

**IN THE HIGH COURT AT CALCUTTA
CRIMINAL REVISIONAL JURISDICTION
APPELLATE SIDE**

Present:

The Hon'ble Justice Jay Sengupta

C.R.M. (R) 150 of 2025

Chandan Mondal

Vs.

Enforcement Directorate

For the petitioner : Mr. Ayan Bhattacharyya
Mr. Avik Ghatak
Mr. Saibal K. Dasgupta
.....Advocates

For the ED : Mr. Samrat Goswami
Ms. Swati Kumari Singh
.....Advocates

Heard lastly on : 14.05.2026

Judgment on : 11.06.2026

Jay Sengupta, J:

1. This is an application for bail in connection with ML Case No. 9 of 2024 under Sections 3 and 4 of the PML Act pending before the Learned Chief Judge, City Sessions Court, Calcutta.

2. Learned counsel appearing on behalf of the petitioner has submitted and has relied on the written notes as follows. The petitioner has been falsely implicated in ML Case No. 09 of 2024, presently pending adjudication before the Court of the Learned Chief Judge, City Sessions Court, Calcutta, wherein an allegation has been leveled pertaining to the commission of an offence punishable under Section 4 of the Prevention of Money Laundering Act, 2002. He was arrested on 26.11.2024 in connection with the instant case and is in custody for 387 days (approx. 1 year, 4 months & 22 days) as of 16.04.2026. The petitioner is a senior citizen, B.A. Hons. (English), who also provided private tuition and was a Para-Teacher from 2007 to May 2024. He also ran a business in the name of M/s Mondal Enterprises (agricultural trading, with an annual turnover of Rs. 5 to 6 lakhs). His primary income included salary (Rs. 10k/month), tuition fees (from approx. 100-150 students), and other business profits. The present PMLA case stems from two CBI FIRs (RC0102022A0002 dated 05.04.2022 under Sections 120B/420/468/471 of the Indian Penal Code read with Section 7 of Prevention of Corruption Act, allegedly pertaining to the allegation of illegal recruitment of Group C staff and RC0102022A0005 dated 20.05.2022 under Sections 120B/417/465/468/34 of the Indian Penal Code read with Section 7 of Prevention of Corruption Act, allegedly pertaining to the allegation of illegal recruitment of Group D staff), both registered pursuant to this Hon'ble High Court's orders. In connection with RC0102022A0002 dated 05.04.2022, the Investigating Agency concerned had filed an Original Chargesheet being numbered as Chargesheet No. 31 of 2022 dated

30.12.2022 under Sections 120B/420/468/471 of the Indian Penal Code read with Section 7 of the Prevention of Corruption Act, wherein 38 witnesses were named and 93 documents were exhibited for proving the charge against the alleged perpetrators. Subsequently, the Investigating Agency concerned filed Supplementary Chargesheet No. 10 of 2023, dated 17.05.2023, under Sections 120B/420/467/468/471 of the Indian Penal Code, read with Sections 7/7A/8 of the Prevention of Corruption Act, wherein 18 new witnesses were named, and 37 documents were exhibited. Consequently, a Second Supplementary Chargesheet No. 03.2024 dated 06.01.2024 under Sections 120B/420/467/468/471 IPC read with Sections 7/7A/8 of the Prevention of Corruption Act, wherein 38 new witnesses were named and 66 documents exhibited, was filed by the Investigating Agency concerned. That in connection with RC0102022A0005 dated 20.05.2022, the Investigating Agency concerned filed an Original Chargesheet being numbered as Chargesheet No. 07.08.2022 dated 30.09.2022 under sections 120B/417/465/468/34 of the Indian Penal Code read with Section 7 Prevention of Corruption Act wherein 52 Witnesses were named and 74 documents were exhibited for proving the allegations against the alleged perpetrators. Subsequently, a Supplementary Chargesheet No. 1 of 2023 dated 15.03.2023 under sections 120B/201/420/467/468/471 of the Indian Penal Code read with Section 7/8 of the Prevention of Corruption Act was filed wherein 44 new Witnesses were named and 32 documents exhibited. Consequently, Second Supplementary Chargesheet No. 2 of 2024 dated 06.01.2024 under sections 120B/201/420/467/468/471 IPC of the

Indian Penal Code read with Section 7/8 of the Prevention of Corruption Act and 39 new Witnesses were named, along with 13 new documents exhibited. Petitioner was not named in FIRs or original chargesheets for either case. His name first and only appeared in the 1st Supplementary Chargesheet dated 15.03.2023 of RC0102022A0005. On the other hand, the ED registered ECIR No. KLZO-II/17/2022 on 31.05.2022 to investigate the proceeds of crime from the above-referred two scams. A prosecution complaint was filed on 22.01.2025 against 20 accused (including the petitioner), citing 42 witnesses and 122 documents. The petitioner was initially arrested on 17.02.2023 in connection with the RC0102022A0005 and granted bail by the High Court on 20.11.2024, after 1 year, 9 months and 18 days in custody, wherein the punishment is greater. The ED's ECIR remained inactive for 851 days (over 2 years and 3 months). The ED only became active, seeking to interrogate the petitioner, after he filed a bail application on 02.08.2024 in the predicate case. On 18.11.2024, the ED sought a production warrant in connection with the instant case. Two days later, i.e., on 20.11.2024, the High Court granted him bail in the predicate case. The production warrant was issued the next day, i.e., on 21.11.2024. The petitioner was "shown arrested" on 26.11.2024 under the production warrant while still in jail custody since he was unable to furnish a bail bond in the predicate case. Most importantly, the petitioner was never provided with the opportunity of being heard at the pre cognizance stage. For the same, the petitioner had already preferred a revisional application, before this Hon'ble High Court, challenging the same (being numbered as CRR No.

4201 of 2025). Be it mentioned herein that in the course of the submissions pertaining to the instant matter, the ED had conceded to the fact that no pre-cognizance hearing under section 223 of the BNSS had been done in the instant matter. Even though the issue is pending in a Criminal Revisional Application before this Hon'ble Court, the fact remains that in the absence of carrying out a proper procedure under Section 223 of the BNSS, the proceedings of the instant case cannot proceed any further, as it is standing on a foundation of illegality. The petitioner contends the ED has a deliberate, systematic strategy to prolong his incarceration by continuously re-arresting him in a new case immediately upon securing bail in a preceding one, effectively nullifying the bail principle. Assets totalling Rs. 46,13,572/- (Rupees Forty Six Lakhs Thirteen Thousands, Five Hundred and Seventy Two) were attributed, seized and frozen by the Enforcement Directorate in respect of the petitioner herein, which was later confirmed by the Adjudicating Authority concerned. The ED's investigation only became active after the petitioner filed for bail, suggesting a calculated delay to prolong custody. The investigation is still ongoing (summons issued and search/seizure on 30.05.2025), furthermore, the ED had called for Pawan Kumar Khaitan vide summon dated 09.05.2025, making an early trial impossible (42 witnesses, 122 documents). Grounds for arrest and 'reasons to believe' are unsubstantiated, a mere reiteration of allegations, and violate legal guidelines. No prior investigation into his role occurred before the formal arrest. The prosecution failed to establish a solid chain of evidence to trace the alleged "proceeds of crime" from its origin to the petitioner's

utilization. They merely identified "unexplained income." The prosecution relies on bank statements without witnesses to verify them and on statements of co-accused/petitioner under Section 50 PMLA, which are inadmissible against the maker and only usable for corroboration. The ED adopted a "pick and choose" approach, not naming individuals who allegedly deposited money into a co-accused's account at the petitioner's alleged instruction. The prosecution alleges, as stated in their complaint, that the petitioner has acquired properties valued at 46 lakhs. It is argued that a 61-year-old individual, who has consistently worked as a teacher and businessman, could reasonably acquire assets of this value. Furthermore, it is stated that if the ED's allegations against the petitioner were accurate, the amount gained would likely be substantially greater than merely 46 lakhs. The failure to establish a clear, traceable money trail linking the petitioner to the proceeds of crime significantly weakens the prosecution's case for the PMLA offence. The mere possession of unaccounted money is not proof of a PMLA offence. The investigation concerning the petitioner and one other co-accused is substantially complete. There is no possibility of tampering with witnesses or evidence.

3. Learned counsel appearing on behalf of the Enforcement Directorate has submitted and has relied on the written notes as follows. The instant case involves a deep-rooted multi-layered conspiracy pertaining to the illegal recruitment of Group 'C' and Group 'D' staff in various schools across West Bengal by flouting statutory rules and depriving deserving candidates. The investigation under the Prevention of Money Laundering Act (PMLA), 2002,

was initiated following the registration of FIRs by the CBI (RC0102022A0005 and RC0102022A0002) which involve scheduled offences under Section 120B and 420 of the IPC and Section 7 of the Prevention of Corruption Act. The magnitude of the scam is humongous, involving the manipulation of 3,481 instances in Group 'C' and 2,823 instances in Group 'D' regarding OMR sheet marks. The total proceeds of crime generated through this criminal activity run into hundreds of crores of rupees, collected from thousands of undeserving candidates. Chandan Mondal has been identified as one of the "main agents" of the primary middleman, Shri Prasanna Kumar Roy (Accused No. 1) and key conspirator. The petitioner operated primarily in the Bagdah region, acting as a field-level operative who directly collected personal details and illegal gratifications from candidates. Mondal was in "regular touch" with Prasanna Kumar Roy and other accused persons, serving as a vital link in the chain that forwarded candidate data for illegal appointments. Mondal played a pivotal and active role in the criminal conspiracy by facilitating the appointment of undeserving candidates in exchange for monetary consideration, thereby contributing to the generation of substantial proceeds of crime. He acted as a crucial link between the candidates and the higher-level conspirators by transmitting candidate details as well as the illicit funds to Shri Prasanna Kumar Roy and other associated persons. A primary example of the petitioner's direct involvement is the recruitment of Shri Santu Das (Accused No. 16) for a Group C Clerk post at Charmondal CMPPBK Fulmohan High School. Mondal negotiated a consideration of Rs. 8 lakhs for this illegal

appointment, receiving Rs. 5 lakhs in cash directly. To facilitate the scam, Mondal instructed candidates like Santu Das to leave OMR sheets blank or partially filled, ensuring their marks could be manipulated later by the technical team. Most significantly, the petitioner used the bank accounts of Santu Das and his family members (Khitish Das, Debtara Das, and Shukla Das) to deposit illegal cash collected from various other candidates. Through these "family funnel" accounts, the petitioner layered and transferred approximately Rs. 4,69,43,000/- to accounts and entities linked to Prasanna Kumar Roy. Furthermore, the overall proceeds of crime handled and facilitated by Shri Chandan Mondal run into hundreds of crores of rupees, forming part of the larger recruitment scam. Beyond the Das family, Mondal utilized the bank accounts of various local individuals to move proceeds of crime, including Sailendra Nath Mondal (approx. Rs. 72 lakhs), Debabrata Dhali (approx. Rs. 60-70 lakhs), Sunanda Roy (approx. Rs. 29.5 lakhs), and several others. The petitioner obtained signed blank cheques and RTGS forms from these villagers to execute transfers to Prasanna Roy's shell entities. The petitioner made huge cash deposits totaling Rs. 1,09,90,100/- across five bank accounts held in his and his wife's (Archana Mondal) names. From these accounts, approximately Rs. 52.70 lakhs were directly transferred to various entities controlled by Prasanna Roy, including M/s Shree Durga Dealcom Pvt. Ltd. and M/s Salasar Tiles. Mondal utilized proceeds of crime to acquire multiple immovable properties in Gaighata, Bagdah, and Helencha. These properties were intentionally registered at undervalued rates in the deeds (e.g., a property with a circle rate of Rs. 7.58

lakhs registered for only Rs. 20,000), with the balance consideration paid in unaccounted cash. Further, in connection with the investigation, a Provisional Attachment Order (PAO) No. 17/2024 dated 30.12.2024 was issued attaching properties worth approximately Rs. 47 Lakhs, of Shri Chandan Mondal. Subsequently, an Original Complaint bearing No. 38/2025 dated 28.11.2025 was filed before the Learned Adjudicating Authority, and the said attachment was duly confirmed by the Adjudicating Authority vide order dated 11.06.2025. These attachments clearly demonstrate the scale of proceeds of crime generated and laundered through the said illegal activities. Under Section 45(1) of the PMLA, bail cannot be granted unless the Court is satisfied that there are reasonable grounds for believing the accused is "not guilty". In the present case, the "solid chain of evidence" tracing the generation of funds from candidates to the integration into real estate assets makes it impossible for the petitioner to meet this threshold. The petitioner is an "influential person" in his locality, and his release would pose a severe risk of tampering with evidence and intimidating the 42 cited witnesses. On 27.02.2026, the Hon'ble High Court granted bail to co-accused Dr. Santi Prasad Sinha (Accused No. 3) in connection with ML Case No. 1 of 2024. The Court explicitly noted that it was not satisfied that there were reasonable grounds to believe Sinha was "not guilty," thus the merits did not surmount the hurdle of Section 45 PMLA. Bail was granted solely on the anvil of Article 21 of the Constitution due to "unduly long incarceration without trial" and specific mitigating factors. Sanction is not required - unlike Sinha, Chandan Mondal is a

private person acting as an agent. There is no legal requirement for the ED to obtain prosecution sanction from the State to proceed against him. Consequently, the "sanction delay" that benefited Sinha does not apply to Mondal, his trial can commence immediately upon the framing of charges. Operational vs. Administrative Role – Sinha's role was administrative (issuing forged letters), whereas Mondal's role was operational and financial (handling the actual cash and layering it through third-party accounts). The risk of Mondal tampering with the specific "money trail" evidence and local witnesses (villagers whose accounts he used) is subsequently higher.

4. I heard the learned counsels for the parties, perused the petition, the affidavits, the written notes of submissions and the copies of documents placed before this Court.

5. The allegations as are leveled against the present petitioner are far too serious, whether it be in the case of the predicate offence or in the instant case under the PML Act. In these cases, huge sums of money were illegally procured from intending job seekers on the promise of granting Government jobs and then such money were siphoned off. Several jobs had to be cancelled. Lakhs were denied proper opportunity. The allegations are perhaps even more heinous than commission of offences by chit fund operators. In those cases, the offences are committed by private individuals having no official role in the Government. Here, the allegation is that by abusing their position as public servants, such serious offences were committed, which led to untold misery for so many. However, the present petitioner is not a public servant.

6. On the facts of the case, after hearing the parties this Court is not at all in a position to satisfy itself either that there are reasonable grounds for believing that the petitioner is not guilty of such offence or that he is not likely to commit any offence while on bail. Thus, the hurdle of the Section 45 of the PML Act cannot be surmounted in the present case. However, unduly long incarceration without trial may, in appropriate cases, outweigh the requirement to fulfil the rigors of Section 45 of the PML Act when tested on the anvil of Article 21 of the Constitution of India. A reference may be made to the decisions in *Senthil Balaji*, 2024 SCC Online SC 2626 and *Manish Sisodia*, (2024) 12 SCC 660. Therefore, it has to be seen whether the present case satisfies such scrutiny.

7. That jail is an exception and bail is the rule is indubitably a jurisprudential mandate. It is much more than a mere statement of intent or a normative proposition. This principle has to be followed, albeit, after taking into account the facts of each case and the ratios regarding grounds for grant of bail as have been laid down by the Hon'ble Apex Court over the years.

8. It is true that one of the principal accused in the predicate offence case being the Minister-in-charge was granted bail by the Hon'ble Apex Court on 18.08.2025, but the same was after the accused had remained in custody for about 3 years. However, the Hon'ble Court directed that before the bail bonds could be executed, the charges would have to be framed by the trial Court with respect to the concerned appellant against whom sanction had already been granted for the offences under the Penal Code

and the PC Act and for the others under the IPC alone. The material witnesses were directed to be examined within a stipulated period. Thus, bail was granted to the accused after ensuring that trial would proceed.

9. On the other hand, in the instant case, for a long time sanction had not been granted by the State without which the trial apparently could not be commenced as against the public servants. It is, however, germane to point out here that the ED has also caused some delay in praying for sanction. Moreover, no such sanction is required in respect of the present petitioner.

10. Therefore, the aggravating circumstances appearing against the petitioner as regards the question of grant of bail can briefly be enumerated as under:-

- a. The allegations levelled of collecting money for procuring government jobs from intending job seekers are very serious indeed and are of huge proportion.
- b. On merits, it is quite impossible to surmount the hurdle of Section 45 of the PML Act.
- c. It is alleged that some of the co-accused were important instrumentalities of the State including a former Minister and they could influence the process.
- d. The petitioner is a grass-roots operator and may himself influence the witnesses.

11. On the other hand, the mitigating circumstances appearing in favour of the petitioner are as under:-

- i. The petitioner is a 62 years old man of frail health.
- ii. The petitioner's involvement is apparently less than most other prominent accused.
- iii. Although, the Enforcement Directorate could have taken the petitioner in custody soon after commencement of investigation of the predicate offences' case, they waited for a long time in taking him into custody in the PML Act case, resulting in undue additional period of incarceration in this case.
- iv. For the offences in the CBI case that involves greater imprisonment, the petitioner has already been granted bail by this Court after about 1 year and 9 months of custody. In the PML Act case for the present offences, the maximum sentence is of 7 years. The petitioner is already in custody for about 1 year and 6 months in connection with this case.
- v. The principal accused in this case being the former Minister in question was granted bail by the Hon'ble Supreme Court in the predicate offences' case.
- vi. Although the ED had come to know about the requirement of obtaining sanction in a PML Act case at

least by November, 2024 when the judgement in Bibhu Prasad Acharya, (2025) 1 SCC 404 was passed, they made a prayer for obtaining sanction only on 18.11.2025, that too after the issue had come up for discussions before this Court in another matter.

vii. Moreover, it is the contention of the petitioner that there was no pre-cognizance hearing done under the proviso to Section 223 (1) of the BNSS. If the Court so decides, the proceeding may have to re-start from such stage. A reference may be made to the decision of the Hon'ble Apex Court in Parvinder Singh vs Directorate of Enforcement, 2026 SCC Online SC 903.

12. Considering the above, the other materials available from the investigation, the aggravating and the mitigating circumstances as mentioned above and the fact that the petitioner has been granted bail after a long incarceration in the predicate offences' case and is in custody in connection with the instant case for about 1 year and 6 months, I am inclined to grant bail to the present petitioner.

13. The petitioner shall be released on bail upon furnishing a bond of Rs. 50,000/- with two sureties of like amount each, one of whom must be local, to the satisfaction of the learned trial Court/Special Court/jurisdictional Court and on further condition that -

- (i) The petitioner shall surrender his passport, if any, with the learned Special Court at once;

- (ii) He shall not leave the territorial jurisdiction of the learned Special Court without its leave;
- (iii) He shall appear before the learned Special Court on every date of hearing fixed by the learned Court;
- (iv) He shall not tamper with evidence or intimidate witnesses in any manner whatsoever;
- (v) He shall not indulge in any criminal activity and shall not communicate with or come in contact with the witnesses;
- (vi) He shall provide his address/es and mobile phone number/s before the learned Special Court and the investigating agency and shall not change the same without prior intimation to them;
- (vii) He shall meet the investigating officer once a fortnight until further orders and cooperate with the investigation;
- (viii) He shall not be appointed to any public office during pendency of investigation and trial.

14. Copy of this order shall forthwith be sent to the jurisdictional Court and to the Superintendent of the concerned Correctional Home.

15. Urgent Photostat certified copy of this order, if applied for, be given to the parties, upon completion of requisite formalities.

(Jay Sengupta, J.)