

Director General of Anti-Profiteering v. Vishwanath Cinema Hall 70MM

Case number: NAPA/25/PB/2025

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

Decision date: 11 June 2026

Cinema rate-reduction liability: period-specific licensing evidence and uncontested revised quantum

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

Bench: Justice Mayank Kumar Jain, Member (Judicial), Single Bench Court II

Decision stage: Final reasoned cinema-liability judgment adopting revised profiteering of Rs. 8,99,273, with equal Central/Telangana Fund deposits and the exact 18% interest wording from 28 June to 30 June 2019, as applicable; no penalty and no express deposit deadline.

01 Facts of case and issues

The Principal Commissioner's complaint alleged that Vishwanath Cinema retained the benefit of the cinema-ticket GST reductions effective 1 January 2019. DGAP's initial report dated 26 February 2024 proposed Rs. 6,00,934. Its tables applied 18%-to-12% treatment even to some higher-price classes. CCI's 14 March 2024 direction sought reinvestigation of rate treatment, turnover differences and the relevant period. These are investigative histories, not the final Tribunal's independent findings on each tax-return entry.

The revised analysis distinguished tickets above Rs. 100, applying the 28%-to-18% rate change, from tickets at or below Rs. 100, applying 18%-to-12%. It printed Rs. 3,04,225 for the higher-price category and Rs. 5,95,048 for the lower, totaling Rs. 8,99,273 for 1 January–30 June 2019. DGAP attributed earlier turnover differences to a formula error and non-ticket receipts and treated the remaining difference as immaterial. The source identifies the supplementary report as 24 June 2024 in places, but the administrative summary and operative acceptance identify 18 June 2024.

The theatre relied on Telangana licensing regulation, permissions for ticket-price increases, distributor influence over new-film prices and the assertion that cinema shows were services without inventory or conventional invoices. It produced 2025 permissions for AKHANDA-2 and OG as examples. Its submissions also alternated between claims of independent pricing and claims that prices could change only with licensing approval.

The Tribunal records that the theatre did not specifically contest the reports' methodology or quantified findings. It nevertheless had to decide the live legal and evidentiary defences to liability. No underlying ticket-level dataset, tax-return reconciliation or complete revised report is appended to the judgment.

Pinpoint: Complaint and first investigation: paragraphs 1–7, physical pp. 2–6. Reinvestigation, revised tables and turnover: paragraphs 8–9, pp. 6–10. Party positions and 2025 permissions: paragraphs 12–19, pp. 10–16. Scope of numerical contest: paragraph 31, p. 21.

02 Discussion by Hon'ble Tribunal

The Tribunal's own analysis begins with the statutory discussion at paragraph 20. Paragraphs 25–28 find no relevant 2019 request, licensing permission or High Court order supporting the theatre's case. The 2025 film permissions did not establish the position during the investigated period. Even considering them for argument, the Tribunal found no prohibition on reducing prices when GST fell. Its criticism of contradictory pleas is an attributed judicial finding, not a new independent allegation by this note.

Paragraphs 29–30 reject the argument that the absence of goods or conventional invoices removes the obligation: the theatre supplied registered taxable services and filed returns. Paragraphs 31–33 then treat the report's figures as uncontested, drawing on Thangam and Lohia Properties concerning specific admissions and denials. The reproduced Thangam passage also preserves judicial discretion to require proof of an admitted fact; the note does not reduce it to an absolute rule that every unchallenged calculation must be accepted in all GST proceedings. The reproduced quotation ends abruptly and is not offered as the complete Supreme Court passage.

The Tribunal also uses Sudarshan Theatre and Mallikarjuna Cinema reasoning on GST pass-through and State price ceilings. Mallikarjuna's Rs. 3 maintenance-charge discussion is quoted, but no separate quantified maintenance-charge assessment is made in this final. Nor does the source establish that all State regulation is displaced in every cinema case. The finding rests on the evidence and pricing defences actually advanced here.

The revised total is preserved without certifying all underlying arithmetic. The higher-category table mixes an excess-tax heading of 12% with its 18% calculation and total label. Some displayed base-price differences involve rounding. The lower-category full revised ticket-quantity computation is not reproduced. The stated turnover reconciliation compares Rs. 1,38,29,858 with Rs. 1,38,13,378, a displayed difference of Rs. 16,480, while the text says Rs. 16,481. These limitations do not justify inventing a replacement demand.

Other source discrepancies remain visible: 24/26 February and 18/24 June report dates vary; the December ticket price is described as Rs. 118 in one passage but Rs. 112 in the revised table; an August 2019 recital lies outside the stated January–June period. Paragraph 17 prints an AKHANDA-2 release date in 2005 while its reproduced permission says 2025. Rule 129(c) and the Government Order date remain unverified source references. The official Notification 18/2024 corrects the printed institutional date to 30 September 2024, effective 1 October 2024; the incorrect 24 February date is not endorsed.

Paragraphs 35–38 hold Section 171 contravened, apply the Fund route because recipients are unidentifiable, and exclude penalty for the period preceding 1 January 2020. The final paragraph specifies 18% interest from 28 June to 30 June 2019, as applicable, without a separately reasoned explanation of the endpoint. That wording is not expanded to collection-to-deposit interest or a calculated two-/three-day sum by this note.

Pinpoint: Own findings: paragraphs 20–38, physical pp. 16–24. Licensing evidence: paragraphs 25–28, pp. 19–20. Services and admission analogy: paragraphs 29–33, pp. 20–23. Revised-table and date discrepancies: pp. 7–11, 14–15 and 21. Liability/penalty: paragraphs 35–38, p. 24.

03 Judicial decision and operative relief

The Tribunal accepted the report dated 26 February 2024 and supplementary report identified in the operative order as 18 June 2024, and rejected the theatre's objections. Read with the adopted revised findings, the principal is Rs. 8,99,273; the operative paragraph does not repeat that number. It directs 50% of the profiteered amount and interest to the Central Consumer Welfare Fund and the remaining 50% and interest to the Telangana State Fund. No further GST is added to the source's tax-inclusive calculation.

The interest direction is 18% from 28 June 2019 to 30 June 2019, as applicable. No rupee interest calculation is provided. The note preserves those dates without assuming an alternative endpoint or importing the wording of another cinema order. No penalty is leviable for the stated pre-2020 period.

There is no express numerical deposit deadline, Commissioner reporting deadline or alternative Central-Fund contingency in this final. A copy is to be communicated to the concerned CGST/SGST Commissionerate for record and necessary action, if any. The judgment is pronounced in open court; the typed and visible digital-signature dates are 11 June 2026. Actual deposit and subsequent clarification remain unverified.

Pinpoint: Principal in accepted revised findings: paragraphs 9(v)–(vi) and 13(i), physical pp. 9–10 and 13. Acceptance, split, exact interest wording, no penalty and circulation: paragraphs 39–43, p. 25. Temporal penalty reasoning: paragraph 36, p. 24.

04 In favour of

The anti-profiteering authority and consumer-welfare interests on the adopted Rs. 8,99,273 principal. The theatre receives express exclusion of penalty, with interest confined to the exact period stated in the operative text. No identified recipient refund, completed compliance or resolution of all source arithmetic/date issues is inferred.

Final substantive liability judgment with qualified statutory remedies. The Tribunal independently determines the contested licensing and service-supply defences, while treating the revised numerical report as uncontested. The final label does not certify appellate finality or unrestricted accuracy of every report entry.

Pinpoint: Paragraphs 25–43, physical pp. 19–25.

05 AKHB REVIEW POINT

AKHB analysis: Tie licensing and film-price evidence to the actual investigation period; later examples alone may not establish the relevant permission or any prohibition on GST-benefit pass-through. Separate a legal defence to liability from a specific challenge to figures, and address any disputed report paragraph directly.

Obtain the complete revised report and ticket/return workings to reconcile classification, quantities, rounding and the changing report dates. For execution, preserve the express interest period and seek authoritative clarification rather than extending it through analogy. Verify the two Fund destinations and any later deadline, reporting direction or appellate order without importing conditions from other cinema cases. These are professional-review recommendations, not additional judicial directions.

Pinpoint: AKHB commentary based on paragraphs 7–13, 25–33 and 39–43, physical pp. 4–13 and 19–25.

Sources and limitations

Relevant provisions

CGST Act 2017: Section 171, including reproduced subsections (1), (2), (3) and (3A), pass-through duty, authority and temporal penalty exclusion; CGST Act 2017: Section 109(3), Principal Bench constitution context; CGST Rules 2017: Rules 128, 129(1) and 129(6), complaint and investigation history; CGST Rules 2017: source prints Rule 129(c) for reinvestigation, not independently endorsed as an accurate provision; CGST Rules 2017: Rule 133(3)(c), operative Consumer Welfare Fund route; Central Tax (Rate) Notification 27/2018 dated 31 December 2018, cinema rate reductions; Central Tax Notification 23/2022 dated 23 November 2022, CCI empowerment history; Central Tax Notification 18/2024 dated 30 September 2024, effective 1 October 2024: source incorrectly prints 24 February 2024; Central Tax Notification 01/2020, penalty commencement context; Code of Civil Procedure: Order VIII Rules 3 and 5, specific-denial analogy through the cited civil judgments; Andhra Pradesh/Telangana cinema-regulation laws and Government Order 100, source prints 26 April 2023, in the respondent's pricing defence without separate statutory-section determination.

Statutory note

Targeted official primaries verify the CGST Act framework, Notification 27/2018–Central Tax (Rate), historical Rule 133(3)(c) amendment and penalty commencement. Notification 27/2018 applies from 1 January 2019 and sets the CGST components at 6% for cinema tickets up to Rs. 100 and 9% above it; the corresponding Telangana SGST instrument was not independently retrieved. Paragraph 8's Rule 129(c) is not endorsed as an accurate citation. Notification 18/2024 is actually dated 30 September 2024 and effective 1 October 2024, correcting paragraph 10's 24 February date. The official Thangam judgment confirms the specific-denial analogy and discretion to require proof despite admission; standalone Lohia was not retrieved, and its quoted paragraph numbers differ between the sources. These checks do not expand the operative 18% interest period or validate every report computation.

Treatment note

Fresh matching official original and bounded official-domain/name/docket checks completed on 13 October 2026 identified no authenticated later appeal, stay, modification or review of this precise 11 June 2026 order. This is a limited search result, not a no-appeal/no-stay or enforceability certificate; the Telangana docket was not fully audited. State cinema-law, Government Order and Sudarshan/Mallikarjuna references remain source recitals or quotations because their complete primaries were not independently checked. The theatre's 2025 permissions do not establish authorisation for 2019 pricing. Fund deposit and compliance remain unverified.

Scope of source review

One Principal Bench anti-profiteering judgment concerning Vishwanath Cinema's 1 January–30 June 2019 ticket sales. Quantum is treated as uncontested, but the Tribunal independently rejects the licensing, film-pricing and no-invoice defences on their evidence and legal relevance. It is neither merely report adoption nor a contested recalculation of every ticket figure. The narrow operative interest wording and source discrepancies remain explicit. No ordinary GST appellate or complete GSTAT coverage is claimed.

Identity note

NAPA/25/PB/2025; reference ZA070010626000079H; Justice Mayank Kumar Jain, Court II; typed and visible digital-signature date 11 June 2026. The adopted principal is Rs. 8,99,273, distinct from the first Rs. 6,00,934 computation. Report dates, Rule 129(c), Notification 18/2024's printed date, Government Order date, 2005/2025 film-date typo and revised-table labels remain qualified. Exact operative interest wording is 28 June–30 June 2019; there is no express deposit or reporting deadline. No cryptographic signature validation is claimed.

Primary source

Source description: Complete 25-page official PDF, including administrative summary and final reasoned order; all original pages read and individually viewed by the AI author.

Official source: [Open source document](#)

Source pages: 25

Outcome type: final

Additional source

Central Tax (Rate) Notification 27/2018, 31 December 2018

Source document: [Open source document](#)

Pinpoint: Physical pp. 2–3: CGST cinema components and 1 January 2019 commencement; Telangana SGST counterpart not separately verified.

Official cinema-rate consolidation as of 1 April 2019

Source document: [Open source document](#)

Pinpoint: Targeted physical p. 40 and footnotes identify former and amended CGST components; reference aid.

Central Tax Notification 31/2019, 28 June 2019

Source document: [Open source document](#)

Pinpoint: Targeted physical pp. 1 and 5, clause 17(c): express Fund-interest amendment; no licence to alter this order's endpoint.

Central Tax Notification 01/2020, 1 January 2020

Source document: [Open source document](#)

Pinpoint: Complete one-page commencement instrument for Finance (No. 2) Act 2019 Section 112.

Central Tax Notification 18/2024, 30 September 2024

Source document: [Open source document](#)

Pinpoint: Complete one-page institutional instrument: effective 1 October 2024; corrects source's 24 February date.

Thangam v. Navamani Ammal, Supreme Court, 4 March 2024

Source document: [Open source document](#)

Pinpoint: Targeted paragraphs 15–15.5, physical pp. 12–15: specific denial, discretion to require proof, and quotation of Lohia paragraphs 14/15. Original Lohia not separately retrieved.

Disclosures and source rights

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

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