

Director General of Anti-Profiteering v. Shreeji Infra

Case number: NAPA/163/PB/2025

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

Decision date: 19 September 2026

Shree Two: Rs. 16,54,056 profiteering theory rejected; separate excess-GST refund direction to tax authority

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

Bench: Justice Shri Mayank Kumar Jain, Member (Judicial), Single Bench Court No. II

Decision stage: Final reasoned rejection of DGAP's Rs. 16,54,056 anti-profiteering computation, with a separate direction to the Principal Chief Commissioner to refund excess-realised GST to the applicant according to law.

01 Facts of case and issues

Shreeji Infra developed Shree Two in Vadodara. The judgment records commencement permission dated 7 January 2019, first booking money on 21 February 2019, and 84 flats, of which 65 were booked. The project was ongoing on 1 April 2019. The recorded investigation period was 1 July 2017 to 31 March 2024, although the project commenced later.

DGAP's report dated 24 October 2024 acknowledged the absence of pre-GST bookings and a pre-GST credit comparator. It nevertheless treated alleged collection of 5% GST instead of 1% for ten affordable flats as 4% savings, calculating Rs. 14,76,836 and adding 12% GST to arrive at Rs. 16,54,056. Those are the Department's rejected figures and tax theory, not the Tribunal's final liability or a verified present-rate conclusion.

Pinpoint: Paragraphs 1–12, physical pp. 2–9; ten-flat tables, physical pp. 5–8.

02 Discussion by Hon'ble Tribunal

The applicant invoked the new 1%/5% no-ITC scheme and argued that excess tax collection engaged Section 171. The developer maintained that it had continued depositing 12% GST with ITC while recovering less from the customer. Its figures recorded Rs. 3,97,800 deposited and Rs. 1,70,250 recovered, with Rs. 2,27,550 borne by it. These are submissions reproduced in the order, not this note's audit of the correct tax option, credit eligibility or treasury payments.

GSTAT analysed the statutory requirement of an actual tax-rate or ITC saving and rejected DGAP's treatment of the alleged 4% excess tax as anti-profiteering savings. It relied on the post-GST commencement and absence of a pre-GST credit comparator on this record, and distinguished excess-tax realisation from the Section 171 computation. It expressly found the Rs. 16,54,056 computation unsustainable. This is a substantive rejection of a positive Departmental theory, rather than a settlement or unexplained report closure.

02 Discussion by Hon'ble Tribunal

The source must be read as a whole. Paragraph 33 first says excess realisation cannot be treated as savings but then prints that the respondent was indulged in profiteering; the same paragraph rejects the computation, and paragraphs 36 and 38 unequivocally reject the report. The contradictory phrase is not silently rewritten. Nor is the post-GST project reasoning expanded into a blanket exemption from every subsequent rate-change or ITC event.

Pinpoint: Party submissions: paragraphs 14–24, physical pp. 9–12. Statutory discussion and findings: paragraphs 27–36, physical pp. 12–17; final rejection, paragraph 38, physical p. 18.

03 Judicial decision and operative relief

GSTAT rejected the 24 October 2024 DGAP report. Separately, paragraph 40 directed the concerned Principal Chief Commissioner of the Zone to refund excess-realised GST to the applicant in accordance with law and intimate the Tribunal. It did not quantify that refund, identify a refund formula or impose a specific refund deadline. The rejected Rs. 16,54,056 is not converted into the applicant's refund award.

The operative order imposes no interest or penalty. The applicant's earlier request for 18% interest and Rule 133(3)(c) submission is not an interest award. The DGAP's suggestion about investigation of allegedly ineligible ITC for 14 flats remains a submission; the judgment is not a certification that all tax collections or ITC claims were lawful. Actual refund and departmental action are unverified.

The applicant's unit is C-403 in paragraph 4 but C-402 in paragraphs 5 and 31; the ten-flat table and later references to 14 flats are not harmonised. The ten printed savings rows add to Rs. 14,76,835, while the report prints Rs. 14,76,836; individual rounded component differences also remain. These do not supply a corrected assessment. The judgment was reserved on 7 September and pronounced/digitally signed on 19 September 2026.

Pinpoint: Paragraphs 4–5, physical p. 3; computation, physical pp. 7–8; DGAP clarification, paragraph 26, physical p. 12; reasoning, paragraphs 31–36, physical pp. 16–17; operative paragraphs 38–42, physical p. 18.

04 In favour of

Mixed: Shreeji Infra on rejection of DGAP's Rs. 16,54,056 anti-profiteering computation; the applicant on the separate tax-authority refund direction according to law. No quantified refund, interest award, implementation finding or general approval of the tax/ITC treatment is supplied.

Final substantive rejection of the Section 171 theory with a separate, unquantified excess-tax refund direction to the Principal Chief Commissioner. The report's rejection does not erase that direction or validate all underlying tax positions.

Pinpoint: Paragraphs 29–40, physical pp. 16–18.

05 AKHB REVIEW POINT

AKHB analysis: Keep three questions separate: whether a Section 171 saving arose, whether the correct GST rate/option and ITC conditions were applied, and whether an excess-tax refund is available through the directed authority. The failure of DGAP's particular computation does not answer every tax-compliance question.

Do not present Rs. 16,54,056 as a refund awarded to the complainant. Obtain the operative tax-refund implementation, correct unit identity and supporting invoices/payment records before advising on an amount. Preserve the C-403/C-402, ten/fourteen-flat and printed arithmetic differences rather than filling missing facts.

Read paragraph 33's contradictory phrase with the explicit rejection in paragraphs 36 and 38, while retaining the original wording for review. The separate statutory purpose discussion does not turn the applicant's Rule 133(3)(c) argument into an operative interest direction or grant a blanket exemption to post-GST projects.

Pinpoint: AKHB commentary based on paragraphs 4–40, physical pp. 3–18; recommendations are distinct from the Tribunal's holding.

Sources and limitations

Relevant provisions

CGST Act 2017: Sections 109(3), 171 and 171(1), with Section 172 appearing only inside the reproduced Sudarshan Theatre passage, not a separately decided issue; CGST Rules 2017: Rules 128 and 129(1), with Rule 133(3)(c) appearing in the applicant's interest submission rather than an operative award; Central Tax Notification 18/2024, Principal Bench empowerment cited in the original; CGST Act 2017: Sections 109 and 171(2), institutional/current-law context; Central Tax Notification 19/2024, 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 172 concerns removal of difficulties. Its appearance inside the reproduced Sudarshan passage is attributed to that quotation; it is not independently identified as the legal basis of the separate, unquantified tax-refund direction.

Treatment note

Checked 13 October 2026. Fresh exact official PDFs remain byte-identical to the collected sources. The current official final-order index and bounded party/case searches located no later matching stay, recall, reversal or modification of this identified order. This is not certification of the complete appellate docket or actual compliance. Related Reckitt proceedings remain qualified: same-day official Supreme Court procedural/listing evidence, including the 13 May 2026 cause list, does not establish a stay, merits affirmation or final Supreme Court outcome. No fresh complete Supreme Court docket search is claimed.

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/163/PB/2025; reference ZA070010926000165H; reserved 7 September and pronounced 19 September 2026. Caption Shreeji Infra, body Shree Ji Infra; no separate entity inferred. Shree Two only. C-403/C-402, ten/fourteen-flat references, paragraph 33 wording and rejected-calculation arithmetic remain qualified. Paragraph 40's tax-authority refund is unquantified.

Primary source

Source description: Complete 18-page official PDF, including Form GST APL-04A and the final reasoned order. Every original page read and individually viewed by the AI author and independent source reviewer; source bytes preserved.

Official source: [Open source document](#)

Source pages: 18

Outcome type: mixed

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, 171 and 172; the Section 172 removal-of-difficulties text does not itself establish the basis of the case-specific refund direction. Targeted passages only, 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.

Disclosures and source rights

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