

Director General of Anti-Profiteering v. Arkade Developers Pvt. Ltd. (now Arkade Developers Limited)

Case number: NAPA/131/PB/2025

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

Decision date: 2026-01-20

Arkade Earth-Bluebell: final anti-profiteering closure after recorded payment exceeding admitted ITC benefit; project-specific computation and citation limits

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

Bench: Shri Anil Kumar Gupta, Member (Technical), Single Bench Court No. 3

Decision stage: Final reasoned closure of the identified complaint after accepting the DGAP reinvestigation report and its recorded prior-payment evidence; no further remedial measure ordered. This is not a remand, interim order or present-compliance audit.

01 Facts of case and issues

Pratik Poojary complained that Arkade Developers Pvt. Ltd., now Arkade Developers Limited, had not passed the additional input-tax-credit benefit through commensurate price reduction for his residential unit in Arkade Earth-Bluebell, Mumbai. DGAP's initial report dated 31 January 2023 found contravention. Following the Delhi High Court's 29 January 2024 Reckitt Benckiser judgment, CCI directed reinvestigation on 20 March 2024. Notices were issued on 15 April 2024 to Arkade and landowner Echjay Forging Industries Pvt. Ltd.; the resulting DGAP report is dated 17 December 2024.

The report, as recorded in the judgment, identified 86 units: 59 attributable to Arkade and 27 to the landowner. Only the applicant's unit was booked before GST; Arkade's other 58 units were booked after GST. Two of Arkade's units and all 27 landowner units were sold after the occupancy certificate dated 12 April 2021 and were excluded from this investigation. For 56 post-GST buyers who booked before that certificate, the Tribunal records sale-agreement Clause 5 acknowledgements that the negotiated consideration already accounted for ITC benefit. The investigation period was 1 July 2017–12 April 2021.

DGAP used project-specific credit-to-purchase data: pre-GST credit of Rs. 11,71,694 on purchases of Rs. 1,02,43,842, and post-GST total credit of Rs. 3,51,62,416, including Rs. 41,968 transitional credit, on purchases of Rs. 21,48,66,772. The printed ratios are 11.44% and 16.36%, a 4.92-percentage-point increase. The order records project savings of Rs. 1,05,71,445, total constructed area of 40,076 square feet and Rs. 263.78 benefit per square foot. Applied to the applicant's 466 square feet, the printed base benefit is Rs. 1,22,921, plus GST of Rs. 14,751, totalling Rs. 1,37,672.

The judgment records a cheque for Rs. 1,40,732 dated 6 August 2021, a bank-statement entry dated 19 October 2021 and the applicant's signed acknowledgement of receipt and encashment. It states that DGAP verified these materials. Arkade accepted the report without qualification in its written reply dated 3 December 2025. The underlying report, sale agreements, bank record and acknowledgement are described in the judgment but are not annexed to this 14-page PDF.

Pinpoint: Complaint and procedural history: paragraphs 1–5, physical pp. 2–7. Units, booking categories, contractual acknowledgements and period: paragraphs 6–7, pp. 7–9. Calculation: paragraphs 8–8.6, pp. 9–11. Payment and acceptance: paragraphs 9–12.1, pp. 11–13.

02 Discussion by Hon'ble Tribunal

The Tribunal accepts the DGAP reinvestigation report on the documentary record and Arkade's unqualified admission. Paragraph 13.1 expressly finds that Rs. 1,37,672 initially arose from the pricing structure but that the recorded Rs. 1,40,732 pass-through fully discharged the Section 171 obligation. The Rs. 3,060 difference reconciles exactly. Closure is therefore grounded in the accepted report and the recorded evidence of benefit actually passed to this applicant, rather than a finding that no additional ITC ever arose.

The computation replaces a turnover comparison with project-specific purchase-credit ratios followed by area allocation. Paragraph 3 reproduces Reckitt Benckiser's case-sensitive approach and paragraphs 128–129 concerning real-estate transactions. Paragraph 8 describes the area approach in mandatory terms. Read with the reproduced paragraph 124, this does not establish the exact rounded ratio calculation as a universal formula. The 56 contractual acknowledgements were accepted on this record; a generic clause is not treated here as an unconditional statutory exemption for every later buyer.

Two citation problems must remain visible. Paragraph 7 describes CGST Sections 172–173 as provisions for reversal of ITC on exempt supplies. The official Act instead identifies them as removal of difficulties and amendment of the Finance Act, 1994; Section 17 deals with credit apportionment. Paragraph 7 also invokes Reckitt paragraph 128(a) for post-occupancy and unsold units, although the passage reproduced in paragraph 3 concerns fully pre-GST construction and upfront payment. The note reports the exclusions made in this case without silently repairing either reference or adopting the erroneous descriptions as law.

The monetary stages use rounded figures. Four-point-nine-two per cent of the printed post-GST purchases is Rs. 1,05,71,445.1824, consistent with the whole-rupee project figure. Dividing the printed savings by 40,076 gives about Rs. 263.784934 per square foot; the printed Rs. 263.78 multiplied by 466 gives Rs. 1,22,921.48, consistent with the rounded base. Twelve per cent of the printed base is Rs. 14,750.52, consistent with the rounded Rs. 14,751 tax. Keeping full precision throughout would produce a different intermediate result. The note preserves the admitted, rounded source amounts and does not substitute a recalculated award.

The cheque date and later bank-entry date are distinct. The Tribunal accepts receipt and encashment, but the supporting documents are not available within this PDF for an independent audit. The order does not separately adjudicate an interest claim, determine a collection-to-return interest period, analyse a statutory penalty or state that the Rs. 3,060 excess represents interest. Its closure cannot safely be generalized as immunity from all interest or penalty whenever principal benefit is later repaid.

Pinpoint: Acceptance and initial benefit/discharge findings: paragraphs 11–14, physical pp. 12–13.

Methodology and quoted authority: paragraph 3, pp. 3–6; paragraphs 7–8.6, pp. 8–11. Citation issues: paragraph 7, p. 8; reproduced Reckitt paragraph 128(a), p. 4. Payment chronology: paragraph 9, p. 11. Exact arithmetic checked against paragraphs 8.1–10, pp. 9–12. Targeted primary checks: CGST Act Sections 17 and 172–173; Reckitt paragraphs 124–129, physical pp. 123–126.

03 Judicial decision and operative relief

The Tribunal accepts DGAP's 17 December 2024 report in its entirety and closes the proceedings concerning Pratik Poojary's complaint against Arkade Developers Limited, formerly Arkade Developers Pvt. Ltd. It finds the Section 171 obligation satisfied and discharged in respect of the applicant's residential unit in Arkade Earth–Bluebell, and records that no further action or remedial measure is warranted because no contravention has been established.

Paragraph 13.1's finding that quantified benefit initially arose is retained alongside paragraph 14's ultimate closure finding. The order creates no fresh refund or Consumer Welfare Fund deposit requirement, states no interest or penalty amount, sets no new payment deadline and orders no remand. Copies are to be forwarded to the respondent, co-respondent, applicant, DGAP and the relevant Maharashtra CGST/SGST Commissioners for action and records. It was pronounced in open court and dated 20 January 2026.

The operative relief concerns this complaint and unit, even though the accepted report discusses other project units. This is a judicial acceptance of the recorded historical discharge, not AKHB's independent certification of the banking evidence, every project buyer's entitlement or present appellate status.

Pinpoint: Operative acceptance and closure: paragraph 14, physical p. 13. Initial benefit and discharge: paragraph 13.1, p. 13; no further benefit/Fund liability in the accepted report: paragraph 11, p. 12. Communication, pronouncement and date: paragraphs 15–16, pp. 13–14. Administrative closure summary: p. 2.

04 In favour of

Arkade Developers Limited on final closure of the identified complaint and absence of further remedial directions, after acceptance of the Rs. 1,37,672 benefit computation and recorded payment of Rs. 1,40,732 to the applicant. This is not a finding that no additional ITC benefit initially arose or a general ruling waiving interest and penalty.

Final, reasoned, project-specific closure based on an accepted reinvestigation report and the Tribunal's finding that recorded prior payment exceeded the computed benefit. No further remedial order is made for the applicant's unit. The statutory cross-reference errors and rounded computation limit broader reliance; neither unrelated units nor other projects receive an unrestricted declaration of compliance.

Pinpoint: Paragraphs 11–16, physical pp. 12–14; scope and calculation context in paragraphs 6–8.6, pp. 7–11.

05 AKHB REVIEW POINT

AKHB analysis: A party relying on prior pass-through should retain a clear link between the buyer's quantified entitlement and effective receipt, including the actual bank clearance, acknowledgement and treatment of any earlier credit. The cheque's issue date alone is not interchangeable with the later banking entry. Obtain the underlying DGAP report and payment documents before making an independent compliance statement.

Separate the overall project calculation from the operative complaint-specific relief. Keep unit categories, booking dates, occupancy certification and the actual agreement terms available. A contractual acknowledgement needs to be read with the pricing and evidential record; the 56 accepted acknowledgements in this matter do not establish that boilerplate language extinguishes Section 171 rights in every transaction.

Preserve the source's rounded financial stages when describing the determination. If applying a methodology elsewhere, test its project facts, area denominator, purchase-credit data and rounding before using it. The judgment's mistaken Sections 172–173 description and Reckitt 128(a) cross-reference should not be copied into advice as correct statutory propositions.

Treat closure as the relief actually granted. Do not recast the Rs. 3,060 excess as a quantified interest payment, a penalty settlement or general immunity. Obtain current docket information and case-specific advice before relying on the order in enforcement or appellate work.

Pinpoint: AKHB commentary based on paragraphs 6–14, physical pp. 7–13. Recommendations and limitations are distinct from the Tribunal's holding.

Sources and limitations

Relevant provisions

CGST Act 2017: Section 171, additional-ITC benefit pass-through and complaint-specific discharge finding; CGST Rules 2017: Rules 128 and 129, referral, investigation and reinvestigation as recorded in the order; CGST Act 2017: Schedule III and Sections 172–173 cited in paragraph 7; the latter are incorrectly described there as ITC-reversal provisions, with the limitation expressly flagged; CGST Act 2017: Section 17, targeted editorial statutory cross-check for credit apportionment, not a substituted operative ruling; Notification 11/2017-Central Tax (Rate), dated 28 June 2017: source-attributed historical 12% effective construction-service rate; not current-rate advice. Notification 03/2019-Central Tax (Rate), dated 29 March 2019: source-attributed declaration among submitted records, not independently adjudicated; CGST Rules 2017: Rules 113(1) and 115 appear in the Form GST APL-04A heading only

Statutory note

The central holding applies Section 171 to the benefit and discharge recorded in this complaint. India Code's Act text was targeted to Sections 17 and 171–173. Section 172 concerns removal of difficulties and Section 173 amendment of the Finance Act, 1994; neither supports paragraph 7's description as an ITC-reversal provision. Section 17 concerns credit apportionment, but this note does not replace the judgment's citation or independently adjudicate the excluded units. The judgment's reference to Reckitt paragraph 128(a) also does not match that passage's fully pre-GST facts. Targeted Reckitt paragraphs 124–129 support reading methodology by project facts and area allocation, not automatic adoption of every rounded Arkade input. Historical notifications and other procedural provisions remain source-attributed. No separate interest or penalty ruling, comprehensive present-law opinion or exhaustive appellate-remedy analysis is claimed.

Treatment note

Checked 17 October 2026. The official final listing and complete PDF identify the 20 January 2026 order; a fresh official download matched the preserved 640,149 bytes and SHA-256. Fresh retrieval of the official public interim-order index yielded 77 linked entries without an Arkade or NAPA/131/PB/2025 caption. Bounded exact-party/case/date and stay, recall, rectification and appeal searches, including official NAA, GSTAT CIS, Delhi High Court, Bombay High Court and Supreme Court domains, did not establish a later matching order. Direct GSTAT CIS retrieval timed out. No complete registry or appellate docket was obtained. Public-index and indexed-search absence does not establish absence of appeal, stay or modification. No present unconditional enforceability or independent compliance certification is given; the Reckitt background check does not certify its final Supreme Court treatment.

Scope of source review

One final GSTAT anti-profiteering closure for the identified Arkade Earth–Bluebell complaint. All 14 original text pages and all 14 rendered pages reviewed. The DGAP report, annexed financial records, agreements, RERA/occupancy records and bank/recipient evidence were not independently audited. Targeted statutory and Reckitt checks do not certify all current law or later appellate treatment. Ordinary GST appeals, advance rulings and interim orders are outside this note.

Identity note

The official caption is Arkade Developers Pvt. Ltd.; the reasons identify its present name as Arkade Developers Limited. This is not an Arkade Realty caption. NAPA/131/PB/2025; order reference ZA070010126000115H; Anil Kumar Gupta, Member (Technical), Single Bench Court No. 3. The final order, visible digital-signature display and official listing all bear 20 January 2026. The administrative case-reference date 20 December 2024 is not the decision date. Visual signature inspection is not cryptographic validation. Although the form labels the status as confirmed, the reasons dispose of a DGAP anti-profiteering report; no substantive prior appeal order is identified in the form.

Primary source

Complete 14-page official PDF including Form GST APL-04A and reasoned final order. All extracted text and all 14 rendered pages checked. Preserved bytes independently verified against a fresh official download.

[Open original judgment](#)

Source pages: 14

Outcome type: final

Official GSTAT final-order listing, posted 20 January 2026

[Open cited source](#)

Pinpoint: Identifies NAPA/131/PB/2025 and the final date 20 January 2026.

CGST Act, official India Code compilation

[Open cited source](#)

Pinpoint: Targeted Section 17, physical p. 31; Sections 171–173, physical pp. 122–123. Used to flag paragraph 7's misdescription of Sections 172–173, not to replace the Tribunal's wording.

Reckitt Benckiser India Pvt. Ltd. v. Union of India, Delhi High Court, 29 January 2024

[Open cited source](#)

Pinpoint: Targeted paragraphs 124–129, physical pp. 123–126: case-sensitive methodology, four transaction scenarios and project savings allocated by area. Not a complete review of the 142-page judgment or its later appellate treatment.

Official GSTAT Anti-Profiteering interim-order index

[Open cited source](#)

Pinpoint: Fresh retrieval on 17 October 2026 returned 77 linked entries; no Arkade or NAPA/131/PB/2025 caption. Public index only, not a complete current docket.

Disclosures and source rights

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

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