

Gautam Garg v. Union of India

Case number: Criminal appeal arising out of SLP (Criminal) No. 17270/2024; appeal number is blank in the signed source.

Citation: No neutral or reported citation is printed in the official source PDF.

Decision date: 2025-02-28

GST prosecution: High Court bail cancellation set aside and trial-court regular bail restored

Court: Supreme Court of India

Bench: B.V. Nagarathna and Satish Chandra Sharma, JJ.

Decision stage: Final disposal of the criminal appeal after grant of leave; limited to bail, without determining guilt or tax liability.

01 Facts of case and issues

Gautam Garg appealed against the Rajasthan High Court, Jaipur Bench's order of 3 December 2024 cancelling bail in S.B. Criminal Bail Cancellation Application No. 168/2023. The prosecution referred to section 132(1)(c) of the Central Goods and Services Tax Act, 2017. The Additional Sessions Judge No. 2, Jaipur Metropolitan–Second had granted bail on 3 November 2023.

An earlier High Court cancellation order of 25 July 2024 had been set aside by the Supreme Court on 9 September 2024, with a remand for fresh consideration. After the High Court cancelled bail again, Garg brought the present appeal. The Supreme Court had provided interim protection on 13 December 2024.

Pinpoint: Official PDF pp. 1–3, procedural history and interim order; pp. 6–7, record of proceedings.

02 Discussion by Hon'ble Court

The appellant submitted that he was only a manager in the company and sought restoration of trial-court bail. The Union opposed the appeal but requested an investigation-cooperation direction if relief were granted. These were the parties' submissions, rather than findings that a manager cannot be prosecuted.

After hearing the parties and considering the record, the Court found a case for bail. The short order does not develop a general test for cancellation, decide the appellant's alleged role, or resolve the underlying GST offence. Its legal effect is the fact-specific restoration of regular bail subject to the reproduced conditions.

Pinpoint: Official PDF pp. 3–4, submissions and conclusion that a case for bail was made out.

03 Judicial decision and operative relief

The Supreme Court granted leave, allowed the appeal, set aside the High Court's cancellation order and restored the trial court's order dated 3 November 2023. The restored terms require a personal bond of ₹1 lakh and two satisfactory sureties of ₹50,000 each before the trial court.

The appellant must cooperate with the investigation, must not tamper with prosecution witnesses, and must not leave India without the Court's permission. Pending applications in his appeal were disposed of.

03 Judicial decision and operative relief

Pinpoint: Official PDF pp. 4–5, operative order and reproduced bail conditions; pp. 6–7, grant of leave and disposal.

04 In favour of

The bail-cancellation appeal was finally allowed in the accused's favour. This did not terminate the prosecution or determine the section 132 allegation, GST demand or input-tax-credit entitlement. The same record of proceedings merely adjourned Lovkesh Kumar's separate SLP (Criminal) No. 2725/2025 to 21 March 2025 and extended his interim protection; that connected case was not finally decided on 28 February.

Pinpoint: Official PDF pp. 4–5, relief; pp. 6–7, separate treatment of the two proceedings.

05 AKHB REVIEW POINT

AKHB analysis: For a bail-cancellation dispute, set out the complete sequence of trial bail, cancellation, remand and the fresh cancellation order. Separate counsel's description of the accused's employment role from a judicial finding about liability. This order supports only the stated, fact-sensitive bail outcome.

Use the operative restoration date of 3 November 2023. Counsel's statement on page 3 that bail had continued since 25 October 2023 is not the date of the restored order. Verify the trial-court implementation and compliance with sureties, investigation cooperation, witness protection and travel permission. Do not treat the adjournment of Lovkesh Kumar's connected case as equivalent final relief.

Pinpoint: AKHB analysis based on official PDF pp. 1–7; no additional judicial holding.

Sources and limitations

Relevant provisions

Central Goods and Services Tax Act, 2017: section 132(1)(c).

Code of Criminal Procedure, 1973: section 439, in the reproduced trial-court bail order.

Statutory note

The order resolves bail and does not interpret the elements of section 132(1)(c), establish a categorical immunity for managers, or determine tax liability. Verify the applicable criminal-procedure regime and savings for present proceedings.

Treatment note

This note records the Supreme Court order as delivered. The subsequent prosecution, implementation of bail directions and any later modification or cancellation have not been comprehensively checked. Source verification does not establish that no later proceedings exist.

Scope of source review

Complete 7-page official PDF read and all pages visually checked: signed order on pages 1–5, followed by the record of proceedings. Date, bench, party identity and disposal verified against both components.

Identity note

The signed order and record of proceedings are dated 28 February 2025; the digital-signature timestamp of 3 March 2025 is not the decision date.

The order mentions the earlier Supreme Court remand of 9 September 2024. That earlier source has not been independently reviewed for this note. The source's blank criminal-appeal number is not filled by inference.

Primary source

Source description: Official Supreme Court PDF: 5-page signed order followed by 2-page record of proceedings.

Official source:

https://www.sci.gov.in/sci-get-pdf/?diary_no=570542024&from=latest_judgements_order&order_date=2025-02-28&type=o

Source pages: 7

Outcome type: final appellate bail disposition; tax merits not decided

Disclosures and source rights

AI disclosure: Prepared with AI assistance from the complete official Supreme Court source identified in this note. No human legal review is claimed.

General disclaimer: For professional information only; not legal advice. Read the complete decision and applicable law, verify subsequent treatment and obtain case-specific professional advice before acting.

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Source checked: 18 October 2026