

Director General of Anti-Profiteering v. Nahar Homes LLP

Case number: NAPA/107/PB/2025

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

Decision date: 20 February 2026

F Residences: Rs. 5,80,280 residual benefit and interest for 13 buyers, with qualified penalty reasoning

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

Bench: Justice Shri Mayank Kumar Jain, Member (Judicial), and Shri Anil Kumar Gupta, Member (Technical), Division Bench Court No. 2

Decision stage: Final reasoned liability disposal directing Rs. 5,80,280 plus applicable interest to 13 buyers, compliance reporting and a conditional Section 171(3A) penalty finding.

01 Facts of case and issues

The complaint concerned Unit A1-801 in F Residences, Pune. Following the original 10 November 2021 report and CCI's 20 March 2024 reinvestigation direction, DGAP submitted a revised report on 3 June 2025. The source identifies 29 January 2020 as the occupancy-certificate cutoff, but Table B labels its period July 2017 to March 2020. Both descriptions remain unresolved.

Of 360 units, the investigation excluded 35 post-occupancy sales and 72 post-GST bookings whose agreements said ITC benefit was already included in the price. It examined 253 pre-GST bookings. Those exclusions describe this investigation; the agreement clause is not treated as a universally effective waiver of Section 171 rights.

Pinpoint: Paragraphs 1–4.6, physical pp. 2–5; Table B, physical p. 7; paragraph 12, physical pp. 10–11.

02 Discussion by Hon'ble Tribunal

DGAP recorded credit-to-purchase ratios of 5.08% before GST and 12.28% afterwards, a 7.20 percentage-point increase. Its computation stated Rs. 4,65,07,296 base benefit plus Rs. 55,80,876 GST, totaling Rs. 5,20,88,172. The intermediate savings/per-area figures use displayed rounded ratios and do not provide a fully reproducible standalone calculation; the note does not create a replacement assessment.

Table C reports Rs. 6,63,41,543 passed to 253 buyers and identifies excess benefit for 240 of them, including the withdrawn complainant. For the remaining 13, it prints Rs. 27,64,716 entitlement and Rs. 21,84,437 passed on, with a stated balance of Rs. 5,80,280. The components subtract to Rs. 5,80,279; the 239-buyer row also has a one-rupee difference. Paragraph 10 attributes the aggregate Rs. 6,63,41,543 to 240 buyers although Table C uses 253. No corrected liability or cross-buyer netting is inferred.

02 Discussion by Hon'ble Tribunal

At the final hearing the respondent relied on its 22 January 2026 reply, unconditionally accepting the report and expressing willingness to pay the balance with interest. GSTAT adopted the residual Rs. 5,80,280 despite the project-level excess benefit. A promise to pay is not evidence of actual payment.

Pinpoint: Ratios and computation: paragraphs 5–5.3, physical pp. 6–8. Category table and discrepancies: paragraphs 5.4–5.5, physical pp. 8–9, and paragraph 10, physical p. 10. Acceptance: paragraph 9, physical pp. 9–10.

03 Judicial decision and operative relief

GSTAT directed Rs. 5,80,280 to the 13 eligible buyers with applicable Rule 133(3)(b) interest within 30 days. A compliance report to the jurisdictional CGST/SGST Commissioner, with intimation to DGAP, was required within two months. The operative paragraph does not expressly specify a receipt-based or other trigger; no concrete deadline is invented. Annexure 15 identifying the 13 buyers is not appended to the eleven-page order. Later payment, interest computation and report filing remain unverified.

Paragraph 12 states that Section 171(3A) commenced on 1 January 2020 and holds penalty leviable for a period it describes as 1 July 2017 to 29 January 2020. It quotes both the 10% provision and the exception for deposit within 30 days of the order. No penalty amount or pre/post-commencement allocation is calculated, and satisfaction of the exception is not found. The report was accepted and the case disposed of; the Closure Report label does not extinguish these liabilities.

Pinpoint: Paragraphs 10–15 and date/signatures, physical pp. 10–11; buyer-schedule reference in Table C, physical p. 8; form, physical p. 2.

04 In favour of

The 13 eligible F Residences buyers on the ordered Rs. 5,80,280 and applicable interest. The respondent's recorded pass-through to other buyers and the conditional penalty exception remain qualifications, without proof of later compliance.

Final recipient-payment determination on the accepted report, with interest/reporting and conditional penalty reasoning. Source arithmetic, aggregate allocation and investigation-period inconsistencies remain unresolved.

Pinpoint: Paragraphs 10–13, physical pp. 10–11.

05 AKHB REVIEW POINT

AKHB analysis: Reconcile buyer-wise entitlements and credits rather than setting a project-level excess against the 13-buyer shortfall. Obtain Annexure 15 and the underlying ledgers before calculating individual payments. Preserve the ordered Rs. 5,80,280 while separately flagging the one-rupee arithmetic difference and 240/253 aggregate attribution.

Obtain clarification of the occupancy cutoff versus the table's March 2020 period before calculating period-sensitive liability. Rounded intermediate figures and the missing full schedules should not be converted into an independently recalculated demand.

05 AKHB REVIEW POINT

Separate principal, recipient interest and penalty. Confirm the actual trigger and filing records for the 30-day/two-month directions. The order does not quantify penalty, apportion it across 1 January 2020 or establish the deposit exception. Nor does this fact-specific agreement-clause exclusion establish that contractual drafting can waive every statutory entitlement.

Pinpoint: AKHB commentary based on paragraphs 4–12, physical pp. 3–11. Recommendations are distinct from the Tribunal's holding.

Sources and limitations

Relevant provisions

CGST Act 2017: Sections 7 and 171, Schedule III, and Section 171(3A) with its quoted conditional deposit exception; CGST Rules 2017: Rules 128 and 133(3)(b); Central Tax (Rate) Notification 11/2017, historical construction-rate recital; 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. Rule 133(3)(b), in the official rules compilation updated through 13 September 2018, already provided for return to the recipient with interest at 18% from collection of the higher amount until return or recovery. That statutory text is context for the order's phrase applicable interest; it does not supply a verified case-specific interest computation. The separate amendment of the Consumer Welfare Fund clause, Rule 133(3)(c), should not be imported into this recipient-return remedy. The quoted Section 171(3A) penalty and 30-day deposit exception remain conditional; the order does not quantify a penalty or apportion it across 1 January 2020. The source's Notification 11/2017 rate recital is historical, not a universal current construction-rate statement.

Treatment note

Checked 13 October 2026. Fresh exact official listings and case-specific searches located no later stay, recall, reversal or modification of this identified order. This is a bounded search result, not certification of the complete appellate docket or later compliance. The related Reckitt proceedings remain qualified: official Supreme Court procedural/listing records, including the 13 May 2026 cause list, do not establish a stay, merits affirmation or final Supreme Court outcome. The absent Annexure 15, buyer-wise interest, actual payments, reporting and penalty-deposit exception were not independently verified.

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/107/PB/2025; order reference ZA070010226000106H; 20 February 2026. F Residences only. Ordered Rs. 5,80,280 differs by one rupee from its printed components. Table C/paragraph 10 differ on the buyer count for the aggregate pass-through; the 29 January 2020 cutoff and March 2020 table period are not harmonised. Annexure 15 is absent.

Primary source

Source description: Complete 11-page official PDF, including Form GST APL-04A and the final reasoned order. Every original page read and individually viewed; source bytes preserved.

Official source: [Open source document](#)

Source pages: 11

Outcome type: final

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.

Reckitt Benckiser India Private Limited v. Union of India, Delhi High Court, 29 January 2024

Source document: [Open source document](#)

Pinpoint: W.P.(C) 7743/2019 and connected matters; background authority. This note does not claim final Supreme Court approval.

Supreme Court cause list for 13 May 2026

Source document: [Open source document](#)

Pinpoint: Physical p. 37, Reckitt SLP(C) 12705/2024. Listing evidence only, not a merits judgment or stay order.

CGST Rules 2017, official compilation updated through 13 September 2018

Source document: [Open source document](#)

Pinpoint: Rule 133(3)(b), physical p. 106 (printed p. 99): recipient return with 18% interest; a historical statutory version, not a complete current-rule audit.

Disclosures and source rights

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

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