

Director General of Anti-Profiteering v. LIC HFL Care Homes Ltd.

Case number: NAPA/112/PB/2025

Citation: No neutral or reporter citation printed for this GSTAT judgment in the identified official PDF.

Decision date: 23 March 2026

Jeevan Ananda project: actual ITC, project-area benefit and corrected GST-inclusive buyer repayment; subsequent Delhi High Court writ dismissal

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

Bench: Justice (Retd.) Dr. Sanjaya Kumar Mishra, President, and A. Venu Prasad, Member (Technical), Division Bench Court I; reasons by the President

Decision stage: Final reasoned GSTAT liability and buyer-return determination, corrected on 2 April 2026; Delhi High Court dismissed W.P.(C) 13665/2026 and pending applications on 28 September 2026, leaving the 23 March GSTAT order undisturbed.

01 Facts of case and issues

The dispute concerns the Jeevan Ananda residential project at Bhubaneswar, also variously styled Jeewan Anand in the sources. A buyer alleged that additional GST input-tax-credit benefit had not been passed through reduced flat prices. DGAP's first report of 28 January 2021 covered July 2017 to September 2020 and alleged Rs. 1,85,70,263; NAA Order 22/2022 dated 20 June 2022 accepted it. Delhi High Court remanded the matter on 25 April 2024 in W.P.(C) 12533/2022 following Reckitt Benckiser, and CCI directed reinvestigation on 7 May 2024. The fresh report of 4 April 2025 instead covered July 2017 to November 2019 and adopted a purchase-value/project-area calculation.

Table A records pre-GST purchases of Rs. 46,03,72,534 with no CENVAT/VAT credit actually availed, and post-GST purchases of Rs. 11,54,27,648 with Rs. 2,07,76,653 of GST credit. The printed ratios are 0% and 17.99%. Table B applies the latter percentage to post-GST purchases and reports savings of Rs. 2,07,65,434. Allocation over 2,70,048 square feet gives the displayed Rs. 76.895 base benefit per square foot; applying that displayed rate to 2,69,304 sold square feet gives Rs. 2,07,08,131. The source adds Rs. 24,84,976 at 12% GST, producing Rs. 2,31,93,107. The cover and hearing history refer to 240 homebuyers; individualized entitlement is governed by the confidential Annexure 15.

The developer contended that construction was outsourced, only material-related ITC should count and input-service credit was legally available before GST. It said that approximately Rs. 2,38,25,609 of CENVAT credit had not been claimed because of human error, while Rs. 1,79,44,457 service tax had been paid in cash. It also argued that increased input-service tax rates did not themselves create a benefit. An earlier alternative calculation of Rs. 1,39,93,358 concerned a without-prejudice contention and an earlier 181-buyer calculation; it was not the fresh 240-buyer award.

01 Facts of case and issues

DGAP relied on actual nil pre-GST credit in statutory returns and actual post-GST availment, including services. The complainant supplied payment records and disputed the goods-only argument. The company later filed its own rate/credit affidavit. The Tribunal heard these contested issues before adopting the revised calculation. On 2 April 2026 it corrected the individual payment formula after the complainant's 25 March email. A later writ challenge to the substantive order was dismissed on 28 September 2026.

Pinpoint: Complaint/history and report: main paragraphs 1-5, physical pp. 4-11. Party positions: paragraphs 8-15, pp. 12-25. Earlier conditional computation: paragraphs 11-12, pp. 18-20. Clarification, pp. 2-3. Later Delhi High Court judgment, paragraphs 1-22 and 63-64, pp. 1-8 and 24-25.

02 Discussion by Hon'ble Tribunal

Paragraphs 17 and 20 apply Reckitt Benckiser's project-savings/area approach. GSTAT considers the purchase value of goods and services and the actual credit available in each period, determines the project saving and allocates it by area, rather than linking benefit mechanically to receipts from individual buyers. Paragraph 21 rejects limiting the exercise to inward goods while excluding service credit. Paragraphs 22-23 set out the unavailed-CENVAT defence and DGAP's response; paragraph 24 adopts the report. The failure to claim pre-GST credit does not, on this record, erase the obligation attached to the post-GST benefit actually enjoyed.

The Tribunal's admission reasoning needs the later court's qualification. Paragraphs 18-19 describe earlier verified submissions as conclusive judicial admissions that profiteering occurred, leaving quantum in dispute. Yet the reproduced submissions in paragraphs 11-12 expressly reserve the principal contention and present an assumed alternative. Delhi High Court paragraphs 45-47 later explain that the alternative figure is not determinative and that a without-prejudice submission cannot mechanically be treated as unconditional liability. The writ fails because GSTAT independently examined purchase values, actual ITC, project area and sold area. An account of this case that says the developer simply admitted the final liability would therefore be materially incomplete.

The High Court's methodology analysis in paragraphs 31-35 is also case-specific. It explains why purchase value here measures credit against project expenditure and is not simply a renamed turnover proxy: the resulting savings are allocated over project area. It asks whether the method is fair, reasonable and consistent with the remand, not whether it is the only possible method. Paragraphs 37-42 distinguish actual availment from theoretical entitlement; no material disproved the nil pre-GST returns. The Court does not decide that CENVAT eligibility was legally impossible. It refuses to compare actual post-GST benefit with hypothetical pre-GST credit that had not reduced the developer's incidence.

Paragraphs 43-47 find no demonstrated error from the higher-tax-rate and alternative-computation arguments. Paragraphs 49-50 leave any contractual recovery of substation/electrical-infrastructure expenditure undecided and make clear that the Section 171 exercise is not unrestricted balancing of every commercial project expense. No contractual recovery is granted or barred by this judgment. Paragraphs 28 and 53-56 explain the limited Articles 226/227 jurisdiction and distinguish failure to consider a material contention from considering and rejecting it. The dismissal is therefore not a new court-conducted audit of the project accounts.

02 Discussion by Hon'ble Tribunal

On GST, main paragraph 24 follows Reckitt paragraph 157 and includes the tax collected on excess realization. The 2 April clarification expressly inserts 12% GST into the buyer-level formula, making the operative displayed benefit Rs. 86.12 per square foot, rather than leaving the earlier Rs. 76.895 base rate alone. The clarification is part of the main order and does not announce a replacement aggregate. High Court paragraphs 57-58 later decline interference with GST inclusion and 18% interest; they do not separately calculate a new corrected per-square-foot or interest figure.

Precision and source errors are preserved. Main paragraph 17 says after 1 July 2019 even though the tables and surrounding text identify July 2017 to November 2019. Paragraph 21 prints Rs. 14,52,570 for goods and Rs. 1,93,28,564 for services, then describes their sum as Rs. 2,07,08,134 and only Rs. 3 above the base award; the printed components actually add to Rs. 2,07,81,134. The note does not substitute that sum for the award. Paragraph 15(g) records Rs. 14.42 lakh, differing from the repeated goods figure. The two historical deposits total one rupee more than the historical NAA award. These remain separate source inconsistencies.

The displayed 17.99% is not exactly the ratio of the printed ITC to printed purchases, which is approximately 17.99972%; reported savings follow the displayed 17.99%. The displayed Rs. 76.895 multiplied by sold area reproduces the rounded base award. Adding 12% gives Rs. 86.1224 before the clarification's two-decimal display. Accordingly, multiplying the rounded Rs. 86.12 across all sold area is not a judicially stated replacement aggregate. These are limited arithmetic observations, not a reconstruction of confidential buyer allocations or a finding that the award was subsequently changed.

Pinpoint: Main reasoning: paragraphs 17-24, physical pp. 26-30; conditional submissions, pp. 18-20; tables, pp. 10-11; source wording discrepancy, p. 25. Clarification, pp. 2-4. Later Delhi High Court analysis: paragraphs 28-60, pp. 12-24, especially 31-42, 45-50 and 57-58.

03 Judicial decision and operative relief

Read as corrected on 2 April 2026, the judgment requires return to eligible Annexure 15 homebuyers of the benefit calculated from each buyer's purchased area multiplied by Rs. 86.12 per square foot, being the displayed Rs. 76.895 base benefit plus 12% GST. The main order records aggregate principal of Rs. 2,31,93,107 inclusive of Rs. 24,84,976 GST on the Rs. 2,07,08,131 base. The correction does not state a replacement total, so no aggregate recomputed from the rounded per-square-foot figure is substituted. Nor is another 12% added to the already GST-inclusive rate or aggregate.

Main paragraph 24 directs 18% interest from each buyer's last-installment payment date on the amount so arrived at. This specific benchmark must not be replaced by every collection date, the judgment date or the original complainant's date applied to all buyers. The paragraph does not expressly restate an interest end date or supply buyer-specific calendars; no rupee interest total is reconstructed. The cover records return to 240 buyers with interest within three months. Paragraph 26 independently requires the jurisdictional Commissioner's compliance report within three months of receipt. The clarification does not expressly restart either period. No penalty is imposed or separately quantified in the operative directions.

03 Judicial decision and operative relief

Paragraph 25 records earlier deposits of Rs. 61,90,088 with the Pay and Account Officer (Consumer Affairs) and Rs. 1,23,80,176 with the Registrar General, Delhi High Court. It gives the developer liberty to apply to the respective authorities for refunds with accrued interest, if any. On the developer's request, the registry is to send extracts seeking release, subject to there being no other dues payable to those authorities. This is a conditional application/release route, not an automatic refund, direct set-off against individual liabilities or proof that buyers have been paid.

The clarification expressly keeps Annexure 15 confidential and directs its transmission with the final and correction to the Jurisdictional Chief Commissioner for compliance. The note neither publishes nor reconstructs that annexure. The main typed decision date is 23 March 2026, while the visible signatures show 24 March 2026; the case retains the decision date. Clarification date and visible signatures are 2 April 2026. No cryptographic validation is claimed.

Delhi High Court paragraphs 63-64 on 28 September 2026 refuse interference with the 23 March order and dismiss W.P.(C) 13665/2026 together with pending applications. Paragraphs 57-58 leave GST and interest directions undisturbed, with the admission qualification in paragraphs 45-47. This establishes the identified High Court disposition only, not exhaustion of every remedy or absence of later orders. Actual buyer repayment, interest satisfaction, deposit refund and compliance reporting remain unverified.

Pinpoint: Main cover p. 2 and paragraphs 24-28, physical pp. 30-31. Clarification, physical pp. 3-4. Later Delhi High Court judgment, paragraphs 45-47, pp. 19-20, and 57-64, pp. 23-25.

04 In favour of

Homebuyers and the authority on substantive liability, corrected GST-inclusive individual benefit and interest; the developer receives conditional liberty to seek release of earlier deposits. The later High Court dismisses the developer's writ while qualifying the treatment of its without-prejudice alternative computation and leaving contractual electrical-infrastructure recovery undecided. This is not an unqualified approval of every sentence of GSTAT's reasoning.

Substantive final adjudication of contested ITC methodology, credit on services, actual pre-GST availment, GST inclusion and individual recipient relief. The 2 April clarification is integrated into this single GSTAT judgment. Delhi High Court subsequently dismisses the writ on 28 September 2026, leaving the operative order undisturbed with an express qualification of admission reasoning; Supreme Court finality and subsequent remedy status are not established.

Pinpoint: Main paragraphs 17-28, physical pp. 26-31; clarification, pp. 2-4; Delhi High Court paragraphs 45-47 and 59-64, pp. 19-20 and 23-25.

05 AKHB REVIEW POINT

AKHB analysis: Build the project-level computation from actual returns, eligible credit, expenditure, total area and sold area, then map the corrected rate to each authorized buyer record. Keep hypothetical entitlement, actual availment and credit reflected in project costs distinct. A reserve-argument computation should retain its context; this case's High Court treatment expressly limits mechanical reliance on it as an admission.

05 AKHB REVIEW POINT

Use the main final and clarification together. Retain Rs. 86.12 as the corrected displayed GST-inclusive rate, the separately stated aggregate, and the buyer-specific last-instalment interest start. Do not silently recalculate the award to cure precision or component errors, double-add GST, or borrow another case's interest benchmark. Obtain lawful clarification where an implementation discrepancy affects an actual claimant.

Maintain the confidentiality of Annexure 15. Reconcile refunds of court/PAO deposits separately from direct buyer repayment, preserve actual dates and receipts, and check current court treatment before action. Any electrical-infrastructure recovery needs its own contractual and legal analysis because the High Court expressly left it undecided. These are professional review points, not additional judicial directions.

Pinpoint: AKHB commentary based on main paragraphs 17-26, clarification pp. 3-4, and Delhi High Court paragraphs 31-50 and 57-64.

Sources and limitations

Relevant provisions

CGST Act 2017: Section 171, substantive additional-ITC pass-through; CGST Act 2017: Section 113(3), operative correction of apparent error and hearing proviso invoked on 2 April 2026; CGST Rules 2017: Rule 126, methodology background in reproduced Reckitt reasoning; CGST Rules 2017: Rule 133(3)(b), recipient return and 18% interest, mislabelled Section in main paragraph 24; CGST Rules 2017: Rules 113(1) and 115, administrative Form GST APL-04A heading only; Constitution of India: Articles 226 and 227, later Delhi High Court judicial-review scope; Odisha VAT Act 2004: Section 10(4a)(b), outsourced-construction submission; CENVAT Credit Rules 2004: Rule 3, claimed but unavailed pre-GST credit submission; Finance Act 1994: Sections 65(30a), 66 and 66B, respondent's service-tax affidavit context; Service Tax (Determination of Value) Rules 2006: Rule 2A, affidavit context; Central Tax (Rate) Notification 11/2017 dated 28 June 2017, historical 18% construction rate and one-third land abatement yielding the case's 12% effective rate. Other historical service-tax notifications and cess provisions are affidavit material, not independently adjudicated entitlement findings.

Statutory note

Section 171 supplies the additional-ITC pass-through duty. Independent targeted checks of the official historical CGST Act and Rules corroborate Section 113(3)'s apparent-error amendment power and hearing proviso, and Rule 133(3)(b)'s existing recipient-return interest. The main paragraph 24 calls that Rule a Section; the editorial note uses the correct designation while preserving its specific last-instalment direction. The 2 April clarification itself expressly invokes Section 113(3). The official India Code compilation as on 11 June 2026 was also independently targeted for Sections 109, 113(3) and 171. These limited current and historical checks do not constitute a full statutory audit or an independent adjudication of the correction's jurisdiction. Primary Reckitt paragraphs 124-129 and 157 support the general case-sensitive project-area method and inclusion of GST on excess realization; the later LIC High Court judgment supplies the project-specific application. The 12% effective construction rate is the rate applied in this source's historical Notification 11/2017 account, not all current real-estate rates. Odisha VAT, CENVAT eligibility and service-tax instruments advanced by the developer remain attributed submissions; those historical eligibility instruments were not independently re-audited.

Treatment note

Positive later primary treatment: LICHFL Care Homes Limited v. Director General of Anti-Profiteering & Ors., Delhi High Court, W.P.(C) 13665/2026, judgment dated 28 September 2026, 2026:DHC:8382-DB, Anil Kshetrapal and Shail Jain JJ. Paragraphs 59-64 reject the remand/methodology and actual-credit challenges and dismiss the writ petition with pending applications. Paragraphs 57-58 decline interference with 12% GST inclusion and 18% interest. Crucially, paragraphs 45-47 say the without-prejudice alternative calculation is not determinative and cannot mechanically be an unconditional admission; the independent project computation sustains the order. This is judicial review under Articles 226 and 227, not a fresh appellate recomputation of the award. The High Court does not expressly discuss the 2 April correction or Rs. 86.12 rate; the correction must still be read with the GSTAT final on its own terms. No Supreme Court finality, absence of subsequent appeal, actual payment or unconditional present enforceability is certified. Current treatment must be rechecked before action.

Scope of source review

One substantive final GSTAT judgment on project-specific ITC savings, input services, GST-inclusive recipient relief and interest, inseparably incorporating the 2 April 2026 correction. The Delhi High Court judgment of 28 September 2026, 2026:DHC:8382-DB, dismisses the challenge to the 23 March order while qualifying the treatment of without-prejudice submissions. Neither the clarification nor later treatment is counted as a second GSTAT case.

Identity note

NAPA/112/PB/2025 is consistent in both signed GSTAT originals; main reference ZA070010326000080H, correction reference ZA070010426000009H. Main decision 23 March 2026, visible signatures 24 March; correction 2 April 2026. Rs. 2,31,93,107 GST-inclusive aggregate; corrected displayed rate Rs. 86.12 per square foot; 18% interest from each buyer's last instalment. 240 buyers; Annexure 15 confidential. Report within three months of receipt, cover payment period three months, neither expressly reset. Later DHC W.P.(C) 13665/2026, 2026:DHC:8382-DB, 28 September 2026: writ and applications dismissed; independent computation sustained, mechanical unconditional-admission inference qualified.

Primary source

Source description: Complete 31-page official final and mandatory four-page clarification of 2 April 2026, read as one GSTAT judgment; later 25-page Delhi High Court judgment also read. AI author read all text and personally inspected selected images; separate independent AI reviewers inspected every original page.

Official source: [Open source document](#)

Source pages: 31

Outcome type: final

Additional source

LIC HFL Care Homes Ltd., GSTAT clarification, 2 April 2026

Source document: [Open source document](#)

Pinpoint: Complete four-page clarification; pages 2-3 invoke Section 113(3) and add 12% GST to Rs. 76.895, giving Rs. 86.12 per square foot; page 4 preserves Annexure 15 confidentiality and directs communication to the Jurisdictional Chief Commissioner.

LICHFL Care Homes Limited v. DGAP & Ors., Delhi High Court, 28 September 2026

Source document: [Open source document](#)

Pinpoint: W.P.(C) 13665/2026; 2026:DHC:8382-DB. All 25 text pages read; methodology paragraphs 28-35, actual versus hypothetical credit 37-42, without-prejudice qualification 45-47, commercial expenditure 49-50, GST/interest 57-58, dismissal 59-64.

CGST Act, official compilation updated 31 August 2021

Source document: [Open source document](#)

Pinpoint: Independently targeted physical pp. 146-147 and 195: Sections 113(3) and 171. Dated historical compilation, not a complete current 2026 consolidation.

CGST Rules, official compilation updated 13 September 2018

Source document: [Open source document](#)

Pinpoint: Independently targeted physical p. 106: Rule 133(3)(b) already contained recipient-return interest; then-current Rule 133(3)(c) lacked the later express Fund-interest insertion. Historical text only.

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

Source document: [Open source document](#)

Pinpoint: Independent targeted check of physical pp. 123-126 and 139-140, especially paragraphs 124-129 and 157-160: case-specific method, project-area allocation, GST on excess realization and DGAP reporting time. No claim of all 142 pages or every quoted authority being re-reviewed.

CGST Act 2017, official India Code compilation as on 11 June 2026

Source document: [Open source document](#)

Pinpoint: Targeted independent AI review: Section 109, physical pp. 87-88; Section 113(3), p. 94; Section 171, pp. 122-123. Not a full 131-page review or complete current-law/appellate-remedy certification.

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