



Press Release
11.03.2025

Directorate of Enforcement (ED), Patna Zonal Office has filed a Prosecution Complaint (PC) before the Hon'ble Special Court (PMLA), Patna on 7/03/2025 seeking the conviction of several individuals and firms involved in a money laundering case related to the Vaishali Sahari Vikash Co-operative Bank (VSV) fraud in Hajipur, Bihar. The accused include Vipin Tiwari, Sandeep Kumar Singh (Proprietor of 'N Dimension'), Nitin Mehra (Proprietor of 'Mehra Travels'), Ram Babu Shandilya, and their associated firms - M/s Rakshika Travels India LLP, M/s Shandilya Tech Enterprises LLP, and M/s RSDR Agri Aqua LLP. The Hon'ble Court has taken cognizance of the PC on 11/03/2025.

ED initiated investigation on the basis of three FIRs registered by the Bihar Police under various sections of the IPC, 1860 concerning accusations of cheating and forgery. It was alleged that VSV Co-operative Bank officials, including the suspended CEO Vipin Tiwari and the suspended chairman Sanjeev Kumar, colluded to embezzle Rs. 83.5 Crore (approx). They allegedly manipulated bank rules regarding loan sanctioning and, in conspiracy with other bank officials, embezzled Rs. 79.02 Crore through 383 fraudulent loan accounts, and an additional Rs. 4.48 Crore in cash through other staff members.

ED had earlier conducted search operations on 10/01/2025, at 19 locations linked to the accused. As a result, Vipin Tiwari, along with his associates Sandeep Kumar Singh, Nitin Mehra, and Ram Babu Shandilya, were arrested. The investigation revealed that the accused used forged warehouse receipts, fake LIC documents, and fake Joint Liability Group (JLG) records to create fraudulent loan accounts. These false loans were used to cover up cash shortages, with fake documentation forged by bank officials. The fraud resulted in significant financial losses for the bank and the public.

From the aforesaid embezzled amount, funds of around Rs.25 Crore, transferred via RTGS/IMPS/NEFT from the fraudulent loan accounts, were traced to bank accounts associated with Nitin Mehra, his firm - Mehra Travels, and N. Dimension. These Proceeds of Crime (POC) were further laundered through various bank accounts and used by Vipin Tiwari, the then CEO of the bank, for personal and business purposes. Tiwari also created several entities, including M/s Rakshika Travels India LLP, M/s Shandilya Tech Enterprises LLP and M/s RSDR Agri Aqua LLP, through which he laundered and utilized the ill-gotten money.

Further investigation is under progress.