Bail applications No. 1557/2026 and 1558/2026
FIR No. 254/2025
PS: Rajinder Nagar
u/s : 408/420/34 IPC
State vs 1. Ranjan Singh Bhandari
2. Kanhaiya Kumar Jha

11.08.2026

These are two separate applications under section 482 of BNSS for grant of anticipatory bail moved by applicants/accused Ranjan Singh Bhandari and Kanhaiya Kumar Jha.

Present : Sh. Abhishek Rana, Ld. Addl. PP for the State.
Sh. Ayush Sharma, Ld.counsel for applicant/accused Ranjan Singh Bhandari.
Sh. Anup Kumar and Sh. Keshav Shrivastav, Ld. Counsels for applicant/accused Kanhaiya Kumar Jha.
Sh. Sahil Ahuja, Ld. Counsel for the complainant.
IO SI Dharmendra in person.

Arguments on both the applications heard.

Put up for orders after lunch today.

SHREYA ARORA MEHTA
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(SHREYA ARORA MEHTA)
JUDGE BAIL ROSTER
ASJ/SFTC-02(CENTRAL)
THC: DELHI : 11.08.2026

<u>AT 04.40 PM</u>

Vide this common order, this Court proceeds to decide both the above-mentioned applications.

<u>COMMON ORDER</u>

1. By this common order, this Court proposes to decide two applications under Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023 ("BNSS")

seeking anticipatory bail, being Bail Application No. 1557/2026 filed by applicant Ranjan Singh Bhandari and Bail Application No. 1558/2026 filed by applicant Kanhaiya Kumar Jha, both arising out of FIR No. 254/2025, PS Rajinder Nagar, presently under Sections 408/420/468/471/477A/34 IPC. Both applications arise from the same FIR, rest upon a common investigative record, and were heard analogously. A common order is accordingly passed; however, the role of each applicant and the submissions advanced on his behalf have been considered separately, and separate findings are recorded qua each applicant hereinafter, so that the case of neither applicant is prejudiced by the consideration of the case of the other.

2. These matters were earlier pending before the Court of Sh. Abhishek Goyal, Ld. ASJ-03, Central District, Tis Hazari Courts, Delhi, before whom interim protection was operating and certain directions came to be passed from time to time. Consequent upon the change of the bail roster, the matters now stand assigned to this Court. The entire record, including the FIR, the replies and supplementary replies filed by the IO, the documents placed on record by the parties, and the previous orders, has been perused afresh, and Ld. counsel for the applicants, Ld. Addl. PP for the State assisted by the IO, and Ld. counsel for the complainant have been heard afresh and at length by this Court.

3. The FIR in question came to be registered on 07.10.2025 on the complaint of Mr. Rajneesh Verma, proprietor of M/s Indotex, a sole proprietorship MSME firm engaged in the trading of denim fabric at New Rajinder Nagar, Delhi, pursuant to the directions of the Ld. JMFC, Central District. The complaint is directed against three former employees of the firm: (i) Kanhaiya Kumar Jha (applicant in BA No. 1558/2026), who served as Accounts and Finance Head with effect from 01.12.2020, his services having

been outsourced to the firm through M/s MDG Associates Pvt. Ltd.; (ii) Ranjan Singh Bhandari (applicant in BA No. 1557/2026), who served as Senior Accountant with effect from 16.09.2019; and (iii) Mahesh, who served as Accounts Assistant since 25.06.2017.

4. The gravamen of the allegations is that during the period September 2022 to September 2024, the accused persons, acting in concert, embezzled and misappropriated funds of the firm aggregating to approximately Rs. 1.80 crore, through four channels: (a) online transfers of approximately Rs. 91.42 lakh of the firm’s funds to personal credit card and bank accounts, principally of accused Mahesh, camouflaged by fabricated bills and false entries in the firm’s ledgers; (b) fraudulent RTGS transactions of approximately Rs. 37 lakh effected by falsifying entries in the firm’s creditors’ ledgers, particularly those of Raymond UCO Denim Ltd. and STS Translog Solution LLP; (c) theft of cash collections kept in the locker of the firm; and (d) misappropriation of personal funds of the complainant and default in repayment of a personal loan of Rs. 3 lakh attributed to applicant Ranjan Singh Bhandari. It is alleged that the accused persons exploited the maternity leave of Ms. Neha Budakoti, Senior Accountant, from September 2022 onwards, whereafter the accounts department stood exclusively in their control; that the two suppliers whose ledgers were manipulated were strategically chosen for features (early-payment discounts and GST exemption respectively) which facilitated concealment; and that the three accused had, on 09.06.2022, i.e., shortly before the commencement of the alleged diversions, constituted a partnership firm in the name of "KRMP Enterprises", allegedly to route and deal with the embezzled funds. It is further alleged that applicants Kanhaiya and Ranjan purchased immovable properties worth approximately Rs. 1 crore each during the period of their employment, and that both abruptly left the firm in February and March

2024 respectively, which triggered an internal review and an audit in September 2024 revealing the alleged fraud.

5. The FIR was initially registered under Sections 408/420/34 IPC. As per the replies of the IO and the record now before the Court, Sections 468, 471 and 477A IPC have been added during the course of investigation.

6. As per the replies and supplementary replies of the IO, analysis of the firm’s account has revealed online transfers of approximately Rs. 91.42 lakh from the firm’s account to various credit card accounts of accused Mahesh, and RTGS transactions in which accused Mahesh entered his own account particulars in the excel sheets transmitted to the bank for bulk NEFT. Accused Mahesh was arrested on 25.07.2026 and is in judicial custody. In his disclosure, he is stated to have disclosed that the conspiracy was hatched by all three accused; that accused Kanhaiya was the mastermind; that the cheated amount was distributed equally amongst the three in cash withdrawn from his accounts; and that the applicants invested the said amounts, inter alia, in immovable properties.

7. Notices under Section 35(3) BNSS were issued to both the applicants on 18.07.2026, requiring them to join the investigation on 19.07.2026. Admittedly, neither applicant joined pursuant to the said notices. Thereafter, pursuant to the directions of the Ld. Predecessor Court, both applicants joined the investigation. The IO has submitted that both applicants have been evasive on questions concerning the alleged offence and the money trail; that the applicants were directed to produce their own and their family members’ bank account statements for the purposes of tracing the money trail, which has not been done; that unexplained cash deposits aggregating to Rs. 13,84,000/- between February 2023 and July 2024 have been found in the account of

applicant Ranjan Singh Bhandari, for which no justification has been furnished; that the proceeds of crime are entirely unrecovered and the exercise of establishing the money trail, tracing the properties allegedly acquired, and examining the affairs of KRMP Enterprises is ongoing; and that custodial interrogation of both applicants is necessary.

8. **On behalf of applicant Ranjan Singh Bhandari**, it is submitted that the FIR does not specifically name him and that there is nothing in the FIR against him; that he has joined the investigation as and when called, including on 01.08.2026 and 10.08.2026 when his statements were given to the IO; that the case is founded upon documentary and electronic material already available with the investigating agency; that no amount was ever transferred to or received by him; that he had resigned from the firm well before registration of the FIR; that he has clean antecedents and deep roots in society; and that custodial interrogation is not required.

9. **On behalf of applicant Kanhaiya Kumar Jha**, it is submitted that no money has been received by him and no transaction has been traced to his account; that he was not a regular employee of the complainant’s firm but was engaged on an outsourced/hire basis through MDG Associates Pvt. Ltd.; that he has merely been "shown" as the mastermind and as the custodian of the locker keys without any material in support; that as per the FIR itself the relevant events, including the resignations, span December 2023 to March 2024, so that the complainant had knowledge by March 2024 at the latest, yet the FIR came to be registered only on 07.10.2025, and no explanation for the delay is forthcoming, the FIR itself reciting "no delay"; that he has clean antecedents; and that the case rests on documents.

10. **On behalf of the State**, Ld. Addl. PP, assisted by the IO, has opposed both applications. It is submitted that this is a grave economic offence involving systematic embezzlement of approximately Rs. 1.80 crore over two years by the very persons entrusted with the accounts of the firm; that the ledger of Raymond UCO Denim Ltd. one of the two ledgers falsified was the sole responsibility of applicant Ranjan Singh Bhandari; that applicant Ranjan has not explained the cash deposits of Rs. 13,84,000/- in his account during the fraud period and has not produced his and his family members' account statements despite direction; that applicant Kanhaiya headed the department, exercised control over the accounting software and the locker, and stands named as the mastermind in the disclosure of co-accused Mahesh; that both applicants have been evasive; that the proceeds are unrecovered and properties are yet to be traced; and that custodial interrogation is necessary for confronting the applicants with the banking record, unearthing the money trail, and tracing the assets.

11. **On behalf of the complainant**, Ld. counsel has placed on record a list of dates and events and the confirmation letter issued by MDG Associates Pvt. Ltd. in respect of applicant Kanhaiya Kumar Jha. The said letter confirms that the services of the applicant were outsourced on a full-time basis to Indotex from 01.12.2020 to 10.02.2024; that during this tenure he headed the Finance and Accounts Department managing a team of three to four accounts executives; and that his responsibilities included funds planning, ensuring proper management and reconciliation of accounting data, "ensuring holistic working of Tally punching with locks and checks", finalisation of financial statements, "overlooking cash transactions", supervision of subordinates and cross-checking of data postings, compliance, and coordination with the internal auditor. Ld. counsel adopts the submissions of the State and adds that the

outsourced character of the engagement, far from diluting the applicant's role, confirms the width of the trust reposed in him.

12. Prima facie, the allegations disclose not an isolated act of dishonesty but a sustained, structured scheme operated from within the accounts department of an MSME proprietorship over approximately two years, employing four distinct channels of diversion, fabrication of bills, falsification of the ledgers of two strategically selected creditors, and manipulation of the accounting software. Three features bear emphasis at the prima facie stage. First, the constitution of the partnership firm KRMP Enterprises by the three accused on 09.06.2022, shortly before the alleged diversions commenced, is a circumstance suggestive of premeditation and design rather than opportunistic lapse. Secondly, the alleged exploitation of the maternity absence of the regular Senior Accountant from September 2022 indicates a scheme timed to a window of diminished oversight. Thirdly, the offence, if established, is one committed in flagrant breach of the trust reposed in the very persons who constituted the firm's financial gatekeeping. The magnitude approximately Rs. 1.80 crore qua a proprietorship MSME is substantial, and admittedly not a rupee of the alleged proceeds has been recovered.

13. The investigation is at a live and sensitive stage- the banking analysis is partially complete; the money trail beyond the accounts of co-accused Mahesh in particular the alleged onward cash distribution and the alleged acquisition of immovable properties by the applicants remains to be established; the affairs of KRMP Enterprises remain to be examined; and the applicants' own and family account statements, directed to be produced, have not been produced. This is not a case where the documentary record is complete

and custody would serve no investigative purpose; it is a case where the concealed limbs of the trail are the very subject of the ongoing exercise.

14. The applicants are right that a period of over a year elapsed between the complainant's knowledge (the audit of September 2024, upon resignations of February-March 2024) and the registration of the FIR on 07.10.2025, and that column 8 of the FIR unhelpfully recites "no delay". The delay is accordingly recorded as unexplained on the face of the FIR. However, its weight in the present context is limited, for three reasons. First, in audit-discovered economic offences resting on a documentary and electronic trail, delay neither erodes the evidence nor, without more, suggests fabrication, unlike offences dependent on ocular testimony. Secondly, the record shows that the complainant pursued the remedy before the Ld. JMFC, and the FIR ultimately came to be registered pursuant to judicial direction; an FIR born of a judicial order upon a court-tested complaint is difficult to characterise as a mala fide afterthought. Thirdly, and fairly to the applicants, the complainant's want of urgency, and the investigating agency's own election to proceed by way of notice under Section 35(3) BNSS as late as 18.07.2026, are circumstances relevant to the necessity-of-arrest analysis, and the Court has weighed them there. The delay, thus weighed, does not tilt the balance in favour of pre-arrest protection in the facts of this case.

Applicant accused Kanhaiya Kumar Jha (BA No. 1558/26)

15. The plea of the applicant Kanhaiya Kumar Jha that he was a mere outsourced engagee "shown" as the mastermind is belied, at the prima facie stage, by the very document placed on record in these proceedings the confirmation letter of MDG Associates Pvt. Ltd. That letter, far from diluting his role, confirms that for over three years he headed the Finance and Accounts

Department of the complainant’s firm; that he was responsible for "ensuring holistic working of Tally punching with locks and checks" i.e., control over the very accounting software alleged to have been manipulated; that he was "overlooking cash transactions" i.e., command over the very cash channel from which theft is alleged; and that he supervised and cross-checked the data postings of the very subordinates alleged to have made the false entries. The mode of his engagement (outsourcing through MDG Associates) is irrelevant to culpability; what matters is the dominion he exercised, and his own document establishes that the dominion was complete. The attribution of the mastermind role in the disclosure of co-accused Mahesh is, no doubt, material of limited evidentiary worth at this stage and the Court places only corroborative and not primary reliance upon it; the primary material is the admitted architecture of his own charge.

16. The submission that no amount stands traced to the applicant Kanhaiya’s own account does not, in the structure of the prosecution case, carry the exculpatory weight claimed for it. The case set up is precisely that the funds were routed through the accounts and credit cards of co-accused Mahesh and thereafter distributed in cash a mode of distribution which, by design, leaves no direct credit in the beneficiary’s account. The absence of a direct banking link to the applicant is thus consistent with the prosecution case rather than destructive of it and is a matter for investigation which is exactly why the tracing of the cash trail, the properties, and KRMP Enterprises assumes significance, and why the applicant’s non-production of his and his family’s account statements assumes adverse significance.

17. Two features of the applicant Kanhaiya’s own pleadings require to be recorded. First, the application and the supporting affidavit assert that the

applicant resigned from the firm on 01.12.2023 and had "no connection whatsoever" with its affairs at the relevant time; the MDG Associates letter placed on record fixes his tenure up to 10.02.2024, and the FIR and his own interrogation disclosure place his departure in February 2024. The date pleaded on oath is thus contradicted by the applicant's side of the record itself. Secondly, the application attributes his false implication to the inimical disposition of one "Mr. Dinkar"; no person of that name figures anywhere in the FIR, the replies, or the record- the complainant is Mr. Rajneesh Verma.

18. **Taking together (i) the commanding role over the accounts, the software, the cash and the locker attributed to the applicant and corroborated in material part by his own document; (ii) the prima facie premeditation evidenced by KRMP Enterprises; (iii) the magnitude of the alleged embezzlement and the total non-recovery of proceeds; (iv) the live and concealment-centric stage of the investigation, in which custodial interrogation qualitatively distinct from interrogation under a protective umbrella is reasonably required for confronting the applicant with the banking and software record, unearthing the cash trail and the properties, and examining the affairs of KRMP Enterprises; (v) the applicant's non-compliance with the Section 35(3) BNSS notice and non-production of the directed account statements; and (vi) the want of candour recorded above, this Court is of the considered view that this is not a fit case for the exercise of the sparing and exceptional power under Section 482 BNSS. The application is of the applicant Kanhaiya Kumar Jha is liable to be dismissed.**

Applicant accused Ranjan Singh Bhandari (BA No. 1557/2026)

19. The lead submission advanced on behalf of this applicant Ranjan Singh Bhandari that the FIR does not specifically name him and contains nothing against him is contrary to the record and is rejected. The FIR names him as Accused No. 2, sets out his designation (Senior Accountant), the period of his employment (from 16.09.2019), his specific charge (maintaining day-to-day accounting records, posting purchase bills, and reconciling the receivables and payables of the Raymond UCO Denim Ltd. account, a supplier constituting approximately 40% of the firm’s inventory), and specific allegations against him, including the falsification of the Raymond ledger and the unpaid personal loan of Rs. 3 lakh. The submission having been advanced, it has been recorded and negatived on the face of the FIR itself.

20. The Raymond ledger one of the two creditors’ ledgers alleged to have been falsified to camouflage the RTGS diversions was, as per the FIR and as asserted by the IO, the sole responsibility of this applicant. The falsification alleged is not a stray entry but a sustained course of false postings over the better part of two years. A subordinate who, over such a period, repeatedly posts entries in a ledger exclusively in his charge, in a manner that consistently conceals diversions of the firm’s funds, cannot at the prima facie stage be heard to say that he was a mere unknowing instrument of his superior; the sustained character, the exclusivity of the charge, and the concealment-oriented pattern of the entries prima facie bespeak knowing participation. Section 34 IPC requires no more at this stage. The Court is further unable to ignore that cash deposits aggregating Rs. 13,84,000/- during the very period of the alleged fraud (February 2023 to July 2024) stand identified in the applicant’s own account, and that, despite opportunity, no explanation whatsoever has been offered for them either to the IO or before this Court. Unexplained enrichment contemporaneous with the fraud period is a circumstance prima facie indicating

personal benefit, and it materially erodes the plea of innocent subordinate execution. It equally falsifies, prima facie, the assertion in the application that there exists "no bank transaction, financial benefit or monetary trail" linking the applicant an assertion made on oath in the teeth of the deposits put to him by the IO.

21. It is correct, and the Court records, that the applicant has joined the investigation and that the IO has taken his statements. However, as held above, the test is the genuineness of cooperation and not the fact of attendance.

22. **The applicant Ranjan's rank was subordinate to that of applicant Kanhaiya, and the Court has considered whether the role-sensitive calibration warrants a different outcome qua him. On the present record it does not, for the reason that the calibration looks to the quality of participation and not to designation alone: the material summarised above prima facie discloses knowing, sustained facilitation through a ledger exclusively in his charge, coupled with unexplained personal enrichment during the fraud period, non-production of directed documents, non-compliance with the Section 35(3) BNSS notice, and a materially false assertion on oath as to the absence of any monetary trail. This application is equally not a fit case for exercise of the power under Section 482 BNSS and is liable to be dismissed.**

23. **In view of the foregoing, Bail Application No. 1557/2026 (Ranjan Singh Bhandari v. State) and Bail Application No. 1558/2026 (Kanhaiya Kumar Jha v. State) are both dismissed.**

24. **The interim protection operating in favour of the applicants pursuant to the orders of the Ld. Predecessor Court stands vacated forthwith.**

25. It is clarified that all observations herein are prima facie in nature, have been made solely for the purpose of deciding the present applications under Section 482 BNSS, and shall not influence or prejudice the investigation, any subsequent application which the applicants may be advised to file before the appropriate forum in accordance with law upon change of circumstances, or the trial, which shall proceed uninfluenced by anything recorded herein. The IO shall conduct and conclude the investigation strictly in accordance with law, uninfluenced by these observations.

26. Copy of this order be given dasti to Ld. counsel for the applicants, Ld. Addl. PP for the State and Ld. counsel for the complainant, as prayed. Copy of this order be also sent to the IO/SHO, PS Rajinder Nagar, for information and necessary action. File be consigned to the record room after due compliance.

SHREYA ARORA MEHTA

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