IN THE HIGH COURT OF JUDICATURE AT PATNA
CRIMINAL MISCELLANEOUS No.67533 of 2023

Arising Out of PS. Case No.-100 Year-2023 Thana- ISHUPUR BARAHAT District- Bhagalpur

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SATYAM SINHA SON OF LATE ASHWANI KUMAR SINHA R/O.- BARARI, P.S.- BARARI, DISTRICT- BHAGALPUR

... ... Petitioner/s

Versus

1. THE STATE OF BIHAR
2. The Reserve Bank of India through its Regional Director, Patna, Adharshila Complex, Gandhi Maidan Road, South Gandhi Maidan, Salimpur Ahra, Dujra Diara, Patna, Bihar -800001

... ... Opposite Party/s

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with

CRIMINAL MISCELLANEOUS No. 4029 of 2025

Arising Out of PS. Case No.-100 Year-2023 Thana- ISHUPUR BARAHAT District- Bhagalpur

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Pritam Kumar Son of Triveni Yadav Resident of village- Ramnagar Govindpur Mohanpur, PS- Piprauti, Distt.- Bhagalpur

... ... Petitioner/s

Versus

1. The State of Bihar Bihar
2. Present Branch Manager, Dakshin Bihar Gramin Bank, Branch- Ishipur Barahat, Distt.- Bhagalpur Bihar

... ... Opposite Party/s

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with

CRIMINAL MISCELLANEOUS No. 4320 of 2025

Arising Out of PS. Case No.-100 Year-2023 Thana- ISHUPUR BARAHAT District- Bhagalpur

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Kapildeo Prasad Son of Sri Dharmadev Prasad @ Dharamdeo Mandal Resident of Village - Khabaspur, P.S. - Ekchari, District - Bhagalpur

... ... Petitioner/s

Versus

1. The State of Bihar
2. Siyaram Rai Son of Kailash Prasad Rai Resident of Village and P.O. - Shreematpur, P.S. - Pirpainti, District - Bhagalpur, at present Branch Manager, Dakshin Bihar Gramin Bank, Ishipur Barahat, Branch, P.S. - Ishipur (Barahat), District – Bhagalpur
3. South Bihar Gramin Bank Head Quarter Sri Vishnu Commercial Complex, National Highway near Petrol Pump By Pass NH 30, Asho Chak, Patna –

800016
4. National Bank of Agriculture and Rural Development, Patna, Bihar

... ... Opposite Party/s

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with

CRIMINAL MISCELLANEOUS No. 6001 of 2025

Arising Out of PS. Case No.-100 Year-2023 Thana- ISHUPUR BARAHAT District- Bhagalpur

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Dilip Kumar Mandal S/o Bhupal Mandal @ Bhopal Mandal Resident of village- Madhuvan tola, PS- Pirpainti, District- Bhagalpur

... ... Petitioner/s

Versus

1. The State of Bihar Bihar
2. Present Branch Manager, Dakshin Bihar Gramin Bank, Branch- Ishipur Barahat, Bhagalpur bihar
3. Regional Manager (NABARD), Patna

... ... Opposite Party/s

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Appearance :

(In CRIMINAL MISCELLANEOUS No. 67533 of 2023)

For the Petitioner/s	:	Mr. Y.G. Giri, Sr. Advocate
		Mr.Pranav Kumar, Advocate
		Ms. Shrishti Singh, Advocate
For the Opposite Party/s	:	Ms. Gulnar Begum, APP
For the Bank	:	Mr. Ranjeet Kumar Pandey, Adv.
For the NABARD	:	Mr. Siddhartha Prasad, Advocate

(In CRIMINAL MISCELLANEOUS No. 4029 of 2025)

For the Petitioner/s	:	Mr. Sudish Kumar, Advocate
For the Opposite Party/s	:	Mr.Nitya Nand Tiwary
For the Bank	:	Mr. Ranjeet Kumar Pandey, Advocate
For the NABARD	:	Mr. Siddhartha Prasad, Advocate

(In CRIMINAL MISCELLANEOUS No. 4320 of 2025)

For the Petitioner/s	:	Mr. Ranjan Kumar Jha, Advocate
For the Opposite Party/s	:	Mr. Shyam Kumar Singh, A.P.P.
For the Bank	:	Mr. Ranjeet Kumar Pandey, Advocate
For the NABARD	:	Mr. Siddhartha Prasad, Advocate

(In CRIMINAL MISCELLANEOUS No. 6001 of 2025)

For the Petitioner/s	:	Mr. Sudish Kumar, Advocate
For the Opposite Party/s	:	Mr. Anant Kumar 1, A.P.P.
For the Bank	:	Mr. Ranjeet Kumar Pandey, Advocate
For the NABARD	:	Mr. Siddhartha Prasad, Advocate

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CORAM: HONOURABLE MR. JUSTICE ANIL KUMAR SINHA

CAV ORDER

13 20-08-2025 1. These applications have been preferred under Section 438 of the Cr.P.C. seeking anticipatory bail in connection with

Ishipur Barahat P.S. Case No. 100 / 2023 dated 24.07.2023 for the offences registered under Sections 420, 409 read with Section 34 of the I.P.C.

2. These four applications arise out of the same F.I.R. as such all the four applications are being taken up together and are being disposed of by this common order.

3. For the sake of convenience Cr. Misc. No. 67533 / 2023 is being treated as the leading case.

4. The prosecution case as per the F.I.R. lodged by the informant namely Siyaram Rai, the incumbent Branch Manager of Dakshin Bihar Gramin Bank, Barahat Branch (hereinafter referred to as “the Bank”) is that during the tenure of the petitioner Satyam Sinha as Branch Manager of the said Branch from 05.06.2021 to 27.02.2023 he committed financial irregularities and fraud resulting in defalcation of huge amount of Rs. 1,02,71,873/-. It is further alleged that certain other Bank officials were also involved in the said financial fraud along with the petitioner. Along with the F.I.R. the enquiry report prepared by the Bank Inspector Sri Vijay Kumar Sinha has also been enclosed. The enquiry report contains details of fraud, irregularities alleged to have been committed during the tenure of the petitioner as Branch Manager of the said Bank. The

enquiry report recorded that between 10.06.2021 and 18.02.2023 cash was fraudulently withdrawn from various accounts and transferred to other accounts. The petitioner Satyam Sinha and his relatives namely his wife and mother maintained accounts in the same Bank. Various amounts were deposited into these accounts on different dates through cash transfers and in respect of withdrawal slips pertaining to these accounts either the signature of account holder was missing or the petitioner himself had signed in place of the account holder. The report further alleges that User ID of several persons were used including that of the petitioner, who was then serving as Branch Manager as well as those of Dilip Kumar Mandal (petitioner in Cr. Misc. No. 6001 / 2025), Pritam Kumar (petitioner in Cr. Misc. No. 4029 / 2025) and Kapildeo Prasad (petitioner in Cr. Misc. No. 4320 / 2025).

5. Mr. Y.V. Giri, learned senior counsel appearing for the petitioner submits that the petitioner is innocent and has falsely been implicated in the present case. He he has not committed any offence in the manner alleged. The present F.I.R. though alleges offences committed between 05.06.2021 and 27.02.2023 but was lodged after a delay of nearly five months from the date of alleged offence. There is no complaint from any customer or

beneficiary of the Bank against the petitioner.

6. He further submits that from perusal of the F.I.R. and the enquiry report it appears that total alleged scam amount of Rs. 1,02,71,873 / - comprises of two components: firstly, cash payments of approximately Rs. 60-65 Lakh made through the Cashier and secondly transfers amounting to approximately Rs. 34 Lakh from the accounts of loan beneficiaries including self help groups and Kisan Credit Card (KCC) holders to other accounts. With regard to cash withdrawals of Rs. 60-65 Lakh it is submitted that the petitioner being the Branch Manager merely put his signature on the slips for processing cash payments and was not responsible for verifying the details of transactions or ascertaining whether the payments were made to concerned beneficiaries.

7. It is further submitted that from perusal of the inspection / enquiry report of the Bank Inspector it is evident that all the officers and employees of the branch were responsible for the alleged financial irregularities however despite such finding the informant in the F.I.R. has singled out the petitioner and made him solely responsible for the said irregularities.

8. Accordingly submission is that investigation / enquiry report prepared by special investigation team cannot be said to

be binding in nature as it is merely an internal fact finding exercise. In another F.I.R. alleging defalcation and financial irregularities committed by the petitioner bearing Kharagpur P.S. Case No. 673 / 2023 a Co-ordinate Bench of this Court has granted bail to the petitioner vide order dated 06.05.2024 passed in Cr. Misc. No. 17767 / 2024 on the ground that departmental proceeding has already been initiated and the petitioner has already been suspended from the job. Accordingly it is submitted that on the same very ground the petitioner may be released on anticipatory bail.

9. A counter affidavit has been filed by the Bank. Mr. Ranjeet Kumar Pandey, learned counsel appearing for the Bank referring to the counter affidavit submits that petitioner while posted as Branch Manager at Ishipur Barahat Branch was indulged in fraudulent activities such as unauthorized withdrawals and transfers from various savings and loan accounts of self help groups and Kisan Credit Card holders without obtaining duly signed vouchers from the concerned customers for the said transactions. He further submits that enquiry report dated 23.06.2023 clearly sets out the modus operandi adopted by the petitioner for committing fraud in question. Within 06-08 years of joining the Bank the petitioner misappropriated public funds

to the tune of Rs. 1,02,71,873/- by transferring amounts from other accounts into the account of his wife Smt. Ekta Sinha and his mother Smt. Anita Sinha both of which were maintained in the same branch of the Bank where the petitioner was posted. For instance on 10.06.2021 the petitioner using his own User ID fraudulently withdrew Rs. 50,000/- and Rs. 1,00,000/- from the self help group accounts of Roshni Jeevika and Gramin Jeevika respectively. On the same day an equivalent sum of Rs. 1,50,000/- was deposited into the account of Ashwaneeta Medical Hall which is managed by the petitioner's wife Smt. Ekta Sinha. It is further submitted that in place of the mandates of the aforesaid self help group accounts, the petitioner attached two withdrawal slips of his own saving and over draft accounts for a sum of Rs. 1,50,000/- which were not actually debited in an attempt to cancel the transaction from other staff members.

10. Another instance is cited on 22.11.2021 wherein Rs. 40,000/- was withdrawn, Rs. 20,000/- each from KCC accounts of Smt. Rusha Devi and Smt. Kanchan Devi without any mandate. On the same day an equal amount of Rs. 40,000/- was deposited into the account of Subham Enterprises maintained by petitioner's mother Smt. Anita Sinha. The entries for posting and verification were made using the petitioner's

own User ID while the necessary day-end process of the Branch was completed by Shri Vijay Narayan Singh, Office Assistant cum Cashier. User ID of the petitioner was used for making entries in 78% of the accounts and posting was done in total 92% of the accounts. It is therefore submitted that the petitioner was responsible for making entries and postings in the majority of the accounts which is indicative of his involvement in the said fraud.

11. Referring to supplementary counter affidavit filed on behalf of the Bank, learned counsel submits that out of the total defalcated amount a substantial sum of Rs. 56,08,945/- has directly been deposited or transferred into the accounts of the petitioner and his close relatives. The remaining amount of Rs. 46,62,928/- has been misappropriated through other customers accounts including those of daily wage earners. Referring to paragraph no. 5 of the supplementary counter affidavit it has been submitted that the same contains a tabulated statement clearly demonstrating the trail of fraudulent transfers showing how the amounts were siphoned off either into petitioner's own account or into the account of his wife or mother. In total 56 instances documented in the table referred to in paragraph no. 6 of the supplementary counter affidavit all

showing a clear pattern whereby the misappropriated amounts were systematically deposited into the accounts belonging to the petitioner and his close relatives. The investigation establishes that the petitioner was the sole and ultimate beneficiary of the fraudulent amounts in question.

12. He next submits that the petitioner cannot claim parity with order granting bail to the petitioner in Cr. Misc. 17767 of 2024 by a Coordinate Bench of this Court on the ground that all the relevant facts and the modus operandi of the petitioner was not brought to the knowledge of the Court as the Bank was not made party and no counter affidavit was filed by the Bank in the said case. It is further submitted that there is admission on part of the petitioner in paragraph no. 12 of the reply to the supplementary counter affidavit stating therein that at best only a sum of Rs. 6,69,445.91 /- can be attributed to the wife and mother of the petitioner which the petitioner is ready to refund.

13. A counter affidavit has been filed by the opposite party no. 2 / NABARD which has been impleaded in the present case as party vide order dated 04.04.2025. By the said order the Regional Office, NABARD, Patna was directed to constitute a team of officers to enquire into the functioning of Bank and to submit a report with respect to the alleged fraud earlier reported

by the inspecting team of the Bank.

14. Mr. Siddharth Prasad, learned counsel for the NABARD submits that its role is limited to verifying whether adequate preventive measures are in place to contain the recurrence of such frauds and to ensure the implementation of early warning signals. The thorough investigation of fraud cases however falls within the exclusive purview of the concerned Bank itself. The NABARD conducted a Quick Study and Quick Study Report has been placed on record as Annexure – R/3. The Quick Study report reveals the modus operandi of the fraud. The fraudulent activity primarily involved debiting multiple accounts of different categories such as Jeevika accounts; self help group accounts, KCC accounts, Savings Bank accounts on the pretext of levy of certain charges and then parking the amounts so debited in the Bank's sundry account. These amounts were subsequently transferred to another sundry account to mislead the Bank's records and were finally diverted to the personal account of the then Branch Manager namely Satyam Sinha (petitioner) or to the accounts of his close relatives including his mother and wife. Relying on Quick Study Report at annexure – R/3 learned counsel submits that on 10.06.2021 the petitioner while operating through is own user ID made cash withdrawals

of Rs. 50,000/- from Raushani Jeevika account and Rs. 1,00,000/- from Gramin Jeevika account without any valid mandate or voucher. On 07.01.2022 as many as 257 Jeevika accounts were debited through HTTUM as "charges" and purchase amounting to Rs. 3,54,930/- which was kept in a sundry account and later on 10.01.2022 transferred to Ashwnita Medical Hall a business owned by his wife.

15. Learned senior counsel for the petitioner in reply submitted that Ashwanita Medical Hall is a proprietorship of Smt. Ekta Sinha (wife of the petitioner) and the amount deposited in the account of the petitioner's wife is a genuine business transaction which is duly supported by corresponding GST receipts. It is further submitted that in relation to entry no. 02 of the supplementary counter affidavit filed by the Bank a total amount of Rs. 27,85,930/- a sum of Rs. 24,31,000/- was cash deposit between 05.06.2021 and 28.02.2023 against which GST receipts are available. The remaining Rs. 3,54,930/- was transferred from the account of the Bank to the account of Ashwanita Medical Hall however no corresponding voucher exists for this transfer. The User ID of the petitioner and the Cashier was allegedly used. The petitioner being the Branch Manager did not have exclusive control over his User ID which

was accessible to other Bank employees too. Therefore this transfer cannot be attributed to the petitioner and in any event his wife is willing to refund the said amount. At best only Rs. 6,69,445/- could be attributed to the accounts of the petitioner’s wife and mother and they are willing to refund the same.

With regard to the case of the petitioner- Pritam Kumar in Cr. Misc. No. 4029 / 2025

16. Learned counsel for the petitioner submits that the petitioner has falsely been implicated and has not committed any offence as alleged. The name of the petitioner has surfaced during the course of investigation. No material has emerged against the petitioner except that his User ID was used in the transaction involving an amount of Rs. 1,35,000/- . It has been submitted that the said User ID was used by Satyam Sinha the then Branch Manager for the purpose of verifying transactions. A disciplinary proceeding was initiated against the petitioner and the disciplinary authority in his order dated 22.04.2024 has not found involvement of the petitioner however the petitioner has been awarded minor penalty of withholding of one increment for a period of six months in order to maintain discipline in the Bank.

17. Learned counsel for the Bank submits that petitioner was found guilty of negligence and was imposed minor penalty of withholding of one increment for a period of six months under relevant rules of the Bank.

<u>With regard to the case of the petitioner - Dilip Kumar Mandal in Cr. Misc. No. 6001 / 2025</u>

18. Learned counsel for the petitioner submits that the petitioner has falsely been implicated and has not committed any offence as alleged. The name of the petitioner has surfaced during the the course of investigation. No material has emerged against the petitioner except that his User ID was used in transactions involving an amount of Rs. 1,58,571/-. It is submitted that the said User ID was misused by Satyam Sinha the then Branch Manager for the purpose of verifying transactions. A disciplinary proceeding was initiated against the petitioner and the disciplinary authority in his order dated 17.05.2024 has not found involvement of the petitioner however the petitioner has been awarded minor penalty of reduction to one lower stage in time scale of pay for a period of one year without cumulative effect in order to maintain the discipline in the Bank.

19. Learned counsel for the Bank submits that petitioner was

awarded a minor penalty of "reduction to one lower stage in time scale of pay for a period of one year without cumulative effect" under the relevant rules of the Bank.

<u>With regard to the petitioner Kapildeo Prasad in Cr. Misc. No. 4320 / 2025</u>

20. Learned counsel for the petitioner submits that the petitioner has falsely been implicated and he has not committed any offence as alleged. The name of the petitioner has surfaced during the course of investigation.

21. He next submits that disciplinary proceeding was initiated against him and he was awarded a minor punishment of withholding of one increment for a period of six months. The petitioner is not a beneficiary of the alleged defalcated amount and there is no evidence to suggest that he received any part of the misappropriated amount.

22. Per contra, learned counsel for the Bank submits that petitioner was Office Assistant in the Branch and his involvement in the actual misappropriation of funds has not been established by the Bank and the sole beneficiary of the defalcated amount was Satyam Sinha. The petitioner was found guilty of negligence for which withholding of one increment for a period of six months has been awarded under the relevant

rules of the Bank.

23. I have heard learned counsel for the parties and have perused material on record. The case in hand relates to alleged large scale financial fraud / scam to the tune of Rs. 1,02,71,873/-. From perusal of the enquiry report of the Bank, counter affidavit of the Bank and Quick Study Report of NABARD a clear modus operandi emerges. The petitioner being the Branch Manager of the concerned Branch is alleged to have systematically withdrawn funds from various accounts including self help group accounts, Kisan Credit Card accounts and even individual customer's savings accounts without mandate or voucher and routed the amounts through sundry accounts to conceal the fraud and thereafter transferred them into his own account or accounts belonging to his wife or mother. Many instances have been pointed out which prima facie suggests the petitioner's role in the alleged defalcation.

Conclusion in the case of the petitioner -Satyam Sinha in Cr. Misc. No. 67533 / 2023

24. The offence of the present kind falls within the category of socio economic offences and has been termed as white collar crimes which shakes public trust in the financial institutions as rightly been held by the Hon'ble Supreme Court in the case of

State of Gujarat verus Mohanlal Jitamalji Porwal (1987) 2 SCC 364 in which the Superme Court has observed that these offences are committed with cool calculation and deliberate design with an eye on personal profit regardless of the consequence to the community. It is a well settled principle of law that anticipatory bail is not to be granted as a matter of rule; it is an extraordinary remedy to be resorted to only when the court is convinced that exceptional circumstances exit. The parameters for grant of anticipatory bail in serious offences must be strictly satisfied. Such relief can be granted only where the court is prima facie of the view that the applicant has been falsely implicated.

25. In cases involving public money and financial institutions like in the present case of Dakshin Bihar Gramin Bank where public confidence is paramount in such matters larger societal interest is at stake. There is clear money trail in the present case as revealed in the enquiry report as well as Quick Study report of NABARD which goes on to suggest that the petitioner not only orchestrated and played an active role in this scam but also directly benefited from it. The money trail, tracing substantial funds to the petitioner’s own accounts and to those of his immediate family members suggests that he was the sole

beneficiary of the alleged scam. Economic offences have serious repercussion on the development of the country as a whole eroding public confidence in the financial institutions and undermining the integrity of economic transactions. The petitioner is not entitled for parity on the basis of the order passed by Co-ordinate Bench in Cr. Misc. No. 17767 of 2024 arising out of Kharagpur P.S. Case No. 673 / 2023 on the ground that modus operandi of the scam / defalcation of Rs. 10,05,837.35/- was not brought to the notice of the Co-ordinate Bench by the Bank during the course of hearing of the case.

26. In the case of Y.S. Jagan Mohan Reddy versus CBI reported in (2013) 7 SCC 439 the Hon'ble Supreme Court has observed that economic offences constitute a class apart and need to be visited with a different approach in the matter of bail. The economic offences having deep rooted conspiracies and involving huge loss of public funds needs to be viewed seriously and considered as grave offences affecting the economy of the country as a whole and thereby posing serious threat to the financial health of the country.

27. Considering the aforesaid discussion and prima facie material available against the petitioner, I am not inclined to grant anticipatory bail to the petitioner- Satyam Sinha. The same

is rejected

<u>Conclusion in the case of Dilip Kumar Mandal petitioner in Cr. Misc. No. 6001 of 2025 , Pritam Kumar petitioner in Cr. Misc. No. 4029 of 2025 and Kapildeo Prasad petitioner in Cr. Misc. No. 4320 of 2025</u>

28. As regard the other three petitioners namely Dilip Kumar Mandal, Pritam Kumar and Kapildeo Prasad are concerned, their role as alleged in the F.I.R. and materials collected during investigation as well as the enquiry report does not indicate them to be beneficiaries of the alleged fraud. The Bank's own submissions do not suggest their active participation in the defalcation of funds and their involvement appears to be at the level of negligence with no material indicating that they were part of the core conspiracy or derived direct benefit. Accordingly this Court finds it just and proper to extend the privilege of anticipatory bail to these three petitioners.

29. Let the petitioners of Cr. Misc. Nos. 6001 / 2025, 4029 / 2025 and 4320 / 2025 in the event of their arrest or surrender before the court below within four weeks from today be released on anticipatory bail on furnishing bail bond of Rs. 10,000/- (rupees ten thousand) with two sureties of the like amount each to the satisfaction of learned C.J.M., Bhagalpur in Cr. Misc.

Nos. 6001 / 2025, 4029 / 2025 and Judicial Magistrate 1st Class, Bhagalpur Miss Amrita Neha in Cr. Misc. No. 4320 of 2025 in connection with Ishipur Barahat P.S. Case No. 100 / 2023 subject to the conditions laid down under Section 482(2) of the BNSS, 2023.

(Anil Kumar Sinha, J)

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