GSTAT

Principal Bench at Delhi

Single Bench Court No. Court II

NAPA/236/PB/2025

DGAP, DG ANTI PROFITEERING, DIRECTOR GENERAL OF ANTI-PROFITEERING **.....Appellant**

Versus

SAVALIYA PROCON **.....Respondent**

Quorum

Hon'ble Justice Sh. Mayank Kumar Jain, Member (Judicial)

Counsel for Appellant **Counsel for Respondent**

Form GST APL-04A

[See rules 113(1) & 115]

Summary of the order and demand after issue of order by the GST Appellate Tribunal

whether remand order : No

Order reference no. : ZA070011026000186H **Date of order :** 22/10/2026

1.	GSTIN/Temporary ID/UIN - 24ACSFS8319Q1Z3	
2.	Appeal Case Reference no. - NAPA/236/PB/2025	Date - 31/08/2021
3.	Name of the appellant - DGAP , dgap.cbic@gov.in , 011-23741544	
4.	Name of the respondent - 1. Savaliya Procon , savaliya.procon@gmail.com , 079 40026060	
5.	Order appealed against -	

	(5.1) Order Type -	
	(5.2) Ref Number -	Date -
6.	Personal Hearing - 22/10/2026 30/09/2026 15/09/2026 17/08/2026 20/07/2026 08/06/2026 29/05/2026 08/04/2026 23/02/2026	
7.	Status of Order under Appeal - Confirmed – Order under Appeal is confirmed	
8.	Order in brief - The DGAP report dated 16.12.2025 is accepted	
	Summary of Order	
9.	Type of order : Closure Report	

ORDER

Justice Mayank Kumar Jain, Judicial Member.

FACTUAL MATRIX

1. The M/s. Savaliya Procon (hereinafter referred to as "**the Respondent**") is a company registered under the Central Goods and Services Tax Act, 2017 (hereinafter referred to as **'CGST Act, 2017'**) having its place of business at 13th Floor, Office No. 1301, 1302, 1307 &1308, Krish Cubical, Avalon Hotel Road, Near Goverdhan Party Plot, Thaltej, Ahmedabad, Gujarat-380059. The Respondent is engaged in the business of Construction Services.
2. The present proceedings arise from an application made by Shri Jayesh V Rathod, R/O 303, Raman Rati Apartment, Saru Sectio Road, Jamnagar, Gujarat-361006 (hereinafter referred to as **'the Applicant'**) under Rule 128 of the Central Goods and Services Tax Rules, 2017

(hereinafter referred to as **'the CGST Rules, 2017'**) before the Standing Committee on profiteering. It was alleged that the Respondent was indulged in profiteering in respect of construction services provided by him in their project "Krish Elite".

3. The applicant alleged that the Respondent did not pass on the benefit of Input Tax Credit (hereinafter referred to as **'the ITC'**) to the Applicant by way of commensurate reduction in the prices on purchase of Flat in the project "Krish Elite" on the introduction of GST w.e.f. 01.07.2017, in terms of Section 171 of the CGST Act, 2017,

Investigation & Conclusion

4. The said application was examined by the Standing Committee on Anti-Profiteering and same was referred to the Director General of Anti-Profiteering (hereinafter referred to as **'the DGAP'**) under Rule 129(1) of the CGST Rules, 2017 for detailed investigation.

5. The investigation was set into motion by the DGAP. Notice was issued to the Respondent calling upon it to show cause whether the benefit of the ITC had been passed on to the consumers by way of commensurate reduction in prices, and if so, to *suo-moto* determine the quantum thereof.

6. After investigation, the DGAP submitted its report dated 29.12.2020 to the erstwhile Authority, National Anti-Profiteering Authority (hereinafter referred to as "**NAA'**).

7. The tenure of the NAA ended on 30.11.2022. Thereafter, the Competition Commission of India (hereinafter referred to as **"the CCI"**) was empowered to examine matters related to Anti-Profiteering with effect from 01.12.2022 vide Notification No. 23/2022 - Central Tax dated 23.11.2022.

8. The CCI, vide its letter F. No. CCI/15/Vishwanath Legal/2023/511 dated 18.06.2025, remanded the matter back to the DGAP for re-investigation in view of the judgment passed by Hon'ble High Court of Delhi in ***Reckitt Benckiser India Pvt. Ltd. vs Union of India & Ors.,*** (2024) 14 Centax 375 (Delhi).

9. Pursuant thereto, a Notice was issued by the DGAP to the Respondent under Rule 129 of the CGST Rules, 2017, calling upon the Respondent to reply as to whether they admit that the benefit of ITC had not been passed on by them to their customers by way of commensurate reduction in prices and, if so, to *suo motu* determine the quantum thereof.

10. The period covered in the current investigation is from June, 2017 to June, 2019.

11. The DGAP, after examining the record, found that the project "Krish Elite" consists of 401 units including 266 residential and 135 commercial units. Out of 266 residential units, 129 units were booked before the receipt of Building Use (for short, “BU”) Permission and 137 thereafter. Therefore, 129 units are considered for investigation. Out of 135 commercial units, 46 units were booked before BU Permission, 81 units thereafter, and 08 units remained unsold. Therefore, 46 units are considered for investigation. Thus, only 175 units, having a saleable area of 7,160 Sq. Mtr. were taken into consideration for the investigation,

12. The DGAP observed that the ratio of ITC to purchase value decreased from 6.55% in the pre-GST period to 5.77% in the post-GST period. Hence, no additional benefit of ITC was accrued to the Respondent upon implementation of GST. Consequently, Section 171 of the CGST

Act, 2017 was not contravened by the Respondent. The calculation is shown in the table as:

S. No.	Particulars	Pre-GST Period (up to 30.06.2017) (Rs.)	Post-GST Period (01.07.2017 to June 2019) (Rs.)
1	CENVAT of Service Tax paid on input services	5,77,877/-	—
2	Input Tax Credit of VAT paid on purchase of inputs	0	—
3	Input Tax Credit of GST availed	—	66,98,042/-
4	Total CENVAT/ITC of VAT/ITC of GST	5,77,877/-	66,98,042/-
5	Total purchase value of goods and services	88,27,408/-	11,61,18,783/-
6	Percentage/Ratio of the input tax credit to the purchase value	6.55%	5.77%

13. The Principal Bench of the Goods and Services Tax Appellate Tribunal (hereinafter referred to as **"GSTAT"**) constituted under sub-section (3) of Section 109 of the CGST Act, 2017, has been empowered to examine anti-profiteering cases with effect from 01.10.2024, vide Notification No. 18/2024-Central Tax dated 30.09.2024. Consequent upon the constitution of the GSTAT, the present proceedings are being examined by this Tribunal.

14. The Respondent filed its Written Submissions that:

    a) Respondent accepted the findings recorded in the aforesaid DGAP Report, and it does not have any objection whatsoever to the methodology adopted, factual findings recorded, computations made, and conclusions arrived at by the DGAP in the said Report.

b) Respondent had furnished the documents as demanded by the DGAP in the course of investigation, including his books of accounts, GST Returns, VAT Returns, ST-3 Returns, Input Tax Credit Registers, duly certified by the Chartered Accountant.

c) DGAP has duly considered the material placed on record and has categorically concluded that no additional benefit of Input Tax Credit had accrued to the Respondent upon implementation of GST, and consequently the provisions of Section 171 of the CGST Act, 2017 were not contravened by the Respondent.

d) The conclusions arrived at by the DGAP are based upon proper appreciation of facts, records, statutory provisions and the law laid down by the Hon'ble High Court of Delhi, and therefore the said Report may be accepted.

Conclusion & Findings

15. Heard the Shri Praveen Kumar, Learned Authorised Representative for the DGAP and Shri Pratik D. Trivedi, Learned Advocate for the Respondent.

16. The Respondent has accepted the DGAP Report in its entirety and has not disputed any finding, computation or conclusion. The Respondent has also stated that all documents were furnished during the investigation and that the DGAP has correctly concluded that the Respondent was not indulged in profiteering.

17. We made efforts to reach the Applicant to confront with the DGAP report dated 16.12.2025. The office has sent information to the Applicant through email, WhatsApp, GSTAT portal and registered post. The applicant has responded only through WhatsApp and stated that he is in agreement with the DGAP report.

18. On the basis of re-calculation of the profiteering amount, the DGAP, based upon the documents submitted by the Respondent indicating actual saving incurred against the total procurement the DGAP arrived at the conclusion that the Respondent has not contravened the provision under section 171 of the CGST Act, 2017.
19. In view of the above, we find that the DGAP has rightly concluded that no additional benefit of Input Tax Credit was accrued to the Respondent. Therefore, Section 171 of the CGST Act, 2017 has not been contravened by the Respondent. Since, no objection is raised by the Applicant, therefore, the DGAP report dated 16.12.2025 deserves to be accepted.
20. In view of the above, the DGAP Report dated 16.12.2025 deserves to be accepted.

ORDER

21. Accordingly, the DGAP report dated 16.12.2025 is accepted.
22. Copy of the Judgment be communicated to the concerned CGST/SGST Commissionerate for information and necessary action at their end.
23. Judgment pronounced in open Court.
24. The Judgment and Order be uploaded on the GSTAT portal.

(Justice Mayank Kumar Jain)