

(2026) 08 OHC CK 1539
In the Orissa High Court, Cuttack Bench
Case No : ABLAPL No.836 of 2026

Narayan Prasad Behera

APPELLANT

Vs

State Of Odisha

RESPONDENT

Date of Decision : 03-08-2026

Acts Referred:

BNS — Section 482
BNSS — Sections 3(5), 315, 316, 336 (2), 337, 338, 339 and 631
Cr.P.C. — Section 438, 41-A
Constitution of India — Article 21

Citation : (2026) 08 OHC CK 1539

Hon'ble Judges : R.K. Pattanaik, J

Bench : Single Bench

Advocate : Mr. L. Samantaray, Mr. P. S. Nayak, Mr. P.K. Mohanty, Mr. S.K. Dwibedi, Mr. A. Mohanty, Mr. S. Mohapatra, Mr. P. Mohapatra

Final Decision : Disposed of

Judgement

1. All the ABLAPLs are clubbed together and disposed of by the following common order.
2. Instant petitions under Section 482 BNS are filed by the petitioners seeking pre-arrest bail in connection with the respective cases arising out of CID CB Case Nos, 9 and 10 of 2025, CID CB Case No.13 of 2021 corresponding to G.R. Case Nos.1098 and 1127 of 2025 and 573 of 2021 pending in the Courts of learned JMFC-III (Cog. Taking) Cuttack and learned JMFC, Pipili on the grounds stated.
3. Perused the FIRs as at Annexure-1 (in all the cases).
4. Briefly stated, the petitioners apprehend arrest in connection with the cases registered under Sections 3(5), 315, 316, 336 (2), 337, 338, 339 and 631 BNSS. In fact, the prosecution case in brief is that the informants lodged the FIRs alleging therein that false complaints were lodged with regard to the accident claims in order to defraud the Insurance Companies which revealed commission

of cognizable offences and as such, the investigation of the cases subsequent to such revelation made was taken over by the CID CB. It is made to understand that the CID CB, Cuttack submitted reports stating therein that it was entrusted to enquire into the allegations made to ascertain the involvement of vehicles in multiple false insurance claim cases and it has revealed that UD cases were filed in respect thereof and ultimately, it has led to the grant of compensation. Such inquiry revealed that EC cases were filed seeking compensation, claiming accidents to have taken place involving vehicles but without any such information lodged at the concerned P.S. and as a result, it has been awarded to the injured and kin of the deceased. It is alleged that during discreet inquiry and analysis vis-?-vis the cases with regard to employees' compensation claims, it was ascertained about not lodging any complaints before the local police regarding vehicular accidents taking place involving the vehicles in question. By alleging the mischief, the compensation in respect of the cases was managed and upon receiving enquiry reports submitted to the SP, CID CB, Odisha, the FIRs were lodged for action against the accused persons responsible for the same.

5. The petitioners in ABLAPL No. 836 of 2026, ABLAPL No.14770 of 2025, ABLAPL No.14959 of 2025, ABLAPL No.958 of 2026, ABLAPL No.1064 of 2026, ABLAPL No.1077 of 2026, ABLAPL No. 1592 of 2026, ABLAPL No.5507 of 2026 are lawyers; in ABLAPL No.14905 of 2025, ABLAPL No.14727 of 2025, ABLAPL No.995 of 2026, ABLAPL No. 2095 of 2026, the petitioners are claimants; and in ABLAPL No.913 of 2026, ABLAPL No.5220 of 2026, the petitioners are the vehicle owners.

6. The allegations in the FIRs are about managing compensation with involvement of the vehicles. The inquiry by the CID CB allegedly revealed the mischief and in receiving the compensation for the injury and deaths shown to have taken place with false claim of accidents. In the FIRs, the names of the suspected persons for the alleged mischief have been mentioned.

7. Heard learned counsel for the respective parties.

8. Learned counsels for the petitioners submit that in view of the FIRs lodged, the petitioners apprehend arrest in the hands of the CID CB. In fact, pursuant to the order dated 6th April, 2026 by the Apex Court in Special Leave to Appeal (C) No(s) 5582 of 2023 (Oriental Insurance Company Limited Vrs. Auni Pati & others), the inquiry has been conducted by the CID CB. In the order (supra), a direction was issued to the State for investigations into the cases to be carried out to find out whether there was complicity of the officials of the Insurance Companies to find out whether there was complicity in view of the fact that cases of fraudulent nature were not reported to the police for appropriate action by them. It has also been directed therein that all the officials of the Insurance Companies from top to bottom shall be a part of the investigation depending on whether they had information of such fraud being committed and still chose not to direct the lodging of appropriate proceedings before the competent authorities/police. In accordance with the directions as aforesaid, the FIRs were lodged

preceded by an inquiry by the CID CB.

9. Noted down the submissions of Mr. Nayak, learned counsel appearing for the CID CB.

10. The investigation is in progress. The FIRs have been lodged recently for the alleged incidents, which are more than 10 years old. The contention of learned counsel for the petitioners is that the petitioners, who are named in the FIRs, are apprehensive of arrest in the cases. The further contention is that some of the petitioners are legal practitioners and members of the High Court Bar Associations; others are claimants and vehicle owners and at this distant point in time after the FIRs were lodged, all are apprehending arrest by the CID CB. It is contended that the claim cases have been settled long back and have attained finality. The further contention is that the Insurance Companies even filed FAOs against the awards but were dismissed and also confirmed by the Apex Court and therefore, at this juncture, any such arrest of the petitioners would be unjustified. The submission of learned counsel for the petitioners is that the petitioners are ready and willing to cooperate with the investigation of the cases registered and therefore, there is no need for their arrest and if that happens, it would put them to undue humiliation, furthermore, when no prima facie case is made out against anyone. It is further contended that the petitioners are law-abiding citizens and being local residents and some of them are even legal practitioners, there is no chance of their abscondence or tampering with evidence and hence, they are entitled to pre-arrest bail pending investigation.

11. On the contrary, Mr. Nayak, learned counsel for the CID CB submits that there has been a large-scale fraud with the involvement of the vehicle owners, claimants and others and considering the allegations in the FIRs lodged, consequent upon a discreet inquiry, it is not a case for anticipatory bail, all the more when such an inquiry has revealed the alleged mischief pursuant to the order of the Apex Court (*supra*).

12. The foremost question is, whether, in the given circumstances of the case, the petitioners are entitled to pre-arrest bail? Is it a case for physical custody and interrogation of the petitioners? Would it be proper to deny bail to the petitioners when nothing is really revealed about the architect of the mischief? Law is well settled that in cases of serious offences committed, the Courts are to be cautious while considering grant of pre-arrest bail. It is also a settled law that mere assertion of custody during the investigation would not be sufficient to deny anticipatory bail to the accused and the State shall have to prima facie convince the Court why custodial interrogation is required during investigation. In a catena of decisions, it has been held by the Apex Court as to when the custodial interrogation is one of the effective modes of investigation. Just because such interrogation is not required, that by itself may not be the ground to release the accused on anticipatory bail when the offences are of serious nature. Just assertion on the part of the State opposing the pre-arrest bail for custodial interrogation would not be sufficient either, since it shall have to show

or indicate more than the prima facie case while demanding physical custody and interrogation for the purpose of investigation. Normally, when an accused cooperates with the investigation, it is considered a ground to grant him pre-arrest bail. If it is made to understand that the accused has joined the investigation and extended cooperation, it would be a consideration for the Court on a decision of pre-arrest bail. As earlier stated, with the claim cases more than ten years old, at this point of time, upon the reports being lodged alleging fraud in managing compensation, whether, the petitioners who apprehend arrest should be granted anticipatory bail.

13. At times, custodial interrogation is not considered necessary in a case registered after much delay provided the accused is cooperating with the investigation and there is no risk of his absconding or evidence tempering. In the case at hand, the fraud has been revealed long after only upon an inquiry conducted by the CID CB consequent to the directions of the Apex Court in the case (*supra*). Such delay, as according to the Court, is a circumstance against considering the necessity of physical custody and interrogation. Of course, the reason behind the delay is clear and apparent and it has been possible only after inquiry directed by the Apex Court while dealing with a case of compensation. In the case of present nature, the Court is to consider the gravity of the allegations and also the need for custodial interrogation of the accused involved. As earlier discussed, the State cannot simply oppose bail by claiming that custodial interrogation is required. A mere assertion for custodial interrogation is not sufficient, rather, the prosecution must have to submit some incriminating evidence while demanding the same. When the nature of evidence primarily depends on official records that are already in possession of the authorities/police, the custodial interrogation is deemed completely unnecessary. A Court may deny bail and permit custody for interrogation under exceptional circumstances. For instance, where the police need to recover physical items, such other incriminating materials or proceeds of a crime that cannot be retrieved without the active disclosure of the accused or where the cases involve serious offences or where the accused refused to join the investigation, ignores requisition of police for inquiry or attempts to intimidate the witnesses. In such cases, the Courts may have to revoke liberty in favour of custodial question of the accused. It is also to be borne in mind that the custodial interrogation, even if not necessary, cannot be a ground to grant anticipatory bail as it has been held by the Apex Court with the observation that such is the very common argument canvassed demanding anticipatory bail, which is rather a misconception of law.

14. Section 438 Cr.P.C. is statutory tool that can render custodial interrogation unnecessary. The Apex Court in **Shri Gurbaksh Singh Sibbia and others Vrs. State of Punjab 1980 SCC (Cri.) 465** provided a liberal interpretation of Section 438 Cr.P.C. emphasizing its broad discretionary nature and role in preserving personal liberty reaffirmed in **Siddharam Satlingappa Mhetre Vrs. State of Maharashtra and others (2011) 1 SCC 694**, wherein, it has been held and observed that anticipatory bail is not an extraordinary remedy, but a

vital provision to safeguard individual liberty against arbitrary detention. Recently, in **Sushila Aggarwal and others Vrs. State (NCT of Delhi) and another 2020 SCC OnLine SC 98**, a Constitution Bench of the Apex Court clarified that there is no specific time limit for an anticipatory bail order and it can, subject to the Court's discretion and conditions imposed, continue till the end of the trial underscoring that anticipatory bail aligns with Article 21 of the Constitution. It is argued that if an accused cooperates with the investigation as required, the necessity for custodial interrogation is diminished significantly. The purpose of custodial interrogation is to gather material information, which may often be difficult through non-custodial questioning when the accused is under the protective umbrella of anticipatory bail. It is consistently acknowledged the utility and at times, indispensability of custodial interrogation for effective investigation, particularly, in complex cases or where the accused is not cooperative as held by the Apex Court in **State Rep. By CBI Vrs. Anil Sharma (1997) 7 SCC 197**.

15. On a sincere reading of the case laws referred to hereinabove, it is logically deduced that a decision, whether, custodial interrogation is necessary involves a delicate balancing act. The Courts must have to weigh the investigative needs against the fundamental right and liberty of an individual. The cooperation of the accused in the investigation is an important factor. If an individual cooperates with the investigation, provides necessary information and is unlikely to abscond or tamper with evidence, the insistence on custodial interrogation wanes considerably.

16. The jurisprudence vis-à-vis custodial interrogation reflects a dynamic interplay between the State's power to investigate and the individual's right to liberty. While custodial interrogation remains a recognized tool for investigation, its necessity is not absolute and is always subject to judicial scrutiny. While the utility of custodial interrogation for eliciting crucial information is acknowledged as in **Anil Sharma** (supra), and **P. Chidambaram Vrs. Directorate of Enforcement (2019)**, the evolving legal landscape increasingly emphasizes that such power under Section 438 Cr.P.C. must be exercised judiciously and not as a routine measure. The emphasis on Section 41-A Cr.P.C., the liberal interpretation of anticipatory bail provisions and the judicial practice for granting bail seek to minimize pre-trial detention and custodial interrogation unless really essential for the investigation, hence, it has to be ensured that the demand for physical interrogation is absolutely necessary and not a tool for harassment thereby upholding the delicate balance between the effective law enforcement and the cherished constitutional guarantee of personal liberty.

17. Having discussed the basic principles to apply while considering the plea of pre-arrest bail, this Court shall have to examine the records and the need for any such interrogation of the petitioners during investigation, which is admittedly at a nascent stage, commenced only after the Apex Court's order in the month of April, 2024. Since some of the petitioners were the conducting counsels of the

claim cases at the relevant point of time, they apprehend arrest by the CID CB pursuant to the direction of the Apex Court in the SLP and lodging of the FIRs. Similarly, two of the owners of the vehicles besides the claimants are wary of their arrest for having received compensation. The incidents that culminated in the claim cases and compensation awarded are more than a decade old. The involvement of the alleged vehicles and the cause of deaths found to be fake during such inquiry and for that, the FIRs were lodged and at present, investigation is stated to be on. Who is responsible for the alleged mischief, whether, any of the petitioners and hence, responsible for the alleged mischief, needs a thorough investigation. The CID CB shall have to pinpoint the accused persons really responsible for the mischief. The Apex Court revealed that neither the Insurance Companies nor the authorities ever lodged any complaints that allowed compensation in favour of the claimants. An inquiry shall have to be made by the CID CB even with regard to the involvement of any such officials of the Insurance Companies, who had the knowledge or information of such fraud but still ignored in lodging complaints. It cannot be readily assumed at this stage that the petitioners, who were the lawyers of the claim cases, did have had the knowledge or a party to the fraud and mischief committed. Whether such mischief was committed with the complicity of the vehicle owners is also a matter to be gone through during investigation. Since, the compensation were allowed long before, this Court is also of the view that the petitioners, who allegedly laid false claims may be directed to cooperate with the investigation since they are locals and most unlikely to abscond. At a time when the inquiry and investigation is in progress and there is a possibility of involvement of many others including the officials of the Insurance Companies, this Court is of the view that the interim protection granted to the petitioners should be allowed to continue. Furthermore, nothing is brought to the notice of the Court to justify the requirement of custodial interrogation of any of the petitioners during investigation. This Court is inclined to hold that the physical custody and interrogation since not demanded, the petitioners are eligible to pre-arrest bail but subject to the conditions. Such is the view of the Court keeping in view the settled principles of law enunciated by the Apex Court in the cases (supra) referred to and discussed hereinabove.

18. Accordingly, it is ordered.

19. In the result, the ABLAPLs stand disposed of. As a necessary corollary, the petitioners, in the event of their arrests in connection with CID CB Case Nos, 9 and 10 of 2025, CID CB Case No.13 of 2021 corresponding to G.R. Case Nos.1098 and 1127 of 2025 & 573 of 2021 pending before the learned JMFC-III (Cog. Taking) Cuttack and learned JMFC, Pipili, shall be released on bail by the Arresting Officer upon furnishing a bail bond of Rs.30,000/-(rupees thirty thousand) each with one solvent surety for the like amount each with such other conditions imposed by learned Courts below as deemed just and proper in the facts and circumstances of the case besides the following, such as, they shall cooperate the IOs for the purpose of investigation without default; not to tamper

with the evidence by influencing any of the material witnesses connected to the cases in any manner whatsoever, while on bail; and not leave the jurisdiction of the concerned Courts without its permission being obtained.

20. In case, any of the conditions is/are violated, it is made to clear that the bail granted to the petitioners shall stand automatically cancelled.