



BEFORE THE COMPETITION COMMISSION OF INDIA

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

Order No: - 12/2023
Date of Institution 29.03.2023
Date of Order 09.08.2023

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 Pearlite Real Properties Pvt. Ltd., Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (E), Mumbai – 400 079.

Respondent

Coram: -

Smt. Ravneet Kaur, Chairperson,
Dr. Sangeeta Verma, Member,
Sh. Bhagwant Singh Bishnoi, Member.

ORDER

The present Report dated 29.03.2023, has been received by the Competition Commission of India (**hereinafter referred to as the**

“Commission”) from the Director General of Anti-Profiteering **(hereinafter referred to as the “DGAP”)** after a detailed investigation as per the directions given under Rule 133(5) of the Central Goods and Service Tax Rules, 2017 **(hereinafter referred to as the “Rules”)** contained in erstwhile National Anti-profiteering Authority’s **(hereinafter referred to as the “NAA”)** Order No. 77/2022 dated 30.09.2022, passed in the project “Godrej 24” executed by M/s Pearlite Real Properties Pvt. Ltd., Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (E), Mumbai – 400 079 **(hereinafter referred to as “the Respondent”)**).

1. The DGAP vide his first Investigation Report dated 25.02.2021 had reported that the Respondent had profiteered an amount of Rs. 6,89,62,698/- while executing the ‘Godrej 24’ project which was required to be passed on to the home-buyers.
2. The NAA vide its Order No. 77/2022 dated 30.09.2022 had determined the profiteered amount as Rs. 6,89,62,698/- as the benefit of ITC was not passed on to the recipients by the Respondent during the period from 01.07.2017 to 31.12.2018 and ordered the Respondent to pass on the benefit.
3. Further, vide Para 17 of the aforesaid Order, the NAA directed the DGAP in terms of Rule 133(5) of the CGST Rules, 2017, to investigate profiteering in relation to projects other than the project “Godrej 24”, being executed by the Respondent, if any, under the provisions of Section 171 of the CGST Act, 2017. The contents of para 17 are reproduced below:

“17. Since the Respondent has profiteered in the instant project, there is every likelihood that he has profiteered in other projects also under the GSTIN:27AAICP7601B1ZO. The Authority has reason to believe that the Respondent may have resorted to profiteering in the other projects and hence it directs the DGAP under Rule 133(5) to investigate all other projects of the Respondent under the same GST Registration which have not yet been investigated from the perspective of Section 171 of the CGST Act, 2017 and submit complete investigation report for all the projects under this single GST Registration”.

4. In pursuance of the above directions the DGAP vide his Report dated 29.03.2023 has inter-alia submitted the following points: -
- a. That a Notice under Rule 129 of the CGST Rules, 2017 was issued to the Respondent on 02.11.2022, calling upon the Respondent to furnish the details of all the other projects executed under GSTIN: 27AAICP7601B1ZO.
 - b. In reply to the notice of the DGAP, the Respondent replied that he had undertaken one other project under the GSTIN: 27AAICP7601B1ZO and the name of the project is “Godrej Elements”.
 - c. The Respondent further submitted that the project “Godrej Elements” was already under investigation by the DGAP and he has already submitted all the details of the project “Godrej Elements” to the DGAP.

- d. In order to verify the claims of the Respondent, the details of Respondent's projects under the **GSTIN No. 27AAICP7601B1ZO** were checked online by the DGAP with the official website of the Maharashtra Real Estate Regulatory Authority (MRERA). From the Maharashtra RERA website, DGAP observed that there was only one other project in the name of the Respondent; and the name of that project was "Godrej Elements".
- e. The DGAP in its Report has concluded that there is only one other project viz., "Godrej Elements" which has been executed by the Respondent. The DGAP has further submitted that this project has already been investigated by it and the investigation report of the project has been submitted to NAA in which no profiteering has been found. The DGAP also reported that there are **no other projects on the GSTIN: 27AAICP7601B1ZO which can be investigated.**
5. This Commission has carefully considered the Report of the DGAP and the other material placed on record and finds that the DGAP, in pursuance to the Order No. 77/2022 dated 30.09.2022, has investigated the matter pertaining to the other projects being executed by the Respondent in terms of Section 171 of the CGST Act, 2017 and the Rules made thereunder, so as to determine whether there had been any profiteering by the Respondent. The DGAP in its Report has found that there is only one other project namely "Godrej Elements", which was executed by the Respondent and the same has already been investigated by it and no profiteering has been found in respect of this project. The

DGAP has also verified from the official website of the Maharashtra RERA that no other project is being executed by the Respondent. Hence, the DGAP has reported that there was no other project registered on the GSTIN: 27AAICP7601B1ZO, which can be investigated in terms of Section 171 of the CGST Act, 2017.

6. In view of the above facts this Commission finds that the provisions of Section 171(1) of the CGST Act, 2017 are not attracted in the case of other projects of the Respondent and **therefore the present proceedings are hereby dropped.**
7. A copy of this order be sent to the Respondent and the DGAP free of cost. 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/29/Pearlite-OP/2023-Sectt. (504 - 506) Date: 09.08.2023

Copy to:

1. M/s Pearlite Real Properties Pvt. Ltd., Godrej One, 5th Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (E), Mumbai – 400 079.

o/c

2. The 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.
3. Guard File.