

Director General of Anti-Profiteering v. Proctor & Gamble Group

Case number: NAPA/13/PB/2025

Citation: No neutral or reporter citation printed in the identified official order.

Decision date: 10 September 2025

Disputed Consumer Welfare Fund interest: 28 June 2019 amendment held prospective; Rs. 6,88,770 principal retained

Court: Goods and Services Tax Appellate Tribunal, Principal Bench, New Delhi, Anti-Profiteering Division

Bench: Justice (Retd.) Dr. Sanjaya Kumar Mishra, President, Single Bench Court No. 1

Decision stage: Final substantive adjudication of contested Consumer Welfare Fund interest: revised Rs. 6,88,770 principal directed, with no interest or penalty on the stated pre-amendment period.

01 Facts of case and issues

The proceeding concerned the recorded reduction of GST on sanitary napkins from 12% to nil from 27 July 2018 and the investigation period 27 July to 31 October 2018. An earlier DGAP report quantified Rs. 1,09,37,065. After NAA's I.O. 21/2019 dated 16 December 2019 directed reinvestigation, the reported amount was revised to Rs. 6,88,770. The final source does not reproduce the transaction-level calculation or explain each adjustment.

The respondent agreed without prejudice to deposit that revised amount, without admitting profiteering in principle, on the condition that no interest be imposed. The parties did not dispute non-applicability of penalty. A live dispute remained over 18% interest under Rule 133(3)(c); GSTAT expressly framed and adjudicated that statutory question. This is not closure merely on completed payment or agreement.

Pinpoint: Paragraphs 1–3, physical pp. 3–5; framed issue in paragraph 8, physical p. 9.

02 Discussion by Hon'ble Tribunal

DGAP argued that the interest provisions should be read continuously, despite the changed text between June 2018 and June 2019. The respondent argued that the later insertion imposed a new prospective burden and claimed 1 April 2020 as commencement. GSTAT compared the historical provisions and treated the Notification 31/2019 insertion into the Consumer Welfare Fund clause as prospective, rejecting the Department's clarificatory/curative theory. Its account of Vatika Township supplied the cited presumption against retrospectivity; this note reports that use without inventing a complete reporter citation.

The Tribunal also rejected the respondent's proposed 1 April 2020 commencement. It distinguished amending rule 17(c), which inserted the fund-interest words, from amending rule 5 concerning a QR-code proviso in Rule 46. Paragraph 23 fixes 28 June 2019 for the interest amendment and declines interest for the stated July–October 2018 period. The separate recipient-return interest provision in Rule 133(3)(b) is not eliminated by that holding.

02 Discussion by Hon'ble Tribunal

Source errors remain explicit: paragraph 22 dates Notification 71/2019 as 13 December 2017 and later changes its QR-code date from 1 April 2020 to 1 April 2022. Those inconsistent recitals do not displace paragraph 23's express 28 June 2019 holding. Paragraph 2 also records committee consideration on 8 December 2018 but referral on 25 October 2018; no corrected chronology is invented.

Pinpoint: Opposing positions and issue: paragraphs 4–8, physical pp. 8–9. Statutory comparison and cited retrospectivity reasoning: paragraphs 9–23, physical pp. 9–15. Chronology: paragraph 2, physical p. 4.

03 Judicial decision and operative relief

GSTAT accepted DGAP's report to the extent of Rs. 6,88,770 for 27 July to 31 October 2018 and directed equal deposits in the Central and State Consumer Welfare Funds. It expressly imposed neither interest nor penalty. Interest was decided after opposing legal arguments; penalty non-applicability had been undisputed and was not separately reasoned into a general exemption.

Paragraph 24 lists several States/Union Territories whose funds were said not to exist, but its express temporary redirection names only the shares for Chhattisgarh and Andaman & Nicobar Islands, to be deposited in the Central fund. The note does not extend that direction to every jurisdiction in the list, invent a state-wise allocation or certify present fund availability.

The concerned Commissioner must report compliance to the Tribunal within four months of receipt of the order. This is not an express four-month payment deadline on the respondent. Actual deposit and reporting are unverified. The form date and final-page digital-signature appearance both identify 10 September 2025.

Pinpoint: Paragraphs 23–26, physical pp. 15–16; undisputed penalty position at paragraph 1, physical pp. 3–4; date in form, physical pp. 1–2, and digital-signature appearance, p. 16.

04 In favour of

Mixed: the anti-profiteering authority/public funds on the retained Rs. 6,88,770 principal; the respondent on prospective treatment of the fund-interest amendment and the order's no-interest result. Penalty non-applicability was undisputed; payment and fund allocation remain unverified.

Reasoned final determination of the disputed retrospective-interest question. It accepts only the revised principal, rejects the respondent's 1 April 2020 commencement argument, applies 28 June 2019 and orders fund deposits without interest or penalty for the stated earlier period.

Pinpoint: Paragraphs 20–25, physical pp. 13–16.

05 AKHB REVIEW POINT

AKHB analysis: Separate agreement to deposit a principal amount from admission of every legal allegation, and separate both from proof of actual payment. Obtain the revised DGAP computation before explaining the reduction from Rs. 1,09,37,065 or allocating the Rs. 6,88,770 between supplies and jurisdictions.

05 AKHB REVIEW POINT

Keep the historical versions of Rule 133(3)(b) and (c), the June 2018 change and the 28 June 2019 insertion distinct. The case concerns Consumer Welfare Fund interest for its 2018 period; it does not cancel recipient-return interest or decide all post-amendment liabilities. Do not use the rejected QR-code commencement argument, the printed 2017/2022 anomalies or the incomplete Vatika citation as corrected statutory authority.

Obtain the relevant fund particulars, deposit receipts and the Commissioner's receipt date. Preserve the limited Chhattisgarh/Andaman redirection instead of extending it to all jurisdictions mentioned. The four-month duty concerns the Commissioner's report; no new respondent payment deadline is supplied.

Pinpoint: AKHB commentary based on paragraphs 1–26, physical pp. 3–16. Recommendations are distinct from the Tribunal's holding.

Sources and limitations

Relevant provisions

CGST Act 2017: Sections 57, 164 and 171; CGST Rules 2017: Rules 129(6), 133(3)(b) and 133(3)(c), with Rule 46 mentioned only in the QR-code distinction; Central Tax Notifications 26/2018, 31/2019 and 71/2019, historical amendment/commencement discussion with the printed 71/2019 date anomalies qualified; CGST Fourth Amendment Rules 2019: Rules 1(2), 5 and 17(c), distinct commencement roles; Central Tax (Rate) Notification 19/2018, historical sanitary-napkin rate recital; Income-tax Act 1961: Section 113, background to the cited Vatika retrospectivity reasoning, not a GST holding; CGST Act 2017: Sections 109 and 171(2), institutional/current-law context; Central Tax Notifications 18/2024 and 19/2024, empowerment and new-request-cutoff context.

Statutory note

Checked 13 October 2026. Section 171(1) requires the benefit of a tax-rate reduction or ITC to be passed to recipients through commensurate price reduction. Notification 18/2024-Central Tax, issued under Section 171(2) read with Section 109(1) and the second proviso to Section 109(5), empowers the Principal Bench constituted under Section 109(3) from 1 October 2024. Notification 19/2024-Central Tax fixes 1 April 2025 as the date from which the authority shall not accept new examination requests. Its text does not repeal Section 171 or direct automatic termination of pending matters. This anti-profiteering jurisdiction must be distinguished from ordinary GST appellate jurisdiction; earlier NAA/CCI investigations are historical steps. The dispute is the historical Consumer Welfare Fund clause, Rule 133(3)(c), and its Notification 31/2019 interest insertion through amending rule 17(c). Rule 133(3)(b) already separately addressed recipient-return interest. The order's fund-interest result for July–October 2018 is not a universal exemption. Section 171(3A) is not numbered in the reasoned original and is not supplied as a source citation; the source records undisputed penalty non-applicability. The official Notification 26/2018 dated 13 June 2018, clause 2(vi), separately sets out recipient-interest clause (b) and fund-deposit clause (c). Official Notification 71/2019 is dated 13 December 2019 and appoints 1 April 2020 only for amending rule 5; this correct primary date is distinguished from, not silently substituted into, the judgment's printed 2017/2022 recitals. Notification 19/2018-Central Tax (Rate) inserts sanitary towels/napkins and tampons into the exemption schedule from 27 July 2018; it is historical context, not a complete present-rate audit.

Treatment note

Checked 13 October 2026. Bounded exact-case/party searches and official index checks located no later stay, recall, reversal or modification of this identified order. This does not certify the complete appellate docket or actual compliance. Later official GSTAT decisions show limited application: Oxford Realty (3 August 2026), paragraph 19.4, distinguishes Consumer Welfare Fund interest under Rule 133(3)(c) from recipient-return interest under Rule 133(3)(b). Lifestyle (26 May 2026), paragraph 35, follows Proctor for an earlier period. AMB Cinemas (16 April 2026), paragraphs 60–61, applies 28 June 2019 prospectivity, but paragraph 61 runs interest until deposit whereas operative paragraph 67 prints 28–30 June 2019; this note relies only on its commencement treatment and does not reconcile that endpoint conflict. These are targeted related-authority passages, not complete individual case reviews. A verified official Supreme Court original of Vatika Township was not retrieved in this bounded pass; its use here remains the Tribunal's cited reasoning, without an invented reporter citation.

Scope of source review

One final order of the GSTAT Principal Bench exercising anti-profiteering jurisdiction. DGAP reports and earlier NAA/CCI or High Court steps are history as recorded in this order unless a separate source is expressly identified. The administrative form is read with the signed reasons. Ordinary GST appeals, all State Benches and corpus-wide completeness are not covered.

Identity note

NAPA/13/PB/2025; reference ZA070925000010H; 10 September 2025. Caption/form use Proctor & Gamble Group while the reasoned body uses Procter and Gamble Group. No separate entity, corporate-group-wide allocation or spelling correction is inferred. The printed notification/QR-date and referral chronology inconsistencies remain unresolved; paragraph 23 expressly holds 28 June 2019.

Primary source

Source description: Complete 16-page official PDF, including Form GST APL-04A and the reasoned final order. Every original page read and individually viewed; source bytes preserved.

Official source: [Open source document](#)

Source pages: 16

Outcome type: mixed

Additional source

Central Tax Notification 18/2024 dated 30 September 2024

Source document: [Open source document](#)

Pinpoint: Paragraphs 1–2, physical p. 1: statutory power and commencement on 1 October 2024.

Central Tax Notification 19/2024 dated 30 September 2024

Source document: [Open source document](#)

Pinpoint: Operative paragraph, physical p. 1: 1 April 2025 cutoff for accepting examination requests.

CGST Act 2017, India Code compilation marked as at 11 June 2026

Source document: [Open source document](#)

Pinpoint: Sections 109 and 171; relevant statutory passages reviewed, not a complete legislative-update audit.

Central Tax Notification 31/2019 dated 28 June 2019, historical Rule 133 amendment

Source document: [Open source document](#)

Pinpoint: Amending rule 1(2), physical p. 1, and rule 17(c), physical p. 5: ordinary publication commencement and Consumer Welfare Fund interest insertion. Distinct from the separate commencement of rule 5.

Central Tax Notification 71/2019 dated 13 December 2019

Source document: [Open source document](#)

Pinpoint: Complete one-page original: 1 April 2020 commencement applies to amending rule 5, not the fund-interest amendment. Its date differs from the judgment's printed recital.

Central Tax Notification 26/2018 dated 13 June 2018

Source document: [Open source document](#)

Pinpoint: Clause 2(vi), physical p. 2: separate recipient-return interest clause (b) and Consumer Welfare Fund deposit clause (c). Historical version.

Central Tax (Rate) Notification 19/2018 dated 26 July 2018

Source document: [Open source document](#)

Pinpoint: Schedule insertion at item (vii) and paragraph 2, physical p. 2: sanitary towels/napkins and tampons exemption from 27 July 2018.

Oxford Realty LLP, GSTAT, 3 August 2026

Source document: [Open source document](#)

Pinpoint: Paragraph 19.4, physical p. 24: Proctor's Consumer Welfare Fund interest ruling distinguished from recipient-return interest. Targeted treatment passage only.

Lifestyle International Pvt. Ltd., GSTAT, 26 May 2026

Source document: [Open source document](#)

Pinpoint: Paragraph 35, physical p. 22: later application of Proctor to an earlier period. Targeted treatment passage only; no complete individual case review claimed.

AMB Cinemas LLP, GSTAT, 16 April 2026

Source document: [Open source document](#)

Pinpoint: Paragraphs 60–61, physical pp. 26–27, and operative paragraph 67, p. 28: 28 June 2019 commencement applied; inconsistent interest endpoints remain unresolved.

Disclosures and source rights

AI disclosure: Prepared with AI assistance from the identified sources. No human legal review is claimed.

General disclaimer: For professional information only; not legal advice. Read the judgment and applicable law in full and obtain case-specific advice before acting.

©AKHB & Associates. This copyright notice applies to the original AKHB research note, analysis and presentation. It does not assert ownership of the judicial orders, judgments, legislation, circulars or other third-party source material. Rights in those sources remain with their respective rights holders, as applicable.

Source checked: 13 October 2026