IN THE HIGH COURT AT CALCUTTA
[CIRCUIT BENCH AT PORT BLAIR]
***

CRM (SB)/13/2026

Kuldeep Rai Sharma

Vs

Directorate of Enforcement

Mr. Mohammed Tabraiz
Mr. Mohammed Sharukh … for the petitioner

Mr.Zoheb Hossain, Sr. Adv.
(through virtual mode)
Mr. V.D.Sivabalan … for the respondent

November 27, 2026
[AKB]
Item No.5

1. This application under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS) has been preferred by the petitioner, Kuldeep Rai Sharma, seeking regular bail or, in the alternative, interim bail on medical grounds in connection with CR Case No. 1 of 2025 arising out of ECIR/KLZO-II/11/2025 dated July 21, 2025, registered for the offence of money laundering under Section 3 read with Section 70 and punishable under Section 4 of the Prevention of Money Laundering Act, 2002 (PMLA), presently pending before the Learned Special Judge (PMLA), Andaman and Nicobar Islands, Port Blair.

2. The factual matrix and procedural history placed on record by the parties reveal that on the basis of a written complaint lodged by Ravinder Kumar, Deputy Registrar (Headquarters), Office of the Registrar of Cooperative Societies, Andaman and Nicobar Administration, FIR No. 14 of 2025

dated May 15, 2025 was registered at Police Station Crime and Economic Wings under Sections 406, 409, 419, 420, 463, 467, 468, and 471 read with Sections 120(B) and 34 of the Indian Penal Code against officials and borrowers of the Andaman and Nicobar State Cooperative Bank Limited (ANSCBL). Following notices of appearance issued on May 21, 2025, the petitioner appeared before the investigating officer on multiple dates, had his passport seized, and tendered his resignation as Vice-Chairman of ANSCBL on June 30, 2025. He was arrested in the predicate case on July 17/18, 2025 while admitted at Ritika Diagnostics Solutions and was subsequently enlarged on bail in that predicate case by the Learned Chief Judicial Magistrate on November 6, 2025. In the predicate case, the initial chargesheet was filed on September 19, 2025 arraying 88 accused and 99 witnesses, followed by a supplementary chargesheet on May 2, 2026 adding 8 accused (96 in total) and 75 witnesses (176 in total), with relied-upon documents running into approximately 95,000 pages, summons still pending service on certain accused, charges yet to be framed, and an application moved by the investigating officer indicating an intention to invoke provisions of the Prevention of Corruption Act, 1988.

3. On the strength of the scheduled offences, the Directorate of Enforcement (ED) initiated ECIR/KLZO-II/11/2025 on July 21, 2025, filed its Prosecution Complaint on September 17, 2025 naming 39 accused, arrested the petitioner under Section 19 PMLA on September 17, 2025, obtained custodial remand, recorded statements under Section 50 PMLA, and filed a

Supplementary Prosecution Complaint (SPC) on November 6, 2026 arraying 14 additional accused, bringing the total to 53 accused, approximately 60 witnesses, and around 13,000 pages of relied-upon documents, with CR Case No. 1 of 2025 posted on January 7, 2027 for service report on the newly added SPC accused. Having been taken into custody on July 17/18, 2025 in the predicate case and arrested under PMLA on September 17, 2025, the petitioner has remained in custody for over sixteen months in total (over fourteen months since his PMLA arrest). During this period, his bail prayers were rejected by the Learned Special Judge on December 12, 2025 and by this Court on merits in CRM (SB) No. 1 of 2026 on February 10, 2026; CRM (SB) No. 7 of 2026 was withdrawn on July 27, 2026 with liberty to apply afresh after filing of the SPC; and CRM (SB) No. 4 of 2026 was disposed of on September 22, 2026 directing the ED to file the SPC within 45 days while granting liberty to the petitioner to revive his prayer for bail on merits and medical grounds after filing of the SPC and to approach the trial court for medical directions in the interregnum. Pursuant to medical reports of October 2026 and November 7, 2026 advising urgent referral to a higher centre equipped with cardiology, electrophysiology, neurology, and vascular/cardiothoracic facilities unavailable at Port Blair, the Learned Special Judge passed orders on October 9, 2026 and November 10, 2026 (Order No. 58) declining bail while directing the authorities to shift the petitioner in custody to SSKM Hospital, Kolkata / the mainland within five days under guard with family assistance

permitted and directing the concerned bank manager to de-freeze one bank account of the petitioner to meet treatment expenses.

4. Appearing for the petitioner, Mr. Mohammed Tabraiz, Learned Counsel, has submitted that early commencement of trial of this case appears bleak as sanction under Section 197(1) Cr.P.C. is still awaited, pre-cognizance notices have not been served on all accused, the hearing on cognizance has not yet begun, further investigation in the predicate case (involving 96 accused, 174–176 witnesses, and 90,000–95,000 pages of documents) is ongoing for addition of Prevention of Corruption Act charges, and the PMLA trial (53 accused, 60 witnesses, 13,000 pages) cannot be finally decided until conclusion of the scheduled offence trial.

5. He contends that the petitioner has been in custody for over sixteen months, while the minimum sentence for an offence under the PMLA is three years and the maximum is seven years, and further detention amounts to punitive pre-trial incarceration in violation of Article 21 of the Constitution. In support of this contention, Learned Counsel relies upon—

a. *V. Senthil Balaji v. Deputy Director, Directorate of Enforcement*, Criminal Appeal No. 4011 of 2024 / SLP (Crl.) No. 3986 of 2024 (paragraphs 21, 25–27, and 29),
b. *Manish Sisodia v. Directorate of Enforcement*, SLP (Crl.) No. 8781 of 2024 (paragraphs 29, 34, 51–53, and 55),
c. *Prem Prakash v. Union of India*, (2024) 9 SCC 787 (paragraphs 11–13),
d. *Sanjay Bhadya v. Directorate of Enforcement*, SLP (Crl.) No. 15953 of 2024,
e. *Padam Chand Jain v. Enforcement Directorate*, SLP (Crl.) No. 17476 of 2024,

f. *Udhav Singh v. Enforcement Directorate*, SLP (Crl.) No. 18369 of 2024 (paragraph 4),
g. *Mahesh Chandra Joshi v. State of Rajasthan*, SLP (Crl.) No. 15822 of 2026 (paragraphs 10–11),
h. *Sanjay Sureka v. Enforcement Directorate*, SLP (Crl.) No. 10994 of 2026 (paragraphs 12–13),
i. *Harish Bagla v. Enforcement Directorate*, CRM No. 44 of 2026 (decided September 23, 2026, paragraph 29),
j. *Joseph Stalin v. State of West Bengal*, CRM 17 of 2025 (paragraphs 22–23),
k. *Pawan Kumar v. Union of India*, Cr. Misc. No. 40593 of 2025,
l. *Francis Coralie Mullin v. Administrator, Union Territory of Delhi*, AIR 1981 SC 746,
m. *Khatri (II) v. State of Bihar*, AIR 1981 SC 1068, and
n. *Babu Singh v. State of Uttar Pradesh*, (1978) 1 SCC 579.

6. Relying on *Directorate of Enforcement v. Bibhu Prasad Acharya*, Criminal Appeal Nos. 4314–4316 of 2024 (paragraphs 17–19) and *Arvind Kejriwal v. Directorate of Enforcement*, Criminal Appeal No. 2493 of 2024 (paragraphs 78–79), Mr. Tabraiz argues that the petitioner is a public servant whose prosecution under Sections 3 and 4 PMLA is invalid without prior sanction under Section 197(1) Cr.P.C. He underscored that power of sanction of loan was vested in the Executive Committee and Chairman rather than the Vice-Chairman as per clause 28(x) and clause (c)(i) of ANSCBL's bye-laws, and that his arrest after cooperating with notices violated the doctrine of need and necessity.

7. Pointing out that searches of the petitioner's residential and other premises yielded nil recovery of cash, jewellery, land, or assets and no direct bank transfers from borrowers into his personal or family accounts, Counsel contends that the ED relies solely on Section 50 PMLA statements of co-accused (Sanjay Lal, Raghubir Singh, Nagaraj, Natrajan, and

Arumugam), most of whom have retracted their statements at the initial bail stage, and which cannot be treated as substantive evidence at the bail stage under *Vijay Madanlal Choudhary v. Union of India*, *C.P. Khandelwal v. Enforcement Directorate*, 2023 SCC OnLine Del 1094, *Preeti Chandra v. Enforcement Directorate*, 2023 SCC OnLine Del 3622, *Manish Sisodia v. Enforcement Directorate*, 2023 SCC OnLine Del 3770, *P. Krishna Mohan Reddy v. State of A.P.*, 2025 SCC OnLine SC 1157, and *Amit Agarwal v. Enforcement Directorate*, 2026 SCC OnLine Del 323.

8. He further submits that against roughly Rs. 300 crore in loans, properties worth Rs. 205.55 crore (on February 10, 2026) and Rs. 121.35 crore (on November 5, 2026) stand attached along with Rs. 2.62 crore frozen in bank accounts, while over Rs. 100 crore has been repaid; that out of Rs. 1,16,49,063/- tabulated (as against Rs. 1.32 crore alleged), Rs. 64,17,995/- pertained to 2020–2021, leaving Rs. 52,31,068/- explained by cash agricultural lease income from 2 hectares of South Andaman land leased to Shri Ganga since 2016 and Rs. 5 lakh paid to brother-in-law Mohammed Ali for the medical treatment of the petitioner's parents at Apollo Hospital, Hyderabad (supported by medical bills); that loans of Rs. 11.50 crore to M/s Hotel Blue Wave Pvt. Ltd. on land gifted to the petitioner's wife in 2009 and mortgaged from 2010 involved permissible further charges across three hotel buildings valued at roughly Rs. 25 crore with Rs. 4.23 crore repaid, while valuation reports were withheld without supplying a list of un-relied documents

under *Sarla Gupta v. Union of India*, Criminal Appeal No. 1622 of 2022; that Rs. 99,000/- and Rs. 1,00,000/- received from Kiran Lall were voluntary election donations deposited in a monitored MP election account; and that Rs. 4 lakh transferred from Raghubir Singh's salary account was a personal loan disclosed in income tax returns.

9. Relying on *B. Sharath Chandra Reddy v. Directorate of Enforcement*, Bail Appln. No. 1266 of 2023 (quoting *Kewal Krishan Kumar v. Enforcement Directorate*, Bail Appln. No. 3575 of 2022, paragraphs 45–47 and 57–58, and *Devki Nandan Garg v. Enforcement Directorate*, paragraph 35), *Subodh Kumar Goel v. Enforcement Directorate*, CRM 54 of 2025 (paragraphs 11 and 14), and *Amitabh Jhunjhunwala v. Directorate of Enforcement* (decided September 22, 2026, paragraphs 56, 59, and 61), Mr. Tabraiz urges that a sick or infirm person falling within the proviso to Section 45(1) PMLA is exempt from the twin conditions and does not have to reach imminent danger to life before being released on bail, especially when authorities delayed shifting him after the October 9, 2026 order until the Special Judge passed fresh directions on November 10, 2026.

10. Strongly opposing the application, Mr. Zoheb Hossain, Learned Special Counsel appearing through virtual mode on behalf of the Directorate of Enforcement, showing his reliance on the ratio decided in *Vijay Madanlal Choudhary v. Union of India*, 2022 SCC OnLine SC 929 (paragraph 401) and *Union of India v. Kanhaiya Prasad*, 2025 SCC OnLine SC 306 (paragraphs 12, 16–17, and 20–21), submits that Section 45

PMLA starts with a non-obstante clause overriding general bail provisions, and the Court cannot grant bail unless satisfied on a broad view of probabilities that there are reasonable grounds for believing the accused is not guilty of money laundering involving Rs. 434.40 crore in proceeds of crime (as quantified in the SPC of November 6, 2026) and is not likely to commit any offence while on bail.

11. Pointing out that this Court has already rejected the petitioner's first bail application on merits on February 10, 2026 (which remained unchallenged) and that CRM (SB) 7/2026 was withdrawn on July 27, 2026 with procedural liberty to apply after filing of the SPC, Mr. Hossain relies on *Bimal Kumar Jain v. Directorate of Enforcement* (orders dated July 30, 2021 and September 13, 2022 of the Delhi High Court in B.A. Nos. 112/2021 and 2438/2022, upheld by the Hon'ble Supreme Court in SLP (Crl.) Nos. 7942/2021 and 9656/2022) to contend that procedural liberty to renew a bail prayer is not a decision on merits and does not relax the rigours of Section 45 PMLA, particularly when the SPC has unearthed additional incriminating material.

12. Referring to specific paragraphs of the Prosecution Complaint and Supplementary Prosecution Complaint, Mr. Hossain highlights that the petitioner remained present at the bank premises before board meetings between 2019 and 2024 to influence Managing Director K. Murugan and sanctioning directors; procured loans of Rs. 11.60 crore for his wife and Hotel Blue Waves by repeatedly mortgaging the same property

at inflated valuations; orchestrated the incorporation and operation of shell entities including Blair Enterprises Pvt. Ltd. (through Gopal Mondal), Foxy Infrastructure Pvt. Ltd. (through Babul Halder), Heyday Hospitality Pvt. Ltd., Apache Traders, and Asha Arya Traders, utilizing Rs. 69.50 crore routed through these entities, including Rs. 5.15 crore from Heyday Hospitality for two semi-submarine boats and Rs. 5.10 crore for land acquisition through Sidzern Project; retained control over 50 signed blank cheque leaves of Heyday Hospitality handed to Raghubir Singh and received sealed green cash packets delivered by his drivers N. Kumar and Nagarajan; directed transactions via WhatsApp messages saved under the contact "VC Sir" on Ramesh Kumar's phone and adjusted advances marked for "VC Sir" through Rs. 41,83,600 from Asha Arya's account; extracted Rs. 1 crore in cash through signed cheques from M/s A.L. Vijay Infrastructure Pvt. Ltd. (as stated by M. Alagesan); facilitated unauthorized one-time loan settlements of Rs. 1,68,57,542 via Foxy Infrastructure and John Robert Babu without formal applications or title deeds; routed Rs. 45.50 lakh from Heyday Hospitality through S.B. Construction to pay Rs. 23.32 lakh toward his Chennai residence, personal staff, and relatives; offered Rs. 50 lakh to former bank director K. Subramaniam to take sole responsibility for the fraud; and instructed Sanjay Lal over the telephone to destroy land records.

13. Relying on *State of U.P. v. Gayatri Prasad Prajapati*, 2020 SCC OnLine SC 843 (paragraphs 15 and 18) and *Sameer*

Mahandru v. Directorate of Enforcement, Bail Appln. No. 1343/2023 (paragraphs 58–59), Mr. Hossain submits that the petitioner's cardiac condition is manageable and not unmanageable in custody, especially since the Learned Special Judge by Order No. 58 dated November 10, 2026 has already directed his custodial transfer to SSKM Hospital, Kolkata within five days under round-the-clock guard with family assistance permitted.

14. Citing *Manish Sisodia v. CBI*, 2023 SCC OnLine SC 1393 (paragraph 28, which carved out an exception where public depositors are defrauded), *Banmeet Singh v. Directorate of Enforcement* (SLP (Crl.) No. 282/2026, order dated May 15, 2026), *Dharam Singh Chhoker v. Directorate of Enforcement* (SLP (Crl.) No. 7383/2026, order dated July 17, 2026), and *Sukhwinder Singh Kharour v. Directorate of Enforcement* (CRM-M-24973-2026, decided September 18, 2026), Mr. Hossain argues that over sixteen months of custody in a Rs. 434.40 crore cooperative bank fraud involving live witness-tampering risks does not justify bail.

15. Upon hearing the submissions of the respective parties and carefully examining the Prosecution Complaint, the Supplementary Prosecution Complaint, the medical reports, three vital points raised by the parties arise for determination:

a. Whether the petitioner satisfies the mandatory statutory twin conditions under Section 45(1) of the Prevention of Money Laundering Act, 2002 for grant of regular bail, having regard to his factual explanations, nil search recovery, evidentiary challenges to Section 50 statements, prior liberty to re-apply, and the requirement of sanction under Section 197(1) Cr.P.C.

b. Whether the period of over sixteen months' incarceration and the volume of witnesses and records in both the predicate case and the PMLA proceeding entitle the petitioner to bail under Article 21 of the Constitution of India.
c. Whether the petitioner is entitled to regular or interim bail on medical grounds under the proviso to Section 45(1) PMLA.

16. Addressing the first point, Section 45(1) of the Prevention of Money Laundering Act, 2002 begins with a non-obstante clause overriding general bail provisions under Section 483 BNSS and mandates that where the Public Prosecutor opposes bail in a prosecution under Section 3 read with Section 4 PMLA, no person shall be released unless the Court is satisfied that there are reasonable grounds for believing that he is not guilty of such offence and that he is not likely to commit any offence while on bail. As a Three-Judge Bench of the Hon'ble Supreme Court settled in *Vijay Madanlal Choudhary and Others v. Union of India and Others*, 2022 SCC OnLine SC 929 (at paragraph 401):

> *"401. We are in agreement with the observation made by the Court in Ranjitsing Brahmajeetsing Sharma. The Court while dealing with the application for grant of bail need not delve deep into the merits of the case and only a view of the Court based on available material on record is required. The Court will not weigh the evidence to find the guilt of the accused which is, of course, the work of Trial Court. The Court is only required to place its view based on probability on the basis of reasonable material collected during investigation and the said view will not be taken into consideration by the Trial Court in recording its finding of the guilt or acquittal during trial which is based on the evidence adduced during the trial. As explained by this Court in Nimmagadda Prasad, the words used in Section 45 of the 2002 Act are 'reasonable grounds for believing' which means the Court has to see only if there is a genuine case against the accused and the prosecution is not required to prove the charge beyond reasonable doubt."*

17. Reaffirming this binding standard, the Hon'ble Supreme Court in *Union of India through the Assistant Director v.*

Kanhaiya Prasad, 2025 SCC OnLine SC 306 (at paragraphs 12 and 21) held:

> *"12. It is well settled position of law that Section 45 of the PMLA starting with a non-obstante clause has an overriding effect on the general provisions of the Code of Criminal Procedure in case of conflict between them. Section 45 imposes two conditions for the grant of bail to any person, accused of an offence punishable for a term of imprisonment of more than 3 years under Part A of the Schedule. The two conditions are that (i) the prosecutor must be given an opportunity to oppose the application for bail; and (ii) the Court must be satisfied that there are reasonable grounds for believing that the accused person is not guilty of such offence and that he is not liable to commit any offence while on bail. As well settled, these two conditions are mandatory in nature and they need to be complied with before the accused person is released on bail."*
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> *"21. As well settled, the offence of money laundering is not an ordinary offence. The PMLA has been enacted to deal with the subject of money laundering activities having transnational impact on financial systems including sovereignty and integrity of the countries. The offence of money laundering has been regarded as an aggravated form of crime world over and the offenders involved in the activity connected with the Proceeds of Crime are treated as a separate class from ordinary criminals. Any casual or cursory approach by the Courts while considering the bail application of the offender involved in the offence of money laundering and granting him bail by passing cryptic orders without considering the seriousness of the crime and without considering the rigours of Section 45, cannot be vindicated."*

18. Testing the rival contentions on this touchstone, the petitioner's reliance on decisions such as *C.P. Khandelwal v. Enforcement Directorate*, 2023 SCC OnLine Del 1094, *Preeti Chandra v. Enforcement Directorate*, 2023 SCC OnLine Del 3622, *P. Krishna Mohan Reddy v. State of A.P.*, 2025 SCC OnLine SC 1157, and *Amit Agarwal v. Enforcement Directorate*, 2026 SCC OnLine Del 323 to contend that uncorroborated Section 50 statements cannot sustain detention, is distinguishable on the present record. Here, the prosecution case does not stand solely on uncorroborated co-accused confessions or nil residential recovery: the Prosecution Complaint and Supplementary Prosecution Complaint detail independent documentary and electronic corroboration, including bank vouchers referencing advances for "VC Sir"

adjusted via Rs. 41,83,600 from Asha Arya's account, WhatsApp messages extracted from Ramesh Kumar's mobile phone showing account details shared by "VC Sir" and deposit slips sent back to the petitioner and his wife, banking trails routing Rs. 69.50 crore through shell companies (including Rs. 5.15 crore for two semi-submarine boats and Rs. 5.10 crore for land through Sidzern Project), transfers from Heyday Hospitality to S.B. Construction used to pay expenses for the petitioner's Chennai residence, staff, and relatives, and unauthorized loan settlements of Rs. 1,68,57,542 via Foxy Infrastructure and John Robert Babu. Whether the petitioner's explanations, such as agricultural lease cash from 2 hectares in South Andaman, medical bills paid through Mohammed Ali, collateral valuation of roughly Rs. 25 crore and repayments of Rs. 4.23 crore or over Rs. 100 crore across loans, election account deposits by Kiran Lall, or a personal loan from Raghubir Singh, rebut these trails, and whether non-supply of un-relied documents under *Sarla Gupta v. Union of India* (Criminal Appeal No. 1622 of 2022) causes prejudice at trial, involve disputed questions of fact that cannot be resolved through a mini-trial at the bail stage. Similarly, *Directorate of Enforcement v. Bibhu Prasad Acharya* (Criminal Appeal Nos. 4314–4316 of 2024, paragraphs 17–19) concerned state civil servants challenging cognizance orders in respect of official land and water allotments, whereas whether the Vice-Chairman of a cooperative bank requires government sanction under Section 197(1) Cr.P.C. for routing funds through shell companies is a

mixed question of fact and law for the Trial Court, and the validity of arrest under *Arvind Kejriwal v. Directorate of Enforcement* (Criminal Appeal No. 2493 of 2024) was already weighed when this Court rejected the petitioner's first bail application on merits on February 10, 2026. As held in *Bimal Kumar Jain v. Directorate of Enforcement* (orders dated July 30, 2021 and September 13, 2022 in B.A. Nos. 112/2021 and 2438/2022, upheld in SLP (Crl.) Nos. 7942/2021 and 9656/2022), procedural liberty to apply afresh after filing of the SPC does not dispense with Section 45(1) PMLA, especially where the SPC records specific allegations by former bank director K. Subramaniam (of a Rs. 50 lakh offer to accept sole blame) and Sanjay Lal (of instructions to destroy land records), negating satisfaction on both limbs of Section 45(1) PMLA.

19. Addressing the second point regarding prolonged incarceration and Article 21 of the Constitution, this Court is fully mindful of the constitutional principles laid down in *V. Senthil Balaji v. Deputy Director, Directorate of Enforcement*, Criminal Appeal No. 4011 of 2024 (at paragraphs 21 and 25–27), *Manish Sisodia v. Directorate of Enforcement*, SLP (Crl.) No. 8781 of 2024 (at paragraphs 51–53), *Prem Prakash v. Union of India*, (2024) 9 SCC 787 (at paragraphs 11–13), and *Sanjay Sureka v. Enforcement Directorate*, SLP (Crl.) No. 10994 of 2026 (at paragraphs 12–13), which affirm that bail is the rule and jail the exception, and that Section 45(1)(ii) PMLA cannot become an instrument for indefinite pre-trial incarceration where there is no likelihood of the predicate and PMLA trials concluding

within a reasonable time. At the same time, as the Hon'ble Supreme Court itself observed in *Manish Sisodia v. CBI*, 2023 SCC OnLine SC 1393 (at paragraph 28), the assessment of custody duration depends upon the nature of the allegations, noting:

> *"28. ... Neither is this a case where 100/1000s of depositors have been defrauded."*

20. Here, unlike *V. Senthil Balaji*, *Manish Sisodia* (2024), *Prem Prakash*, *Sanjay Bhadya v. Directorate of Enforcement* (SLP (Crl.) No. 15953 of 2024), *Padam Chand Jain v. Enforcement Directorate* (SLP (Crl.) No. 17476 of 2024), *Udhav Singh v. Enforcement Directorate* (SLP (Crl.) No. 18369 of 2024), *Mahesh Chandra Joshi v. State of Rajasthan* (SLP (Crl.) No. 15822 of 2026), *Sanjay Sureka* (SLP (Crl.) No. 10994 of 2026), *Harish Bagla v. Enforcement Directorate* (CRM No. 44 of 2026), *Joseph Stalin v. State of West Bengal* (CRM 17 of 2025), and *Pawan Kumar v. Union of India* (Cr. Misc. No. 40593 of 2025), where either the cases rested purely on seized documents with zero risk of witness interference or trials had stagnated after framing of charges without prosecution diligence, the present prosecution concerns public cooperative bank funds with total proceeds of crime quantified in the SPC at Rs. 434.40 crore affecting public depositors. The petitioner has been in custody for over sixteen months, the ED complied with this Court's September 22, 2026 order by filing the SPC on November 6, 2026, CR Case No. 1 of 2025 is already posted on January 7, 2027 for service report on the newly added SPC accused, and specific materials regarding offers of money to a bank director

and instructions to destroy land records establish an active risk of witness tampering and evidence destruction. Consistent with the approach in *Banmeet Singh v. Directorate of Enforcement* (SLP (Crl.) No. 282/2026, order dated May 15, 2026), *Dharam Singh Chhoker v. Directorate of Enforcement* (SLP (Crl.) No. 7383/2026, order dated July 17, 2026), and *Sukhwinder Singh Kharour v. Directorate of Enforcement* (CRM-M-24973-2026, decided September 18, 2026), over sixteen months of incarceration in a bank fraud of this scale and sensitivity does not presently warrant overriding Section 45(1) PMLA on the ground of delay alone.

21. Addressing the third point concerning bail on medical grounds under the proviso to Section 45(1) PMLA, the petitioner relies on *B. Sharath Chandra Reddy v. Directorate of Enforcement*, Bail Appln. No. 1266 of 2023 (citing *Kewal Krishan Kumar v. Enforcement Directorate*, Bail Appln. No. 3575 of 2022, paragraphs 45–47 and 57–58, and *Devki Nandan Garg v. Enforcement Directorate*, paragraph 35), *Subodh Kumar Goel v. Enforcement Directorate*, CRM 54 of 2025 (paragraphs 11 and 14), and *Amitabh Jhunjhunwala v. Directorate of Enforcement* (decided September 22, 2026, paragraphs 56, 59, and 61) to contend that once an accused falls within the "sick or infirm" exception, he need not satisfy the twin conditions of Section 45(1) PMLA or await imminent danger to life. However, in *B. Sharath Chandra Reddy*, *Kewal Krishan Kumar*, *Devki Nandan Garg*, *Subodh Kumar Goel*, and *Amitabh Jhunjhunwala*, the courts found on medical records that the petitioners suffered

from debilitating conditions or severe incapacities requiring continuous personal assistance and structured care that could not be met while in custody, and further satisfied the triple test of posing no risk of tampering with evidence or influencing witnesses. By contrast, as the Hon'ble Supreme Court held in *State of U.P. v. Gayatri Prasad Prajapati*, 2020 SCC OnLine SC 843 (at paragraphs 15 and 18):

> *"15. The above report of the S.G.P.G.I.M.S., i.e., the super-speciality hospital, which was on the record as well as report of the medical board dated 10.06.2020, which was brought in the notice of the High Court have neither been considered nor referred to by the High Court in the impugned order. When the respondent was being given treatment in the super-speciality hospital, i.e., S.G.P.G.I.M.S. as recommended by K.G.M.U., we fail to see as to what were the shortcomings in the medical treatment offered to respondent, which could have been the basis for grant of interim bail on medical ground....There was no satisfaction recorded by the High Court that treatment offered to respondent was not adequate and he requires any further treatment by any particular medical institute for which it is necessary to release the respondent on interim bail on medical grounds."*
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> *"18. Even as on date, due medical care is being taken of the respondent, which apparent from the additional documents filed as Annexure A-2 and Annexure A-3 along with the application dated 10.10.2020. The High Court, without considering the entire materials on record, has passed the impugned order dated 03.09.2020, which is unsustainable."*

22. Similarly, in *Sameer Mahandru v. Directorate of Enforcement* (Bail Appln. No. 1343/2023, decided October 19, 2023, paragraphs 58–59), medical bail was declined where the ailments were manageable and appropriate treatment was arranged in custody. Here, by Order No. 58 dated November 10, 2026, the Learned Special Judge duly considered the medical reports of October 2026 and November 7, 2026 and already granted the substantive medical relief sought by directing the authorities to shift the petitioner in custody to SSKM Hospital, Kolkata / a super-speciality hospital on the mainland within five days with family assistance permitted and by ordering de-

freezing of one bank account to fund his treatment. Since specialized super-speciality treatment has been secured in custody and the risk of influencing bank witnesses persists, interim or regular release on medical grounds is not warranted.

23. In view of the foregoing discussion of the statutory provisions, the prima facie materials in the Prosecution Complaint and Supplementary Prosecution Complaint, and the settled legal principles, this Court is unable to record the satisfaction mandated under Section 45(1) of the Prevention of Money Laundering Act, 2002 or find sufficient ground to enlarge the petitioner on either regular bail or interim medical bail under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023.

24. Accordingly, the application for bail stands **REJECTED**.

25. It is clarified that the observations made in this order are confined strictly to the adjudication of the present bail application and shall not influence the Learned Trial Court during the trial.

26. The authorities concerned shall ensure strict and immediate compliance with the directions contained in Order No. 58 dated November 10, 2026 passed by the Learned Special Judge regarding the petitioner's custodial shifting to the mainland for specialized medical treatment, except the de-freezing of his designated bank account for meeting treatment expenses (which has already been modified by the order of this court passed in CRR/71/2026 on 25.11.2026).

(Uday Kumar, J.)