

Baldeep Singh Sapra v. State (Directorate General of GST Intelligence), Chandigarh

Case number: SLP(Crl.) Nos. 7344–7345/2026.

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

Decision date: 15 May 2026

GST-prosecution bail condition replaced with security of disclosed family assets

Court: Supreme Court of India

Bench: Hon'ble Mr. Justice Pankaj Mithal and Hon'ble Mr. Justice S.V.N. Bhatti

Decision stage: Final reasoned disposal of criminal SLPs modifying a bail-security condition; no grant of leave is recorded.

01 Facts of case and issues

Baldeep Singh Sapra had been arrested in a CGST prosecution concerning alleged fraudulent availment of input tax credit. The High Court granted bail on 15 December 2025, subject to a condition requiring a security bond equal to the tax and penalty claimed by the complainant.

The petitioner challenged that condition as onerous and vague because the tax and penalty had not yet been determined. The SLPs arose from the Punjab and Haryana High Court's orders dated 15 December 2025 and 9 March 2026 in CRM-M No. 47385/2025 and CRM No. 9168/2026 in that matter.

Pinpoint: Official PDF p. 1, High Court case metadata; p. 2, paragraphs 2–3; p. 3, paragraph 4.

02 Discussion by Hon'ble Court

The Hon'ble Court accepted on record an affidavit from the petitioner's mother disclosing the family's entire assets. In the facts and circumstances before it, the Court considered the challenged condition onerous and vague and held that it could not be given effect.

It nevertheless required substitute security: the petitioner was to furnish security of the assets disclosed in that affidavit. The reasoning concerns the practical terms of bail in this case. It does not adjudicate whether the alleged ITC fraud occurred or determine the tax and penalty payable.

Pinpoint: Official PDF p. 3, paragraphs 4–6; the prosecution background is on p. 2, paragraphs 2–3.

03 Judicial decision and operative relief

The petitioner was directed to furnish security of the assets disclosed in the affidavit instead of a security bond equal to the claimed tax and penalty. Subject to furnishing that security, he was to be released on bail without insistence on condition 42(C) of the impugned bail order.

The Court disposed of both special leave petitions and the pending applications, if any. The order does not quantify the disclosed assets, specify a new fixed bond amount or record that the security was subsequently furnished.

Pinpoint: Official PDF p. 3, paragraphs 6–7; p. 4, continuation of paragraph 7 and paragraph 8.

04 In favour of

Baldeep Singh Sapra, on substitution of the challenged bail condition, subject to furnishing the specified asset security.

The relief is conditional bail-security modification. It is not unconditional release, acquittal, exoneration on the ITC allegations, cancellation of a tax demand or a tax-merits ruling. The substitute asset-security requirement is integral to the result.

Pinpoint: Official PDF pp. 3–4, paragraphs 6–8, read with the prosecution background at p. 2, paragraphs 2–3.

05 AKHB REVIEW POINT

AKHB analysis: In a comparable bail-condition challenge, identify the exact condition, the amount it refers to and whether that amount has been determined. Put verifiable material supporting any proposed alternative security before the court. The result here depended on the disclosed family assets and the circumstances of this petitioner.

Do not treat this order as invalidating every monetary or asset-security condition in GST prosecutions. It replaces one condition while expressly retaining substitute security. Separate compliance with that security requirement from the continuing prosecution and any tax adjudication.

This is a final criminal-SLP disposition in a GST prosecution, not a statutory interpretation or tax-liability decision. Actual release and later proceedings have not been verified.

Pinpoint: AKHB analysis based on official PDF pp. 2–4, paragraphs 2–8; practical steps are commentary.

Sources and limitations

Relevant provisions

CGST Act, 2017, section 132 prosecution. Paragraph 2 also prints “135 (5)”; this is source wording, not an adopted statutory subsection.

Statutory note

Section 135 in the official CBIC Act text concerns presumption of culpable mental state and has an Explanation, but no subsection (5). The order’s printed reference therefore differs from that text. No substitute section is inferred. The holding concerns bail security, not interpretation of the charge provisions.

Treatment note

This note records the decision as delivered. Later judicial treatment, present law and compliance have not been comprehensively verified. A bounded public-source search does not establish that no later proceedings exist.

Scope of source review

All 4 official pages reviewed: case metadata on p. 1 and numbered paragraphs 1–8 on pp. 2–4. The separate statutory check is limited to the printed section 135 discrepancy.

Primary source

Source description: Official Supreme Court PDF containing the complete order and case metadata.

Official source: [Open source document](#)

Source pages: 4

Outcome type: final fact bound bail condition modification

Additional source

CBIC published Central Goods and Services Tax Act, 2017

Official source: [Open source document](#)

Pinpoint: Section 135 and its Explanation, checked 12 October 2026 for the numbering discrepancy only.

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: 12 October 2026