A.F.R.

IN THE HIGH COURT OF ORISSA AT CUTTACK

ABLAPL Nos.8803 of 2026
CNR Nos. ODHC010551762026
with
ABLAPL Nos.5590, 5672, 5909, 6300, 6335, 6337, 6352, 6510, 6513, 6528, 6563, 6719, 6896, 6900, 7546 and 7760 of 2026
(CNR Nos. ODHC010363312026, ODHC010370342026, ODHC010370522026, ODHC010414032026, ODHC010414592026, ODHC010414622026, ODHC010416442026, ODHC010408842026, ODHC010415242026, ODHC010422542026, ODHC010422652026, ODHC010424112026, ODHC010437672026, ODHC010440752026, ODHC010472502026 and ODHC010471402026 respectively)

In the matter of applications under Section 482 of the Bharatiya Nagarik Suraksha Sanhita (BNSS), 2023.

…

Narendra Pradhan
(In ABLAPL No.8803 of 2026)
Debasmita Ram
(In ABLAPL No.5590 of 2026)
Dilip Meher
(In ABLAPL No.5672 of 2026)
Bharati Nayak
(In ABLAPL No.5909 of 2026)
Madhusmita Samal
(In ABLAPL No.6300 of 2026)
Bhagyabati Gahan
(In ABLAPL No.6335 of 2026)
Pruthyraj Das
(In ABLAPL No.6337 of 2026)
Vaishali
(In ABLAPL No.6352 of 2026)
Smaranika Bhal
(In ABLAPL No.6510 of 2026)

P.S. Biswa Bikash Mohanty
(In ABLAPL No.6513 of 2026)
Suresh Kumar Sahoo
(In ABLAPL No.6528 of 2026)
Santosh Kumar Panda
(In ABLAPL No.6563 of 2026)
Debasish @ Debasis Behera
(In ABLAPL No.6719 of 2026)
Jogendra Nayak
(In ABLAPL No.6896 of 2026)
Diptimayee Behera
(In ABLAPL No.6900 of 2026)
Smrutiranjan Sethy
(In ABLAPL No.7546 of 2026)
Abhaya Kumar Panigrahi
(In ABLAPL No.7760 of 2026) … ***Petitioners***

-versus-

State of Odisha(EOW) … ***Opp. Party***

Advocate(s) Appeared in this case

For Petitioners	-	Mr. L. Samantaray, Sr. Advocate along with Mr. B.P. Pradhan, Advocate (In ABLAPL Nos.6528 & 6563 of 2026) Mr. M.K. Chand, Advocate (In ABLAPL Nos.8803, 6335, 6337, 6513 & 6896 of 2026) Mr. R.K. Mallick, Advocate (In ABLAPL Nos.5672, 5909 & 6510 of 2026) Mr. P. Mohapatra, Advocate (In ABLAPL No.5590 of 2026)

Mr. B.N. Bhol, Advocate
(In ABLAPL No.6300 of 2026)
Dr. S.K. Kanungo, Advocate
(In ABLAPL No.6352 of 2026)
Mr. T.K. Mohanty, Advocate
(In ABLAPL No.6719 of 2026)
Mr. S. Panigrahi, Advocate
(In ABLAPL No.6900 of 2026)
Mr. M.B. Smrutiranjan, Advocate
(In ABLAPL No.7546 of 2026)
Mr. C.R. Satapathy, Advocate
(In ABLAPL No.7760 of 2026)

For Opp. Party - Mr. S. Panigrahi,
Addl. Standing Counsel (In all ABLAPLs)

CORAM :

MR. JUSTICE V. NARASINGH

DATE OF HEARING : 27.08.2026
DATE OF JUDGEMENT : 02.09.2026

V. Narasingh, J.

1. Since all the ABLAPLs relate to EOW, Bhubaneswar P.S. Case No.8 of 2026, on the consent of the parties, they are taken up together and are disposed of by this common judgment.

2. Heard learned Senior Counsel and learned counsel for the Petitioners and learned counsel for the State.

3. The Petitioners are seeking pre-arrest bail in connection with C.T. Case No.8 of 2026 and C.T. Case No.177 of 2026 respectively, pending on the file of the learned O.P.I.D., Cuttack and learned S.D.J.M., Bhubaneswar respectively, arising out of E.O.W. Bhubaneswar P.S. Case No.8 of 2026, for commission of offences punishable under Sections 409[1]/420[2]/467[3]/468[4]/471[5]/120-B[6] of the I.P.C.

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[1] **409. Criminal breach of trust by public servant, or by banker, merchant or agent**.—Whoever, being in any manner entrusted with property, or with any dominion over property in his capacity of a public servant or in the way of his business as a banker, merchant, factor, broker, attorney or agent, commits criminal breach of trust in respect of that property, shall be punished with imprisonment for life, or with imprisonment of either description for a term which may extend to ten years, and shall also be liable to fine.

[2] **420. Cheating and dishonestly inducing delivery of property**.—Whoever cheats and thereby dishonestly induces the person deceived to deliver any property to any person, or to make, alter or destroy the whole or any part of a valuable security, or anything which is signed or sealed, and which is capable of being converted into a valuable security, shall be punished with imprisonment of either description for a term which may extend to seven years, and shall also be liable to fine.

4. On the written complaint of the informant, working as Regional Manager, SBI, RBO, Bhubaneswar (South), the FIR in question was instituted against 282 different individual borrowers, who had availed Xpress Credit loans (personal) during the period from May, 2022 to

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[3] **467. Forgery of valuable security, will, etc.—**Whoever forges a document which purports to be a valuable security or a will, or an authority to adopt a son, or which purports to give authority to any person to make or transfer any valuable security, or to receive the principal, interest or dividends thereon, or to receive or deliver any money, movable property, or valuable security, or any document purporting to be an acquittance or receipt acknowledging the payment of money, or an acquittance or receipt for the delivery of any movable property or valuable security, shall be punished with [imprisonment for life], or with imprisonment of either description for a term which may extend to ten years, and shall also be liable to fine.

[4] **468. Forgery for purpose of cheating**. —Whoever commits forgery, intending that the document [or electronic record] forged shall be used for the purpose of cheating, shall be punished with imprisonment of either description for a term which may extend to seven years, and shall also be liable to fine.

[5] **471. Using as genuine a forged document or electronic record**. —Whoever fraudulently or dishonestly uses as genuine any document or electronic record which he knows or has reason to believe to be a forged document or electronic record, shall be punished in the same manner as if he had forged such document or electronic record.

[6] **120-B. Punishment of criminal conspiracy**. — (1) Whoever is a party to a criminal conspiracy to commit an offence punishable with death, [imprisonment for life] or rigorous imprisonment for a term of two years or upwards, shall, where no express provision is made in this Code for the punishment of such a conspiracy, be punished in the same manner as if he had abetted such offence.

(2) Whoever is a party to a criminal conspiracy other than a criminal conspiracy to commit an offence punishable as aforesaid shall be punished with imprisonment of either description for a term not exceeding six months, or with fine or with both.

November, 2023, on production of fake/fabricated records claiming themselves to be employees of various organizations from different branches of the SBI.

The details of the said branches run thus:

SBI

Rail Vihar Branch (150 loans)
Fortune Tower Branch (115 loans)
Patia Branch (8 loans)
Damana Branch (9 loans)

5. Allegations were made also against the middlemen, who assisted in preparing fake documents for financial gains. It is alleged that such defalcation of public money took place on account of violation of all established norms by the bank officials in connivance with others and, in the process, excluding interest and other charges, the outstanding amount involved on account of the said

loans is to the tune of **Rs.6,88,29,323/- (Rupees Six Crore Eighty-Eight Lakhs Twenty-Nine Thousand Three Hundred Twenty-Three only).**

6. It is the allegation of the prosecution that, in sanctioning the said loans, the SBI Xpress Credit circular was followed in complete breach.

7. It is apt to note that the chargesheet deals with the procedure for sanction of Xpress Credit Loan Scheme formulated in April 2004 in the form of pre-approved loan to employees of leading PSUs and Government organizations.

The relevant extract regarding the Scheme as stated in the charge sheet is culled out hereunder;

> "xxx xxx xxx
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> 18.8. That, during investigation of the case, certified true copies of Master Circular on Xpress

Credit updated up to 28.02.2022 regarding procedure of sanction of Xpress Credit loan has been seized from the Somanath Jena, Dy. Manager, State Bank of India, RBO-II, Bhubaneswar (South). After going through Master Circular on Xpress Credit, it has been ascertained that Xpress Credit scheme was formulated in April 2004 in the form of pre-approved loan, to the employees of leading PSUs and Govt. Organizations. The employers of Central and State Govt., Defence & Paramilitary Forces, Quasi-Govt., Central PSUs & State PSUs, Educational Institutions of National Repute (institutions under SBI Scholar Loan Scheme) Corporates, Govt. (central & State)/Govt. Aided/Semi-Govt. Schools and Colleges are eligible for Xpress Credit scheme and the applicants must have maintained Salary Packaged Accounts with SBI. The minimum net monthly income (NMI) of the employee should be Rs. 15,000 & upto Rs. 1 lakh. The loan amount of Xpress Credit Scheme (Minimum Loan Amount Rs. 25,000 and maximum loan amount: Rs. 30 lacs subject to 24 times of NMI & EMI/NMI ratio<= 50% for Silver & Gold variant salary package customers & EMI/NMI ratio<= 55% for Diamond variant salary package customers). The repayment period for Govt. Salary Package customers will be maximum 72 months or residual service period, whichever is less and for Corporate Salary Package customers will be maximum 72 months or residual service period whichever is less and the loan should be repaid by the age of 60 years. Penal interest @2% p.m. would be charged (Irrespective of loan amount) over and above the applicable interest rate on the overdue amount for the period of default. If part instalment or part EMI remains overdue, then penal interest will not be levied.

18.9. That, during investigation of the case, it is further revealed that as per Master Circular on Xpress Credit, the following documents will be obtained before sanction of the loan: -

A. Application cum appraisal form generated from RLMS along with the photograph of the borrower duly attested by the authorized official.

B. The branch will satisfy itself about the customer regarding compliance with KYC norms by calling for the following documents, a Xerox copy of which will be retained by the branch duly attested by the Apprising/Sanctioning Officer:

i. PAN or Form 60.

ii. At least one copy of the Officially Valid Documents mentioned below, as proof of his/her identity and current address:-

- Passport
- Driving License
- Proof of Possession of Aadhaar Number
- Voter ID card
- Job card

A report duly signed by the verification agency or by officer/staff in other places (where verification agency approved by the Bank is not available) should be complied, based on the verification of the borrower's residential and office address as given in the loan application by visiting the residence of the borrower and where the verification is not outsourced, the Branch staff must do the verification and the report should be kept along with the loan documents. The disbursement should never be done in cash. It will be only by credit to the borrower's salary account. That, the SBI Branch Managers of Rail Vihar, Fortune Tower, Patia and Damana Chhaka Branch have grossly failed to observe the mandate prescribed for sanction and disbursement of SBI Xpress Credit Loan Circular Dtd. 28.02.2022.

xxx xxx xxx"

8. It is the submission of the learned Senior Counsel and learned counsel for the Petitioners that, since charge sheet has already been filed and the entire investigation is based on documentary evidence, there is no justification for the prosecution to oppose the prayer of the Petitioners for anticipatory bail.

9. Per contra, learned counsel for the State, Mr. Panigrahi submits that this is a well-orchestrated white-collar crime and no leniency ought to be shown to the offenders and in opposing

the prayer for pre-arrest bail, he has relied on the following judgments;

i. ***P. Chidambaram v. Directorate of Enforcement***[7]

ii. ***Directorate of Enforcement v. P.V. Prabhakar Rao***[8]

iii. ***Y.S. Jaganmohon Reddy vs. CBI***[9]

iv. ***State of Gujarat v. Mohanlal Jitamalji Porwal***[10]

v. ***Nimmagadda Prasad v. CBI***[11]

10. The rival contentions have to be tested on the touchstone of the recent dictum of the Apex Court in the case of ***Satender Kumar Antil v. Central Bureau of Investigation & another***[12]**,** that anticipatory bail is a species of post-arrest bail

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[7] *P. Chidambaram v. Directorate of Enforcement*, (2019) 9 SCC 24.
[8] *Directorate of Enforcement v. P.V. Prabhakar Rao*, (1997) 6 SCC 647.
[9] *Y.S. Jaganmohon Reddy vs. CBI*, (2013) 7 SCC 439.
[10] *State of Gujarat v. Mohanlal Jitamalji Porwal*, (1987) 2 SCC 364.
[11] *Nimmagadda Prasad vs. CBI*, (2013) 7 SCC 466.
[12] *Satender Kumar Antil v. CBI*, 2023 SCC OnLine SC 452

and all the grounds which are germane for grant of post-arrest bail ought to be taken into account for grant of pre-arrest bail as well.

11. So far as filing of charge sheet is concerned, it is submitted by the learned counsel for the State, Mr. Panigrahi, on instruction, that five of the accused persons, namely, Smt. Baishakhi Saha, Smt. Sarita Paikray, Smt. Charubala Dandasena, Smruti Ranjan Mohanty, Pradipta Kumar Lenka were taken into custody. Keeping in view the statutory stipulation of filing the charge sheet qua the accused who is in custody, the same has been filed while keeping the investigation open under Section 193(9)[13] of the BNSS, inter alia, to collect further money trail, etc.

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[13] **193. Report of police officer on completion of investigation**.— (9) Nothing in this section shall be deemed to preclude further investigation in respect of an offence after a report under sub-section (3) has been forwarded to the Magistrate and, where upon such investigation, the officer in charge of the police station obtains further

12. It is submitted that custodial interrogation of the Petitioners is essential, inter alia, to unearth the quantum of embezzlement, source of forgery, money trail, complicity/involvement of other accused persons as well as the involvement of influential persons.

13. So far as Petitioner- Narendra Pradhan in ABLAPL No.8803 of 2026 is concerned, it is submitted by the learned counsel that the Petitioner (Narendra Pradhan) is a businessman and he has been unnecessarily sought to be entangled in the case at hand, though he is neither an employee of the Bank nor a loanee.

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evidence, oral or documentary, he shall forward to the Magistrate a further report or reports regarding such evidence in the form as the State Government may, by rules, provide; and the provisions of sub-sections (3) to (8) shall, as far as may be, apply in relation to such report or reports as they apply in relation to a report forwarded under sub-section (3):

Provided that further investigation during the trial may be conducted with the permission of the Court trying the case and the same shall be completed within a period of ninety days which may be extended with the permission of the Court.

At the first brush, such submission appears to be very attractive.

The prosecution has placed on record that, during analysis of the loan accounts and SB accounts of 282 borrowers, as noted above, it was ascertained that, out of the disbursed loan amount, a significant amount has been transferred to different accounts, who are not bank employees.

Learned Public Prosecutor, Mr. Panigrahi submits that these accounts have been identified as accounts of the brokers and on money trail of the loanees accounts, it has come to the fore that an amount of Rs.1,53,000/- has been transferred to the account No.20307480933, which stands in the name of the present Petitioner (Narendra Pradhan) with State Bank of India and the money has been transferred from two of the loanees namely, Naresh

Sahoo and Sasmita Pradhan. Hence, the submission that the Petitioner has absolutely no link with the alleged offence is ex facie not tenable.

Such money trail finds place in paragraph-18.17 of the final form. The name of the Petitioner (Narendra Pradhan) is at Serial No.3 of the list of 12 brokers appearing in the said paragraph.

14. So far as Petitioner (Debasmita Ram) in ABLAPL No.5590 of 2026 is concerned, she was the then **Branch Manager**, SBI, Rail Vihar Branch, from May, 2022 to November, 2023, and had sanctioned 142 Xpress Credit Loans and processed/recommended 8 Xpress Credit Loans without compliance with important aspects of the proposal, i.e., KYC of the borrowers, and entered the details in RLMS and recommended the loans.

The investigation reveals that, because of the Petitioner (Debasmita Ram), the Bank sustained a loss to the tune of Rs.6.70 crores in as many as 150 accounts at Rail Vihar Branch.

It is apt to note that the co-accused Baishakhi Saha, the then Service Manager of SBI, Rail Vihar Branch, Sarita Paikray, the then Branch Manager of Damana Chhack Branch, and Charubala Dandasena, the then Service Manager of Damana Chhack Branch, were taken into custody.

The irregularities, which were found in the sanction of the loans, as highlighted by the prosecution, run thus:

> "xxx xxx xxx
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> i) Account transferred, converted to Corporate Salary Package (CSP) on same day or in few days of transfer.
>
> ii) Account conversation and loan sanction also happened immediately.

iii) Salary slips, employment offer letters, employment confirmation letters and bank account statements relating to the Borrower's employment have not been properly scrutinized before processing the loans.

iv) Pre-sanction survey of visiting residence/workplace of borrower were neither done by the Branch Manager nor by the Service Manager cum recommending official.

v) Several Xpress Credit loans have been given to borrowers with designation like Driver, Security Guard, Helper, Cook etc. Employed in Private Companies under CSP while the nature of job is purely temporary.

vi) Allocated budget for Xpress Credit loans for the year 2022-23 was Rs.2.00 Crores and the Branch achieved the net growth of 6 times of the budget i.e. Rs.13.83 Crores without approval of the Controller.

xxx xxx xxx"

15. It is the submission of the learned counsel for the Petitioner that, at best, it can be said to be an irregularity in the sanctioning process, as the Petitioner bona fide believed the officials who were

to enquire about the genuineness of the documents submitted for sanction of loan and on the basis of their recommendation, the loans were granted. It is also submitted that, taking into account that the Petitioner (Debasmita Ram) is a lady, she may be protected by pre-arrest bail, since there is no chance of her absconding and there is no allegation of her not cooperating with the investigation.

16. So far as Petitioner (Dilip Meher) in ABLAPL No.5672 of 2026 is concerned, he was posted as a Manager of fortune Tower Branch from 09.07.2021 to 22.06.2024 and, during his tenure, 13 Xpress Credit loans were sanctioned. The allegation is that there was no pre-sanction inspection and verification of the KYC and, because of the action and inaction of the Petitioner, the Bank sustained a loss to the tune of Rs.6.01 crores.

17. So far as Petitioner (Bharati Nayak) in ABLAPL No.5909 of 2026 is concerned, she was posted as Deputy Manager from 29.09.2021 to 19.07.2023 and, during her tenure, 97 Xpress Credit loans were granted to loanees claiming to be employees of TPCODL, Aditya Food, Media @ Metro Satellite City, Hanspal, Jindal Steels and Arati Steels. The salary slips were all found to be fake and the loss to the Bank was to the tune of Rs.5.05 crores.

18. So far as Petitioner (Madhusmita Samal) in ABLAPL No.6300 of 2026 is concerned, she was posted as Manager/Deputy Manager of Patia Branch from 08.09.2023 to 27.02.2024 at Patia Branch and was involved in the recommendation of 3 Xpress Credit loans, causing loss to the Bank to the tune of Rs.19,70,000/-.

19. **So far as Petitioner (Bhagyabati Gahan) in ABLAPL No.6335 of 2026 is concerned,** it is submitted that from the account of a broker, namely, P.S. Biswa Bikash Mohanty, there has been a money trail to the account of the Petitioner of Rs.26,000/- on 05.11.2022 and Rs.95,000/- on 29.03.2023 from the said account. It is the case of the prosecution that she is a close associate of one of the co-accused, Pruthyraj Das, who has constantly been in touch with the broker, co-accused P.S. Biswa Bikash Mohanty.

It is submitted by the learned counsel for the Petitioner that the Petitioner (Bhagyabati Gahan) is a victim of the circumstances and it is stated, relying on the charge sheet, that an amount of Rs.4,48,750/- was transferred to the account of the said P.S. Biswa Bikash Mohanty, whose serial number appears at Sl. No.4 in paragraph-18.17. Considering the meagre amounts which had come to the account of the Petitioner, who is a lady, she may be protected by pre-arrest bail.

20. So far as Petitioner (Pruthyraj Das) in ABLAPL No.6337 of 2026 is concerned, it is the allegation of the prosecution that he is actively involved in the fraud relating to all the accounts and an amount of Rs.4,48,750/- has been transferred to the account of the co-accused P.S. Biswa Bikash Mohanty and from his account an amount of Rs.4,25,500/- in 12 tranches has been transferred to the account of the Petitioner. Hence, prima facie, the Petitioner has nexus with the said accused P.S. Biswa Bikash Mohanty, which is also borne out from the analysis of the CDR.

Per contra, it is submitted by the learned counsel for the Petitioner that there is no acceptable proof regarding the involvement of the Petitioner. Hence, he should be protected by pre-arrest bail.

21. So far as Petitioner (Vaishali) in ABLAPL No.6352 of 2026 is concerned, she was posted as **Branch Manager** of Patia Branch and, during her incumbency, 5 Xpress Credit Loans were granted to employees of SIS Ltd. and the Department of Post on the basis of salary certificates found to be fake, resulting in the Bank sustaining a loss to the tune of Rs.14,08,000/-. Like the Petitioners who are also bank employees, it is submitted by the learned counsel for the Petitioner that, since she acted bona fide on the basis of the field reports, no complicity

can be attached to her and, she being a lady, may be protected by pre-arrest bail.

Learned counsel for the State reiterates that, prima facie because of the connivance of the Petitioner, the Bank sustained loss. Hence, no leniency ought to be shown.

22. So far as Petitioner (Smaranika Bhal) in ABLAPL No.6510 of 2026 is concerned, she was posted as **Branch Manager** of Patia Branch from 18.08.2020 to 25.04.2023 and thereafter as Branch Manager-cum-Chief Manager from 26.04.2023 to 31.05.2023. Five Xpress Credit loans were sanctioned to persons claiming to be employees of SIS and other companies, whose salary slips were found to be fake. It is alleged that there was no pre-sanction survey and the loss to the Bank was to the tune of Rs.14,08,000/-.

The stand of the Petitioner is similar to that of her colleagues.

Per contra, it is submitted by the learned counsel for the State that the Petitioner was also a Chief Manager. Hence, she cannot claim any immunity and, taking into account the nature of the allegations, the submission that she has ex-facie no complicity cannot be accepted.

23. So far as Petitioner-P.S. Biswa Bikash Mohanty in ABLAPL No.6513 of 2026 is concerned, it is the allegation of the prosecution that the Petitioner is actively involved in facilitating fake loans to be granted to 282 loanees, as already noted. An amount of Rs.4,48,750/- has been transferred to his account from the loanees and his name appears at Serial No.4 of paragraph-18.17 of the charge sheet.

Learned counsel for the Petitioner submits that it is a legitimate income earned on account of the services provided and, taking into account the nature of the allegations, the Petitioner may be protected by pre-arrest bail.

24. So far as Petitioner (Suresh Kumar Sahoo) in ABLAPL No.6528 of 2026 is concerned, he was posted as Chief Manager of Fortune Tower Branch from 15.05.2023 to 17.06.2024 and, during his tenure, had sanctioned 13 Xpress Credit loans, which were found to be on the basis of unverified KYC, causing loss to the tune of Rs.83,33,300/- to the Bank.

The stand of the Petitioner is that, as per the norms, he had to rely on the details provided and it was not his job to make verification. Hence, no complicity can be attributed to him.

Such submission is refuted by the learned counsel for the State.

25. So far as Petitioner (Santosh Kumar Panda) in ABLAPL No.6563 of 2026 is concerned, he was posted as Chief Manager of Fortune Tower Branch from 01.08.2022 to 28.05.2023 and, during his tenure, he sanctioned 13 Xpress Credit Loans to loanees claiming to be employees of TPCODL. It is alleged that, because of his action and inaction, the Bank sustained a loss to the tune of Rs.55,17,000/-

Learned counsel for the State opposes the prayer for pre-arrest bail, rebutting the submission of the learned counsel for the Petitioner that, to the best of his ability, he had followed the norms in sanctioning the loans and, since subsequently it was found that the documents were fake, he cannot be saddled with the blame and may be protected by pre-arrest bail.

26. So far as Petitioner-Debasish @ Debasis Behera in ABLAPL No.6719 of 2026 is concerned, the allegation against him is that he was a facilitator for grant of loans on the basis of fake documents. An amount of Rs.35,000/- has been transferred from the account of the loanee. His name appears at Serial No.11 under paragraph-18.17 of the charge sheet dealing with the money trail to the accounts of the middlemen/brokers.

It is the stand of the learned counsel for the Petitioner that no complicity can be attached to the role played by the Petitioner and, hence, he may be protected by pre-arrest bail.

Learned counsel for the State opposes the prayer for pre-arrest bail in view of the money trail.

27. So far as Petitioner-Jogendra Nayak in ABLAPL No.6896 of 2026 is concerned, the allegation against the said Petitioner is that an amount of Rs.4,61,704/- has been transferred to his account from that of 7 loanees, who managed to get loans sanctioned on the basis of forged documents.

Per contra, it is submitted by the learned counsel for the Petitioner that the allegations are based on surmises. Hence, the Petitioner ought not to be denied pre-arrest bail.

28. So far as Petitioner (Diptimayee Behera) in ABLAPL No.6900 of 2026 is concerned, she was posted as **Branch Manager** of Patia Branch from 12.06.2023 to 23.06.2024 at Patia Branch, 3 Xpress Credit loans were sanctioned to different agencies allegedly without verification of their

employment details, on account of which the Bank sustained a loss to the tune of Rs.19,70,000/-.

It is submitted on her behalf that, because of the duty assigned to a Branch Manager in the matter of grant of Xpress Credit loans, she having acted in good faith on the basis of the reports received from the ground staff, no criminality can be attached to her action and, she being a lady, ought to be protected by pre-arrest bail.

29. So far as Petitioner-Smrutiranjan Sethi in ABLAPL No.7546 of 2026 is concerned, it is the case of the prosecution that an amount of Rs.6,90,300/- has been transferred to his account from that of the beneficiaries. His name appears at Serial No.6 of paragraph-18.17 of the charge sheet. It is stated that there is no iota of material to indicate that the same was on account of his role in

facilitating the beneficiaries to avail the loan. It is his submission that he had not played any role which enabled the beneficiaries to avail the loans. He is unnecessarily being hounded and he is entitled to be protected by pre-arrest bail.

Such submission is opposed by the learned counsel for the State.

30. So far as Petitioner-Abhaya Kumar Panigrahi in ABLAPL No.7760 of 2026 is concerned, the allegation against the Petitioner is that there is a money trail to his account to the tune of Rs.2,49,650/- from 5 loanees and, because of the money trail, there is prima facie material against him for facilitating such fake loan accounts to be processed and sanctioned.

Per contra, learned counsel for the Petitioner submits that there is no material to connect the

Petitioner with the alleged fraud. Merely because of the money trail, it cannot be said that the Petitioner had a role in the offence as alleged.

31. It is submitted by the learned counsel for the State that till now the defalcation which has come to the fore is to the tune of **<u>Rs.13.92 Crores</u>**. The same relates to fake and fabricated employment records of beneficiaries as employees of:

i. Falcon Marine Exports Ltd.
ii. Quess Corp Limited.
iii. Tata Steel Limited.
iv. Satin Credit Care Network Limited.
v. SIS Limited.
vi. Bhusan Power & Steel.
vii. Bajaj Finance Limited and other companies
viii. Aarati Steels Limited.
ix. Aditya Foods and Media.
x. Jindal Stainless Ltd.
xi. TPCODL
xii. Vedanta Limited
xiii. Rohit Ferro Tech. Ltd.
xiv. Shasi Catering Services.

xv. Department of Post.
xvi. Team lease Services Limited.

32. It is seen that the Petitioners in ABLAPL Nos. 5590, 6900, 6510, 6352, 6300, 6528, 6563, 5909 and 5672 of 2026 are all employees of the Bank and the rest of the Petitioners, save and except the Petitioner in ABLAPL No.6335 of 2026 (Bhagyabati Gahan), are said to be brokers/middlemen to whose accounts there is a money trail. The money trail to their accounts is stated in paragraph 18.17 of the charge sheet.

The details of the transfer to the brokers' accounts from the loanees' savings bank accounts, as mentioned in a tabular form in the above-mentioned paragraph of the charge sheet, is extracted hereunder:-

Sl. No.	Broker Name	Account No	Amount
1.	Jogendra Nayak	Account No- 32919354133maintained with State Bank of India	4,61,704
2.	Kailash Chandra Mallick	Account No- 36256873308maintained with State Bank of India,	75,300
3.	Narendra Pradhan	Account No- 20307480933 maintained with State Bank of India	1,53,000
4.	P S Biswa Bikash Mohanty	Account No- 50100254678711 maintained with HDFC Bank Ltd,	4,48,750
5.	Pradeep Kumar Naik	Account No- 19300100009763 maintained with Federal Bank	1,44,000
6.	Smruti Ranjan Sethy	Account No- 157077182484 maintained with Indusind Bank	6,90,300
7.	Soumya Ranjan Lenka	Account No- 32901670861 maintained with State Bank of india	3,76,000
8.	Abhaya Kumar Panigrahi	Account No- 52700100011562 maintained with Bank of Baroda	2,49,650
9.	Chittaranjan Sahoo	Account No- 1844104000002561 maintained with IDBI	1,36,800
10.	Smruti Ranjan Mohanty	Account No- 30767998161 maintained with State Bank of India	25,000
11.	Debashish Behera	Account No- 20253512251 maintained with State Bank of India	35,000
12.	Pradipta Kumar Lenka	Account No- 31492849247 maintained with State Bank of India	3,23,000

33. The common thread in the submissions of all the counsel for the Petitioners who are Managers of the Bank is that they have acted in their supervisory capacity and, as such, no complicity can be attached to them and, since they have firm roots in society and there is no chance of their escaping or interfering with the investigation and the investigation being based on documentary evidence, they ought to be protected by pre-arrest bail. It is also submitted that, at best, the same may amount to error of judgment.

33-A. The stand of the Petitioners against whom the accusation is of being brokers in obtaining the fake documents and facilitating the grant of loans is that there is no prima facie material to implicate them and the only basis is the statement of the co-accused. It is submitted that, merely because of the money trail, it ought not to be held that their cases do not merit grant of pre-arrest bail.

34. The unholy nexus between the Bank, the beneficiaries and the brokers, resulting in siphoning of public money to the tune of crores, presently quantified at Rs.13.92 Crores, squarely comes within the category of economic offence a "white collar crime" affecting society at large.

No leniency can be shown in such cases, as has been consistently held by the Hon'ble Apex Court.

Those who are alleged to have plundered the public exchequer and feasted cannot claim the benefit of the "exceptional remedy" of pre-arrest bail.

34-A. In this context, this Court can do no better than to respectfully quote relevant recitals in paragraphs 18 to 20 of the judgment of the Apex

Court in the case of ***Serious Fraud Investigation Office v. Aditya Sarda***[14];

> **"18.** Now, so far as anticipatory bail is concerned, this court has consistently emphasized that anticipatory bail should not be granted as a matter of routine, particularly in serious economic offences, involving large scale fraud, public money or complex financial crimes. In *P. Chidambaram* v. *Directorate of Enforcement* ; (2019) 9 SCC 24 , it was observed as under:
>
> "Grant of anticipatory bail in exceptional cases
>
> 69. Ordinarily, arrest is a part of procedure of the investigation to secure not only the presence of the accused but several other purposes. Power under section 438 of the Code of Criminal Procedure is an extraordinary power and the same has to be exercised sparingly. The privilege of the pre-arrest bail

[14] *SFIO v. Aditya Sarda,* 2025 SCC OnLine SC 764.

should be granted only in exceptional cases. The judicial discretion conferred upon the court has to be properly exercised after application of mind as to the nature and gravity of the accusation; possibility of the applicant fleeing justice and other factors to decide whether it is a fit case for grant of anticipatory bail…

71. Article 21 of the Constitution of India states that no person shall be deprived of his life or personal liberty except according to procedure prescribed by law. However, the power conferred by article 21 of the Constitution of India is not unfettered and is qualified by the later part of the article, i.e., '… except according to a procedure prescribed by law'. In *State of M.P.* v. *Ram Kishna Balothia*; (1995) 3 SCC 221 , the Supreme Court held that the right of anticipatory bail is not a part of article 21 of the Constitution of India and held as under :

'7.… We find it difficult to accept the contention that section 438 of the Code of Criminal Procedure is an integral part of article 21. In the first place, there was no provision similar to section 438 in the old Criminal Procedure Code. The Law Commission in its 41st report recommended introduction of a provision for grant of anticipatory bail. It observed:

"We agree that this would be a useful advantage. Though we must add that it is in very exceptional cases that such power should be exercised."'

In the light of this recommendation, section 438 was incorporated, for the first time, in the Criminal Procedure Code, 1973. Looking to the cautious recommendation of the Law Commission, the power to grant anticipatory bail is conferred only on a court of session or the High Court. Also, anticipatory bail cannot be granted as a matter of right. It is essentially a statutory right conferred long after the coming into force of the Constitution. It cannot be considered as an essential ingredient of article 21 of the Constitution. And its non-application to a certain special category of offences cannot be considered as violative of article 21.

(emphasis supplied)

72. We are conscious of the fact that the legislative intent behind the introduction of section 438 of the Code of Criminal Procedure is to safeguard the individual's personal liberty and to protect him from the possibility of being humiliated and from being subjected to unnecessary police custody. However, the court must also keep in view that a criminal offence is not just an offence against an individual, rather the larger societal interest is at stake. Therefore, a delicate balance is required to be established between the two rights—safeguarding the personal liberty of an individual and the societal interest. It cannot be said that refusal to grant anticipatory bail

would amount to denial of the rights conferred upon the appellant under article 21 of the Constitution of India…

77. After referring to *Siddharam Satlingappa Mhetre* v. *State of Maharashtra*; (2011) 1 SCC 694 and other judgments and observing that anticipatory bail can be granted only in exceptional circumstances, in *Jai Prakash Singh* v. *State of Bihar*; (2012) 4 SCC 379, the Supreme Court held as under :

'19. Parameters for grant of anticipatory bail in a serious offence are required to be satisfied and further while granting such relief, the court must record the reasons therefor. Anticipatory bail can be granted only in exceptional circumstances where the court is prima facie of the view that the applicant has falsely been enroped in the crime and would not misuse his liberty. (See *D.K. Ganesh Babu* v. *P.T. Manokaran*; (2007) 4 SCC 434, *State of Maharashtra* v. *Mohd. Sajid Husain Mohd. S.*

Husain; (2008) 1 SCC 213 and *Union of India* v. *Padam Narain Aggarwal*; (2008) 13 SCC 305.'

Economic offences

78. Power under section 438 of the Code of Criminal Procedure being an extraordinary remedy, has to be exercised sparingly; more so, in cases of economic offences. Economic offences stand as a different class as they affect the economic fabric of the society. In *Directorate of Enforcement* v. *Ashok Kumar Jain*; (1998) 2 SCC 105, it was held that in economic offences, the accused is not entitled to anticipatory bail."

19. In *Y.S. Jagan Mohan Reddy* v. *Central Bureau of Investigation*; (2013) 7 SCC 439, it was observed as under:

"34. 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 need 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.

35. While granting bail, the court has to keep in mind the nature of accusations, the nature of evidence in support thereof, the severity of the punishment which conviction will entail, the character of the accused, circumstances which are peculiar to the accused, reasonable possibility of securing the presence of the accused at the trial, reasonable apprehension of the witnesses being tampered with, the larger interests of the public/State and other similar considerations."

20. In *Nimmagadda Prasad* v. *Central Bureau of Investigation*; (2013) 7 SCC 466, it was observed as under:

"23. Unfortunately, in the last few years, the country has been seeing an alarming rise in white-collar crimes, which has affected the fibre of the country's economic structure. Incontrovertibly, economic offences have serious repercussions on the development of the country as a whole. In *State of Gujarat* v. *Mohanlal Jitamalji Porwal*; (1987) 2 SCC 364this court, while considering a request of the prosecution for adducing additional evidence, inter alia, observed as under :

'5.... The entire community is aggrieved if the economic offenders who ruin the economy of the State are not brought to book.

A murder may be committed in the heat of moment upon passions being aroused. **An economic offence is committed with cool calculation and deliberate design with an eye on personal profit regardless of the consequence to the community. A disregard for the interest of the community can be manifested only at the cost of forfeiting the trust and faith of the community in the**

system to administer justice in an even-handed manner without fear of criticism from the quarters which view white-collar crimes with a permissive eye unmindful of the damage done to the national economy and national interest."

(Emphasized)

35. This Court also cannot lose sight of the fact that accused facing similar charges have been taken into custody (since released on post-arrest bail). And, no case has been made out as to why the present Petitioners are to be ensconced by pre-arrest bail.

In this context, reference can also be made to the judgment of the Apex Court in the case of ***Aditya Sarda*** **(supra)**[14] more particularly paragraph-23 thereof, wherein the Apex Court has reiterated that "*economic offences constitute a* *class apart, as they have deep rooted conspiracies involving huge loss of public funds, and therefore such offences need to be viewed seriously*".

36. Hence, on a perspicuous analysis of the allegations against the present Petitioners, vis-à-vis the materials on record, this Court finds force in the submission of the learned counsel for the State, Mr. Panigrahi, ASC, that, if protected by pre-arrest bail, the investigation will be derailed and serious prejudice would be caused to the ongoing investigation.

37. The qualitative response of an accused protected by pre-arrest bail has been set at rest in the case of ***State v. Anil Sharma***[15]**.**

38. So far as the allegations relating to Petitioner (Bhagyabati Gahan) in ABLAPL No.6335 of 2026 are concerned, there is no direct money

15 *State v. Anil Sharma*, (1997) 7 SCC 187.

trail to her account and the allegation of the prosecution is that her complicity is on account of the amount received by her from the co-accused P.S. Biswa Bikash Mohanty.

Hence, this Court is of the considered view that the accusation qua the Petitioner (Bhagyabati Gahan) in ABLAPL No.6335 of 2026 has to be segregated while considering the complicity of the others.

38-A. Accordingly, this Court directs that, in the event of the arrest of the Petitioner (Bhagyabati Gahan) in ABLAPL No.6335 of 2026 in connection with the aforesaid case, she shall be released on bail by the Arresting Officer on such terms and conditions as deemed just and proper, with the further condition that she will cooperate with the investigation, subject to verification of antecedents of similar nature.

39. So far as the anticipatory bail applications of the other Petitioners are concerned, this Court does not find any merit in their prayer for grant of "exceptional remedy" of pre-arrest bail.

Hence, all the ABLAPLs, except ABLAPL No.6335 of 2026 (Bhagyabati Gahan), accordingly stand rejected.

40. Interim order(s) stand vacated.

41. Accordingly, all the ABLAPLs stand disposed of.

(V. Narasingh)
Judge

Orissa High Court, Cuttack
Dated the 2nd September, 2026 /Santoshi
02.09.2026/Uploaded