



BEFORE THE COMPETITION COMMISSION OF INDIA
(AUTHORITY UNDER SECTION 171 OF THE CENTRAL GOODS & SERVICES TAX ACT, 2017)

Case No. : 02/2023
Date of Institution : 24.01.2023
Date of Order : 10.07.2023

In the matter of:

Director General of Anti-Profiteering, Central Board of Indirect Taxes & Customs, 2nd Floor, Bhai Vir Singh Sahitya Sadan, Bhai Vir Singh Marg, Gole Market, New Delhi-110001.

Applicant

Versus

M/s New World Realty LLP, Sr. No. 288, Village – Maan, Taluka – Mulshi, Hinjawadi Phase – II, Before Quadrant, Pune, Maharashtra – 411057.

Respondent

Coram:-

1. Smt. Ravneet Kaur, Chairperson
2. Smt. Sangeeta Verma, Member
3. Sh. Bhagwant Singh Bishnoi, Member

ORDER

1. The present Report dated 20.01.2023 has been received by the Competition Commission of India (**hereinafter referred to as the “Commission”**) from the Director General of Anti-Profiteering (**herein after referred to as the “DGAP”**) after a detailed investigation under Rule 133(5) of the Central Goods & Service Tax (CGST) Rules, 2017 (**herein after referred to as the “Rules”**). The brief facts of the case are that the erstwhile National Anti-Profiteering Authority (**herein after referred to as the “NAA”**) in the case of M/s New World Realty LLP (**herein after referred to as the “Respondent”**), vide Para-13 of the Order. No. 59/2022 dated 22.08.2022 had directed the DGAP to investigate profiteering in relation to projects other than the project “Tinsel Town” being constructed by the Respondent under single GST Registration No. i.e. 27AAHFN9995N1Z3 under Rule 133(5) of the CGST Rules, 2017 and submit investigation report to the NAA for determination whether the Respondent was liable to pass on the benefit of ITC in respect all the other Projects/Blocks to the buyers, or not, as per the provisions of Section 171(1) of the CGST Act, 2017.

2. Vide the above mentioned Report, the DGAP had stated that:-
 - i. The Authority vide Para 49 of the Order No. 59/2022 dated 22.08.2022 determined Rs.1,45,28,245/- as the amount of benefit of ITC not passed on to the recipients by the Respondent during the period from 01.07.2017 to 30.09.2019.

- ii. On receipt of Order No. 59/2022 dated 22.08.2022, notice under Rule 129 of the CGST Rules, 2017 was issued by the DGAP on 07.09.2022, calling upon the Respondent to reply as to whether he admitted that the benefit of ITC had not been passed on to the buyers of the projects other than "Tinsel Town", if any, by way of commensurate reduction in prices and if so, to suo moto determine the quantum thereof and indicate the same in his reply to the notice as well as furnish all the supporting documents.
- iii. The period covered by the current investigation was from 01.07.2017 to 31.07.2022.
- iv. In response to the notice dated 07.09.2022, the Respondent replied vide letter dated 23.09.2022 that he had not executed any other project till date apart from the project "Tinsel Town".
- v. The DGAP has verified the claim of the Respondent that he had not undertaken any project other than "Tinsel Town", by checking the details of the projects registered by him with the Maharashtra Real Estate Regulatory Authority (RERA), from its website. Upon verification, it was observed that the Respondent had taken Tower-wise RERA registration of 2 Phases under Tinsel Town project. Further, the NAA vide its Order No. 59/2022 dated 22.08.2022 has already directed the Respondent to pass on the benefit of ITC in respect of both the phases.
- vi. The DGAP has further submitted that no project other than Project "Tinsel Town" was registered with Maharashtra RERA. The

details of the registrations in respect of the Respondent as seen from the MahaRERA website has been provided by the DGAP as per the Table given below:-

| Sr. No. | Project Name | Promoter Name | RERA Registration No. |
|---------|----------------------|----------------------|-----------------------|
| 1 | Tinsel Town Phase I | New World Realty LLP | P52100000392 |
| 2 | Tinsel Town Phase II | New World Realty LLP | P52100017178 |

- vii. Further, to verify the Respondent's claim, letter F. No. 22011/API/38/2022/2311 dated 19.10.2022 was also sent to the Commissioner of State Tax, Govt. of Maharashtra, Mumbai for ascertaining whether the Respondent had executed any projects other than the Project "Tinsel Town".
- viii. The Deputy Commissioner of State Tax, Mumbai vide his email dated 19.10.2022, had informed that the Respondent had not executed any project other than the Project: "Tinsel Town".
- ix. The DGAP has concluded that the Respondent had not undertaken any other construction project except Project "Tinsel Town" which had already been investigated by DGAP and profiteering had already been determined by the NAA vide its Order No. 59/2022 dated 22.08.2022 in respect of this project. Hence, in view of the above findings, Section 171(1) of the CGST Act, 2017 requiring that *"any reduction in rate of tax on any supply of goods or services or the benefit of ITC shall be passed on to*

the recipient by way of commensurate reduction in prices", was not applicable in the present case.

3. This Commission has carefully examined the DGAP's Report dated 20.01.2023 and the documents placed on record and it has been revealed that the Respondent is executing a single project namely "Tinsel Town" under GSTIN 27AAHFN999N1Z3. The above project is being executed by the Respondent in two Phases i.e. Phase I & Phase II. The Phase I & II of the above project has been registered with Maharashtra RERA under Registration No. P52100000392 & P52100017178. The NAA vide its Order No. 59/2022 dated 22.08.2022 has already determined profiteered amount of Rs. 1,45,28,245/- in respect of the above two phases of the project "Tinsel Town".
4. It is also observed by the Commission that the Respondent is not executing any other project other than the project "Tinsel Town" under the same GSTIN 27AAHFN999N1Z3 and the same has been verified by the DGAP by visiting the website of Maharashtra RERA. From the website of Maharashtra RERA, it has been observed that the Respondent has obtained Tower-wise registration of two phases of the project "Tinsel Town" and no other project than the above project is being executed by him under the above GSTIN.
5. The Commission has also observed that letter F. No. 22011/API/38/2022/2311 dated 19.10.2022 was also sent by the DGAP to the Commissioner of State Tax, Govt. of Maharashtra, Mumbai to ascertain whether the Respondent had executed any projects other

than the Project "Tinsel Town" project. The Deputy Commissioner of State Tax, Mumbai vide his email dated 19.10.2022 had informed that the Respondent had not executed any project other than the project "Tinsel Town.

6. In view of the above findings, we find that the instant case does not fall under the ambit of Anti-Profiteering provisions of Section 171 of the CGST Act, 2017 as the Respondent is not executing any project other than the project "Tinsel Town" which has already been investigated and profiteered amount has also been determined by the NAA vide its Order No. 59/2022 dated 22.08.2022. Accordingly, the proceedings initiated against the Respondent under Rule 133 (5) of the CGST Rules, 2017 are hereby dropped.
7. A copy of this order be supplied to all the parties and file of the case be consigned after completion.

Sd/-
(Ravneet Kaur)
Chairperson

Sd/-
(Bhagwant Singh Bishnoi)
Member

Sd/-
(Sangeeta Verma)
Member

Certified Copy


(Jyoti Jindgar Bhanot)
Secretary, CCI

F. No. M/AP/04/NewWorldRealty-op/2023-Sectt. | 271-373 Dated: 13/07/2023

Copy To:-

1. M/s New World Realty LLP, Sr. No. 288, Village – Maan, Taluka – Mulshi, Hinjawadi Phase – II, Before Quadrant, Pune, Maharashtra – 411057.
2. Directorate General of Anti-Profiteering, 2nd Floor, Bhai Vir Singh Sahitya Sadan, Bhai Vir Singh Marg, New Delhi-110001.
3. Guard File.