of the Petitioner/A1, the Petitioner/A1 can deal with the property without any encumbrance. As per the Joint Development Agreement, the Petitioner/A1 possesses the remaining 15% of the undivided share of the House Plot.

30. After registration of the Sale Deed in his favour, the Petitioner/A1 sold out his 15% of the undivided share of the House Plot through his Power of Attorney holder namely the 2nd Accused.

31. For the said sale, the Petitioner/A1 received a sum of Rs.19,66,000/- as sale consideration. Therefore, it cannot be construed as undue pecuniary advantage. In turn, the joint developer being the Power of Attorney holder namely the 2nd Accused had executed a Sale Deed on the strength of the Power of Attorney in respect of 15% of undivided share in favour of the 3rd party. However, the allotment was ordered in favour of the Petitioner/A1 under the Government Discretionary Quota (GDQ) in the Impeccable Honest Government Servant Category.



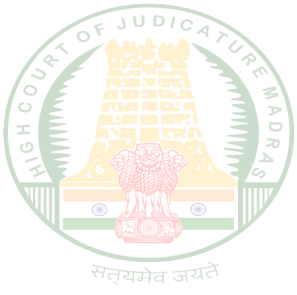
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32. On receipt of the application from the Petitioner/A1, there is an Official Note to the Hon'ble Chief Minister seeking allotment of House Plot in favour of the Petitioner/A1 under the Impeccable Honest Government Servant Category. It was also recognized by the superior officers to the Petitioner/A1 in respect of whether the allotment of House Plot shall be made to the Petitioner. It was clearly approved and forwarded to the Joint Secretary, who in turn approved and forwarded it to the Secretary. Thereafter, it was placed before the Housing Minister namely A3, who approved the same and issued order on 10.03.2008.

33. Therefore, there is no irregularity or illegality in submitting the application, processing and getting approval of the same, and issuance of Government Order for allotment of the House Plot to the Petitioner/A1.

34. In fact, similarly placed persons like the Petitioner and the other two Inspectors namely one M.Giridhar and S.Paramasivan were allotted House Plots by the Tamil Nadu Housing Board (TNHB), Mogappair Division under the Government Discretionary Quota (GDQ) in the Impeccable Honest Government Servant Category.



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35. They also had entered into the Joint Development Agreement with the 2nd Accused and developed the property and sold out the same to a 3rd party. Further, even before entering into the Joint Development Agreement with the 2nd Accused, the Petitioner/A1 had obtained necessary permission from the head of the Department. However, no action has been taken on them and the Respondents had picked up the Petitioner/A1 alone and had laid the Charge Sheet.

36. In fact, in order to promote the said property, the Petitioner/A1 had obtained necessary permission under Rule 9(1) read with Sub-Rule 5A of the Tamil Nadu Police Subordinate Service Conduct Rules, 1964 to enter into a Joint Development Agreement with the 2nd Respondent, to promote purchase of plots under the Government Discretionary Quota (GDQ). The permission was accorded thereby allowing the 2nd Accused for paying the sale consideration on behalf of the Petitioner/A1 in favour of the Tamil Nadu Housing Board (TNHB) after obtaining necessary permission.

37. Further, on perusal of the entire records, none of the



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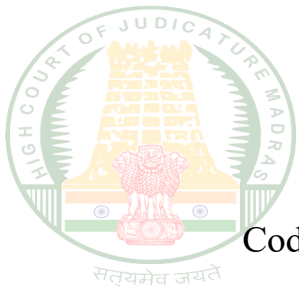
prosecution witnesses have spoken about any knowledge or involvement of any of the officials in the Department for commission of conspiracy, misconduct, suspicious circumstances if any prevailed under which Office Note was prepared, signed and approved by the officers concerned, stage by stage while allotting the House Plot in favour of the Petitioner/A1.

38. It is well settled that in order to bring the charge for the offence under Section 420 of the Indian Penal Code, 1860,

- (i) the accused must have fraudulently or dishonestly made some false compromise.
- (ii) the defacto complainant must have acted on the strength of such false representation or compromise.

39. In the case on hand, the Petitioner neither made any dishonest nor made any fraudulent representation while applying for House Plot under the Government Discretionary Quota (GDQ) Therefore, the offence under Section 420 of the Indian Penal Code, 1860 is not at all made out as against the Petitioner/A1.

40. Therefore, no offence is made out as against the Petitioner/A1 as laid by the prosecution. There is absolutely no ingredients that are available to attract the offences under Section 420 of the Indian Penal



Code, 1860 (Section 318(4) of the Bharatiya Nyaya Sanhita, 2023).

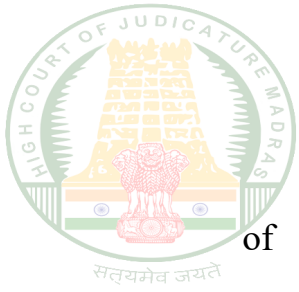
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41. Further, the Petitioner/A1 after having been allotted House Plot in his favour, after obtaining necessary permission as was contemplated under Rule 9(1) read with Sub-Rule 5A of the Tamil Nadu Police Subordinate Service Conduct Rules, 1964, and entered into the Joint Development Agreement and sold out the House Plot.

42. Therefore, the receipt of sale consideration cannot be construed as undue pecuniary advantage in order to attract the offence under Section 13(1)(c) read with Section 13(2) of the Prevention of Corruption Act, 1988.

43. In view of the above, the entire proceedings are nothing but clear abuse of process of law and cannot be sustained, and the proceedings are liable to be set aside.

44. Accordingly, this Criminal Original Petition stands allowed and as a sequel, the proceedings in the impugned Final Report in CC No.13 of 2019 on the file of the Special Judge for Prevention of Corruption Act Cases, Chennai in Crime No.4/AC/2012/CC-I on the file



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of the Additional Superintendent of Police, Vigilance and Anti-Corruption, City Special Unit-I, Chennai-28 is quashed. Connected Criminal Miscellaneous Petition is closed.

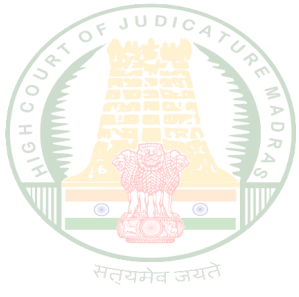
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Neutral Citation: Yes / No

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To:

- 1.The Deputy Superintendent of Police,
State of Tamil Nadu,
Vigilance and Anti-Corruption,
City Special Unit-I,
Chennai-28.
- 2.The Additional Superintendent of Police,
Vigilance and Anti-Corruption,
Chennai-28.
- 3.The Public Prosecutor,
High Court of Madras,
Chennai – 600 104.



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