

Director General of Anti-Profiteering v. PRL Developers

Case number: NAPA/139/PB/2025

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

Decision date: 23 July 2026

Piramal Revanta Tower 1: corrected pre-GST denominator and evidence of pass-through support no contravention

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

Bench: Shri A. Venu Prasad, Member (Technical), Court IV

Decision stage: Final reasoned no-contravention judgment after correction of the pre-GST purchase denominator and verification of Rs. 99,67,875 benefit against Rs. 87,98,766 required for 31 eligible pre-GST buyers; printed surplus contains an express arithmetic discrepancy.

01 Facts of case and issues

Diwakar Bansal complained under Rule 128 concerning Flat T1-507 in Piramal Revanta Tower 1, Mulund, Mumbai. After the Standing Committee's referral on 30 May 2022, DGAP reported on 25 February 2023. CCI directed reinvestigation on 21 March 2024 after Reckitt Benckiser. The resulting report dated 13 December 2024 examined 1 July 2017–31 March 2023.

The project had 231 units: 31 pre-GST bookings, 179 post-GST bookings before the Occupancy Certificate, 14 after the certificate and seven unsold as at 31 March 2023. The developer said subsequent agreements factored the GST benefits into their prices and that no bookings occurred between August 2017 and April 2018. The original comparison used pre-GST purchases of Rs. 18,89,72,608 and credit of Rs. 2,64,56,163, giving displayed ratios of 14.00% before GST and 16.10% afterward. Its required benefit was initially Rs. 39,00,226 base, or Rs. 43,68,253 including GST.

DGAP's record of credit notes showed Rs. 1,21,11,549 total benefit passed to buyers, including Rs. 99,67,875 to the 31 pre-GST buyers. Nineteen of those 31 confirmed receipt by email; no adverse responses were recorded from the remainder. The absence of a response is not described here as an express confirmation by every buyer. The developer explained that common input-service expenses across four simultaneously constructed towers were allocated by area, with Tower 1 representing 25.84%; it also identified tower-specific, common-project and head-office cross-charged expenses.

Pinpoint: Complaint and investigation history: paragraphs 1–9.1, physical pp. 2–4. Unit categories and original comparison: paragraphs 9.2–9.7 and Table A, pp. 4–6. Developer's explanations: paragraphs 12.1–12.7, pp. 7–8.

02 Discussion by Hon'ble Tribunal

The Tribunal did not simply accept the initial nil-contravention report. At the 16 February 2026 hearing it identified that the pre-GST purchase value included services but omitted goods. It directed a revised calculation under Rule 133(2A). The separately retrieved one-page interim records counsel's complaint-withdrawal submission, but the Tribunal still required the calculation and supporting documents. The final decision's no-contravention result rests on the corrected evidence and Section 171 analysis, rather than withdrawal alone.

02 Discussion by Hon'ble Tribunal

DGAP's revised report dated 29 June 2026 added Rs. 3,38,48,116 for pre-GST goods purchases. The denominator rose to Rs. 22,28,20,724 while pre-GST credit stayed Rs. 2,64,56,163. The displayed pre-GST ratio fell to 11.87%; with 16.10% post-GST, the increment became 4.23%. Revised Table C states post-GST purchases of Rs. 1,73,60,84,712, savings of Rs. 7,34,36,383, total area of 3,33,130 square feet, displayed savings of Rs. 220.44 per square foot and 35,638 square feet attributable to pre-GST bookings. It recomputes Rs. 78,56,041 base or Rs. 87,98,766 inclusive of GST. These displayed workings are reproduced without substituting a new assessment from rounded unit values.

Against that larger requirement, the revised report still records Rs. 99,67,875 passed to the 31 eligible pre-GST buyers. Paragraph 18 accepts the documentary pass-through evidence as undisputed by DGAP. Paragraph 19 then applies Section 171(1): when the required benefit has actually been passed on, a revision in methodology alone does not establish contravention. Paragraph 14.4 nevertheless reports that DGAP's concluding paragraph said there was a contravention despite the surplus finding. GSTAT expressly resolves the matter by its own no-contravention conclusion; the isolated DGAP line is not converted into the operative holding.

The printed surplus is inconsistent. Rs. 99,67,875 minus Rs. 87,98,766 equals Rs. 11,69,109, while the form, Table D and paragraphs 14.4 and 18 print Rs. 11,68,109. That Rs. 1,000 difference is disclosed, not silently corrected as a judicial finding. Original Table A labels purchases as including taxes and duties, whereas revised Tables B/C label them excluding taxes and duties; the same post-GST purchase value is retained. The underlying reconciliation is not supplied here.

Table D divides the 179 pre-OC post-GST bookings into three earlier units with Rs. 21,43,674 benefit recorded and 176 later units, attributing their nil computed liability to agreement prices taking GST impact into account. It separately records 14 post-OC and seven unsold units. Those are accepted project categories, not a universal rule that booking after 1 July 2017 removes Section 171. The category totals do not expose every buyer's computation; this judgment is not authority for using one buyer's excess to erase another's proven deficit.

Pinpoint: Tribunal-directed recalculation: paragraph 13, physical p. 9, and separately linked 16 February 2026 interim p. 1. Revised figures and categories: paragraphs 14.1–14.4, Tables B–D, pp. 9–13. Own determination: paragraphs 17–20, pp. 14–15. Conflicting tax-basis labels: Table A p. 5 and Tables B/C pp. 10–11. Arithmetic discrepancy: form p. 2, Table D p. 12 and paragraphs 14.4 and 18, pp. 13–14.

03 Judicial decision and operative relief

GSTAT held that PRL had passed the additional ITC benefit to the eligible homebuyers in excess of the revised requirement and that no Section 171 contravention was made out. It accepted the revised report dated 29 June 2026, directed communication to the parties, DGAP and jurisdictional CGST/SGST Commissioners, and disposed of the proceedings.

Rs. 87,98,766 is the revised benchmark tested against benefit already recorded, not a fresh sum directed to be refunded. The judgment awards no new recipient payment, developer refund, Consumer Welfare Fund deposit, interest or penalty, and prescribes no payment or compliance-report deadline. No forfeiture or clawback of the recorded excess is ordered.

03 Judicial decision and operative relief

The typed order date is 23 July 2026 and the visible digital-signature stamp is dated 27 July 2026. The Tribunal's finding about prior pass-through is reported as its finding; the note has not independently audited the underlying buyer credit notes, annexure or subsequent account positions.

Pinpoint: Substantive conclusion: paragraphs 17–20, physical pp. 14–15. Report acceptance, communication, disposal and pronouncement: paragraphs 21–24, p. 15. Administrative summary: p. 2. Typed date and digital signature: p. 15.

04 In favour of

PRL Developers on the project-specific Section 171 allegation, after the Tribunal required a larger corrected benchmark and found the verified benefit sufficient. No refund of any surplus to PRL, general booking-date exemption or unrestricted cross-buyer set-off is ordered.

Final substantive no-contravention adjudication. The Tribunal corrected the denominator, required revised investigation, assessed documentary pass-through against the resulting larger figure and applied Section 171(1). The closure label and earlier withdrawal submission do not replace that reasoning.

Pinpoint: Paragraph 13, physical p. 9; paragraphs 17–24, pp. 14–15; limited earlier context in the separately linked 16 February 2026 interim order.

05 AKHB REVIEW POINT

AKHB analysis: A comparison of credit ratios depends on consistent denominators. Audit whether both goods and services, allocation across towers and the tax-inclusive/exclusive basis are treated consistently in each period. A low original demand or a favourable investigation conclusion does not eliminate the need to correct an omitted purchase component.

Document actual recipient benefit separately from the computation of what was required. Reconcile credit notes and agreements to each buyer, unit, period and underlying payment record; distinguish affirmative confirmations from nonresponses. A favourable aggregate comparison should not be treated as a licence for cross-buyer netting where an individual shortfall is otherwise proved.

Obtain the missing Annexure 3 and underlying workings before implementing the result or relying on the precise surplus. Preserve the printed Rs. 11,68,109 alongside the demonstrable Rs. 1,000 subtraction discrepancy, and resolve the inconsistent tax-basis labels through records or authoritative clarification. The corrected calculation does not itself authorize recovery of excess benefit already given.

For a final-judgment collection, identify the actual substantive work performed: the denominator correction and final statutory application matter here. Do not substitute the Closure Report form label, the applicant's withdrawal or the developer's desired outcome for the Tribunal's reasons.

Pinpoint: AKHB commentary based on paragraphs 9–14 and 17–24, physical pp. 4–15, with limited procedural context from the separate 16 February 2026 interim; recommendations are distinct from the holding.

Sources and limitations

Relevant provisions

CGST Act 2017: Sections 171 and 171(1), ITC pass-through and no-contravention finding; CGST Act 2017: Section 109(3), recorded Principal Bench constitution; CGST Rules 2017: Rules 128, 129(1) and 129(6), complaint, referral and investigation; CGST Rules 2017: Rules 129 and 133(2A), reinvestigation history and Tribunal-directed recalculation; Central Tax Notification 18/2024 dated 30 September 2024, institutional empowerment.

Statutory note

Checked 13 October 2026. Section 171(1) requires the benefit of a tax-rate reduction or ITC to reach recipients through commensurate price reduction. Notification 18/2024-Central Tax empowers the Principal Bench from 1 October 2024 under Section 171(2) read with Section 109; Notification 19/2024-Central Tax fixes 1 April 2025 as the cutoff for accepting new examination requests. Its text does not repeal Section 171 or expressly terminate pending proceedings. This anti-profiteering role is distinct from ordinary GST appellate jurisdiction. These are targeted primary checks, not an exhaustive current-law audit. Rules 128, 129(1) and 129(6) are complaint/investigation history; Rule 133(2A) is the Tribunal-directed clarification/recalculation power. Notification 31/2019-Central Tax amending rule 17(b) inserted that subrule, independently checked on physical page 5. The no-contravention decision rests on this corrected project record, not a universal post-GST-booking exemption or unrestricted cross-recipient netting rule.

Treatment note

Checked 13 October 2026. The freshly retrieved official original is byte-identical to the collected PDF. The four exact final detail pages, the returned final-index page with pagesize 100 and interim-index page with pagesize 30, and bounded exact-party/case searches located no later matching stay, recall, reversal or modification. Only those returned index pages and stated searches were checked, not every court or tribunal docket. A search negative does not certify absence of an appeal or stay. The official Supreme Court cause list of 13 May 2026 lists Reckitt SLP(C) 12705/2024 and Excel Rasayan SLP(C) 3112/2024; it establishes historical listing only, not merits affirmation, a stay, final disposal or present pendency. The separately retrieved complete one-page interim dated 16 February 2026 records counsel's withdrawal submission, but nevertheless directs omitted-goods recalculation under Rule 133(2A). Its visible signature is dated 17 February. This earlier procedural order does not replace the final judgment's substantive reasons or establish later appellate clearance. Its garbled purchase figure is not used to correct the final amounts. Underlying buyer credit notes, absent Annexure 3 and later account positions were not independently audited.

Scope of source review

One final reasoned Principal Bench anti-profiteering adjudication for Piramal Revanta Tower 1. The administrative form calls it a Closure Report. The Tribunal had independently required correction of the pre-GST goods denominator, then applied Section 171 to the revised figures and accepted pass-through evidence. An earlier counsel statement about withdrawal is separate procedural history, not the final judgment's stated ground. The recipient-wise Annexure 3 and underlying credit notes are not attached to the identified final PDF. No complete GSTAT or ordinary appeal coverage is claimed.

Identity note

NAPA/139/PB/2025; reference ZA070010726000137H; typed order 23 July 2026, visible signature 27 July 2026. The caption is PRL Developers; the body varies the corporate suffix. Project Piramal Revanta Tower 1. Final benchmark Rs. 87,98,766 and recorded pass-through Rs. 99,67,875 are distinct from a new payment award. Printed surplus Rs. 11,68,109 differs by Rs. 1,000 from subtraction of those figures. Preserve original/revised tax-basis labels, the inconsistent DGAP concluding line and absent recipient annexure. The earlier interim withdrawal statement is counsel's reported submission, followed by substantive recalculation directions.

Primary source

Source description: Complete 15-page official final PDF, including Form GST APL-04A and the reasoned judgment. All original pages read and individually viewed by the AI author; source bytes preserved.

Official source: [Open source document](#)

Source pages: 15

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: Targeted primary text/image checks of paragraphs 117–119, 128–129 and 163, physical pp. 120–121, 124–126 and 141: supported commercial changes, differing real-estate scenarios, methodology and preservation of merits remedies. No approval of each later calculation or final Supreme Court affirmation is asserted.

Supreme Court cause list for 13 May 2026

Source document: [Open source document](#)

Pinpoint: Physical pp. 33 and 37: Excel Rasayan SLP(C) 3112/2024 and Reckitt SLP(C) 12705/2024. Historical listing evidence only, not a merits judgment, stay order or present-pendency certification.

PRL Developers, NAPA/139/PB/2025, official interim order dated 16 February 2026

Source document: [Open source document](#)

Pinpoint: Complete one-page order: counsel's withdrawal submission and Tribunal-directed goods-denominator recalculation under Rule 133(2A). Prior procedural context only, not a later stay or the final disposal's legal basis.

Central Tax Notification 31/2019 dated 28 June 2019

Source document: [Open source document](#)

Pinpoint: Physical p. 5, amending rule 17(b): insertion of Rule 133(2A), targeted clarification power; distinct from amending rule 17(c)'s Fund-interest amendment.

Disclosures and source rights

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

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Source checked: 13 October 2026