

Director General of Anti-Profiteering v. Laureate Buildwell Pvt. Ltd.

Case number: NAPA/134/PB/2025

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

Decision date: 17 August 2026

Parx Laureate: individual ITC shortfalls survive aggregate pass-through; contested interest and two buyer adjustments decided

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

Bench: Justice (Retd.) Dr. Sanjaya Kumar Mishra, President, and Shri Anil Kumar Gupta, Member (Technical), Division Bench Court No. I

Decision stage: Final reasoned recipient-liability judgment for Rs. 14,94,622 to 25 eligible recipients, with 18% interest expressly from 1 July 2017, qualified penalty under Section 171(3A), and distinct individual adjustment directions.

01 Facts of case and issues

The complaint by Manoj Kumar Pawa concerned construction services in Parx Laureate, Noida. DGAP's original report dated 16 December 2024 used 6.48% pre-GST and 16.91% post-GST credit-to-purchase ratios and proposed Rs. 25,52,40,017 gross profiteering. Its individual-shortfall table showed Rs. 5,95,56,344 despite larger aggregate benefit claimed. Those historical figures were superseded after GSTAT's 7 May 2026 Rule 133(4) remand.

The supplementary report dated 21 July 2026 changed the post-GST ratio to 15.97%, leaving a 9.49 percentage-point increment. It recorded Rs. 30,33,47,850 savings, deducted Rs. 20,02,23,000 cost escalation and arrived at Rs. 10,31,24,850 net savings. Allocation at the displayed Rs. 41.19 per square foot produced Rs. 6,89,32,593 base benefit plus Rs. 82,71,911 GST, totaling Rs. 7,72,04,504. These are the revised report figures accepted on this record, not a general legal entitlement to deduct every cost increase.

The computation tables run from 1 July 2017 to 31 March 2024. Paragraph 15's penalty discussion instead says the contravention extends to 31 October 2020. The inconsistency is left visible rather than selecting a harmonised period.

Pinpoint: Original report/tables: paragraphs 1–3, physical pp. 3–5. Party positions and remand: paragraphs 5–9, pp. 5–8. Revised tables: paragraph 10, pp. 8–12. Conflicting penalty period: paragraph 15, p. 14.

02 Discussion by Hon'ble Tribunal

GSTAT accepted the revised principal report and examined the evidence of substantial pass-through. Invoices and receipts recorded a 7% discount identified under Section 171(1); the source records Rs. 43,71,38,175 passed on in aggregate to 428 residential and 31 commercial unit-buyers. Nevertheless, the revised table left Rs. 10,47,053 shortfall for 22 buyers, Rs. 3,68,693 for two, and Rs. 78,876 for the applicant. Those components correctly total Rs. 14,94,622 for 25 recipients. Excess amounts recorded for others did not erase these individual deficits.

02 Discussion by Hon'ble Tribunal

Interest was contested. The developer sought waiver where it had waived buyers' delayed-consideration interest, matching rates where buyers paid interest, and later starts based on final payment or completion/occupancy. The Tribunal rejected those submissions. Although paragraph 14 quotes Rule 133(3)(b) in collection-to-return terms, its own reasoning and paragraphs 17 and 21 expressly start interest on 1 July 2017. The note preserves that operative start without substituting a buyer's collection date.

The Tribunal decided the two requested adjustments differently. For Abha Mayawala's Flat 4043, Tower Delonix, it accepted reduction of the final settlement/payment by the ITC benefit plus 18% interest calculated from 1 July 2017. For Manoj Kumar Pawa's Flat 7081, Tower Nectarine, it rejected the proposed consideration offset because the monetary dispute was before the consumer forum, directing the entire unpaid ITC benefit with stipulated interest. This is neither a blanket permission for adjustments nor a blanket prohibition.

Pinpoint: Principal and invoice findings: paragraphs 11–13, physical pp. 12–13; revised Table C, p. 11. Interest reasons and rejected submissions: paragraphs 14, 16–17, pp. 13–17. Distinct buyer directions: paragraphs 18–19, pp. 17–18.

03 Judicial decision and operative relief

GSTAT accepted the 21 July 2026 report and held that Rs. 14,94,622 must be passed to 25 eligible recipients. It ordered recipient interest under Rule 133(3)(b), read with the 18% rate in the reasoning, expressly effective from 1 July 2017. The two buyer-specific directions remain part of the disposition. Closing the matter in paragraph 24 is the conclusion of substantive liability and contested-remedy adjudication, not a finding that payment was completed.

Penalty is qualified. Paragraph 15 limits Section 171(3A) to profiteering attributable to the period from 1 January 2020, whereas paragraph 17 more broadly describes 10% of the amount due to remaining buyers. Paragraph 22 makes liability subject to the proviso. No certified penalty on the whole Rs. 14,94,622 is computed here. The quoted proviso says thirty days from passing of the order, even though paragraph 17 also uses within a month; the two phrases are not treated as invariably identical. The conclusion fixes no separate principal-refund deadline. No payment or satisfied penalty-waiver condition is verified.

Other source defects remain qualified: paragraph 11 dates a clarification 23 December 2026, after judgment, while paragraph 6 says 23 December 2025; the earlier shortfall appears as Rs. 5,59,56,344 in paragraph 3 versus Rs. 5,95,56,344 in the original table. Revised Table C prints a negative excess-benefit difference of Rs. 36,14,28,293, inconsistent with that row's displayed subtraction. No corrected allocation is invented. Paragraph 17 mislabels Section 171(3A) as a provision of the Rules; it is a provision of the Act.

Pinpoint: Operative conclusion: paragraphs 20–24, physical pp. 18–19. Interest/penalty and adjustments: paragraphs 14–19, pp. 13–18. Source discrepancies: paragraph 3, p. 4; paragraph 6, p. 7; Table C, p. 11; paragraph 11, p. 12; paragraph 17, p. 17.

04 In favour of

The 25 eligible Parx Laureate recipients on the remaining Rs. 14,94,622 and 18% interest, including Manoj Kumar Pawa against the proposed offset. The respondent obtained recognition of substantial prior benefit and the Abha Mayawala adjustment, with penalty limited by the stated commencement discussion and proviso. Source-period and penalty-scope tensions remain unresolved.

Final substantive recipient-liability determination with independent resolution of interest, penalty and individual adjustment disputes. The accepted aggregate pass-through and revised principal do not extinguish the 25 individual shortfalls. No completed-compliance or general netting rule is established.

Pinpoint: Paragraphs 11–24, physical pp. 12–19.

05 AKHB REVIEW POINT

AKHB analysis: Reconcile benefits buyer by buyer before relying on aggregate discounts or credits. Preserve the specific Section 171 identification in invoices, the underlying purchase/credit allocation and actual recipient evidence. The accepted cost-escalation deduction belongs to this revised report and record; it should not be recast as an unrestricted offset against statutory benefit.

Keep principal, interest and penalty calculations separate. The expressly ordered 1 July 2017 interest start must remain visible alongside the collection-based rule quotation; obtain authoritative clarification before substituting a different trigger. The inconsistent investigation/penalty periods and narrower paragraph 15 versus broader paragraph 17 wording require care before quantifying any penalty. Actual payment within the statutory thirty-day window, rather than an assumption of compliance, matters to the proviso.

Document each adjustment on its own facts. Abha Mayawala's accepted final-settlement credit cannot be transferred automatically to the complainant's consumer-forum dispute. The original annexures, buyer schedules, disputed consideration records and later forum orders are not supplied or independently audited by this note. Preserve the erroneous historical arithmetic and dates without treating them as a new demand, settlement or corrected judgment.

Pinpoint: AKHB commentary based on revised paragraph 10 tables and paragraphs 11–24, physical pp. 8–19; recommendations are distinct from the Tribunal's holding.

Sources and limitations

Relevant provisions

CGST Act 2017: Sections 171, 171(1) and 171(3A), with the latter's commencement and thirty-day proviso qualifications retained; CGST Rules 2017: Rules 133(4) and 133(3)(b), investigation remand and recipient interest respectively; 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. Section 171(3A) commenced on 1 January 2020, confirmed by the India Code commencement footnote and Notification 01/2020-Central Tax. Rule 133(3)(b) states recipient-return interest from collection of the higher amount until return; the Tribunal's expressly stated 1 July 2017 start is preserved as ordered, without silently replacing it. Paragraph 17 incorrectly labels Section 171(3A) as a provision of the CGST Rules; it is a provision of the Act. These targeted historical checks are not a complete current-law audit.

Treatment note

Checked 13 October 2026. The freshly retrieved official original is byte-identical to the collected PDF. Exact official detail pages and bounded party/case and official-court searches located no later matching stay, recall, reversal or modification. Some live final-index requests timed out and readable indexed pages supplemented the checks; this is not an exhaustive live-index or appellate-docket audit or confirmation that no appeal exists. The official Supreme Court cause list of 13 May 2026 lists Reckitt SLP(C) 12705/2024 but establishes historical listing only, not a stay, merits affirmation, final outcome or present pendency. The official listing of the 7 May 2026 Rule 133(4) remand predates this final decision. Unrelated same-name consumer/property litigation and the table's unidentified mediation settlement are not treated as subsequent appellate treatment of NAPA/134/PB/2025. Recipient annexures, refunds, penalty-waiver performance and current consumer-forum results have not been 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/134/PB/2025; reference ZA070010826000061H; division-bench judgment pronounced and signed 17 August 2026; Parx Laureate only. March 2024 table endpoint versus October 2020 penalty recital, December 2025/2026 clarification dates, historical shortfall and revised excess-benefit arithmetic remain qualified. Annexures 12–13 and complete underlying recipient records are absent from the identified 19-page original. A table's one mediated-settlement entry is not appellate approval of this GSTAT decision.

Primary source

Source description: Complete 19-page official PDF, including Form GST APL-04A and the signed final reasoned order. Every original page text-read and individually visually inspected by the AI author; source bytes preserved.

Official source: [Open source document](#)

Source pages: 19

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 check of paragraphs 118, 153 and 163: genuine commercial changes and statutory interest/penalty power. The Tribunal's exact cost allowance and interest directions remain case-specific; no final Supreme Court approval is asserted.

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, historical official compilation updated 13 September 2018

Source document: [Open source document](#)

Pinpoint: Rule 133(3)(b), physical p. 106: recipient-return interest text; contextual comparison does not replace the source judgment's expressly stated interest start.

Central Tax Notification 01/2020 dated 1 January 2020

Source document: [Open source document](#)

Pinpoint: Physical p. 1: commencement of specified Finance (No. 2) Act 2019 provisions, including Section 112 inserting Section 171(3A). Same-day targeted primary check reused.

Disclosures and source rights

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

General disclaimer: For professional information only; not legal advice. Read the judgment and applicable law in full and obtain case-specific advice before acting.

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Source checked: 13 October 2026