

GSTAT
Court No. 3
NAPA/15/PB/2025

DGAP

.....Appellant

Versus

GOPAL TEKNOCON PVT. LTD.

.....Respondent

Counsel for Appellant

Counsel for Respondent

Hon'ble Sh. Anil Kumar Gupta, Member (Technical)

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. : ZA071125000001H

Date of order : 04/11/2025

1.	GSTIN/Temporary ID/UIN - 24AAFCG5290G1ZN	
2.	Appeal Case Reference no. - NAPA/15/PB/2025	Date - 05/09/2022
3.	Name of the appellant - DGAP , dgap.cbic@gov.in , 011-23741544	
4.	Name of the respondent - 1. Gopal Teknocon Pvt. Ltd. , info@gopaltpl.in, accounts@gopaltpl.in , 9989155226	
5.	Order appealed against -	
	(5.1) Order Type -	

	(5.2) Ref Number -	Date -
6.	Personal Hearing - 04/11/2025 15/10/2025 25/09/2025	
7.	Status of Order under Appeal - Confirmed – Order under Appeal is confirmed	
8.	Order in brief - This Tribunal records its finding that the Respondent has fulfilled his obligations under Section 171(1) of the CGST Act, 2017, by voluntarily transferring the residual ITC benefit to IOCL. The investigation stands concluded with compliance fully achieved. The DGAP’s computation is affirmed, and no further action under the Rules is warranted. In consideration of the facts, the DGAP’s findings, and the Respondent’s written confirmation of payment, this Bench hereby closes the proceedings.	
Summary of Order		
9.	Type of order : Appeal Allowed	

Place :DELHIPB

Signature

Date : 04.11.2025

DELHIPB Sandeep

Designation : Stenographer/Law researcher

Jurisdiction :Delhi (PB)

ORDER

1. This Tribunal has received the detailed investigation report dated 31.08.2022 from the Directorate General of Anti-Profiteering (DGAP), submitted under Rule 129(6) and Rule 133(4) of the Central Goods and Services Tax Rules, 2017, in the matter of M/s Gopal Teknocon Private

Limited and M/s Indian Oil Corporation Limited. The proceedings arise under the provisions of Section 171 of the Central Goods and Services Tax Act, 2017, concerning alleged non-passing of Input Tax Credit (ITC) benefits related to the contract for Maintenance and Inspection of Crude Oil Storage Tanks.

2. The complaint was originally filed by M/s Indian Oil Corporation (Pipeline Division), Rajkot, alleging that the Respondent had not passed on the benefit of Input Tax Credit by way of commensurate reduction in price for the contracted works undertaken post-GST implementation. The Standing Committee, after due consideration, referred the matter to the DGAP under Rule 129(1) of the Rules on 07.08.2020, and the DGAP issued a Notice of Investigation dated 04.09.2020, covering the period from 01.07.2017 to 31.07.2020

3. The DGAP completed its initial investigation and submitted a report dated 29.01.2021 before the erstwhile National Anti–

Profiteering Authority (NAA), concluding that the Applicant had voluntarily agreed to the prices and contract modifications, and therefore there was no evidence of profiteering. However, the erstwhile NAA, vide Interim Order No. 03/2022 dated 10.05.2022, directed the DGAP to re-investigate under Rule 133(4) of the CGST Rules, 2017, with specific focus on whether the discounts extended during negotiations were linked to GST benefit, and whether the methodology employed by the Respondent adequately captured the passing on of ITC benefits.

4. The DGAP reinvestigated and, after evaluating fresh submissions, filed its second report dated 31.08.2022, received by NAA on 05.09.2022. The report summarised that negotiations for contract finalization were initiated in the pre-GST period, whereas execution and procurement occurred only after 01.07.2017. Accordingly, the DGAP examined revised pricing, tender amendments, and payments, particularly noting that GST-linked

discounts were granted subsequently on 24.10.2017 and 21.03.2018, amounting to Rs. 11,61,246.84/- for each Tanks MT-05 and MT-03 respectively.

5. On comparative analysis of pre-GST and post-GST credit positions, DGAP presented the following findings. For this exercise data of both the parties (the Respondent and the Applicant) has been examined and calculations worked out as per table- A as under:

Table-A

Sl No.	Subject		Amount
1	Total ITC availed by the Respondent for two tanks in Post-GST regime*	A	85,26,685
2	Credit of VAT available for the Respondent in respect of two tanks**	B	58,48,993
3	Profiteering on account of Input Tax Credit for two tanks	C= (A – B)	26,77,692
4	Benefit of Input Tax Credit already passed on by the Respondent for two tanks	D	23,22,494
5	Final Profiteering for two Tanks	E= (C – D)	3,55,198

6. The Total ITC availed post-GST

was Rs. 85,26,685/- as against a pre-GST notional VAT credit of Rs. 58,48,993/-. The net incremental ITC benefit was thus Rs. 26,77,692/-, of which Rs. 23,22,494/- had already been passed on by way of GST-related discounts. The differential balance of Rs. 3,55,198/- was identified as the residual ITC benefit to be passed on to IOCL. Based on this quantification, the DGAP recommended transfer of Rs. 3,55,198/- to IOCL to ensure complete compliance with Section 171(1) of the CGST Act.

7. The erstwhile NAA, through communication dated 09.09.2022, directed the Respondent to submit a written response and justification, which was not filed. Subsequently, the matter remained pending until the case was transferred to the GSTAT, Principal Bench, following Notification No. 18/2024–Central Tax dated 30.09.2024.

8. Upon constitution of this Bench, the hearing took place on 25.09.2025 where the Respondent was granted one final opportunity

vide order dated 25.09.2025 to appear and file written submissions on the DGAP's findings.

9. The Respondent, through its Director, submitted a detailed written response dated 14.10.2025, acknowledging the DGAP's report and confirming compliance. It has been stated that the company, acting in good faith and without prejudice, has voluntarily prepared and arranged a Demand Draft (DD) towards payment of Rs. 3,55,198/- to M/s Indian Oil Corporation Limited. The particulars of the Demand Draft given in submission are as under:

DD No. 000271 dated 14.10.2025, drawn on HDFC Bank Ltd., Gajuwaka Branch, Visakhapatnam, for an amount of Rs. 3,55,198/- (Rupees Three Lakh Fifty-Five Thousand One Hundred Ninety-Eight only). The Respondent has further conveyed that proof of submission of this DD to IOCL shall be furnished to the Jurisdictional Commissionerate immediately upon completion of the transaction.

10. The Respondent has contended that, by

taking this voluntary step, the purpose and spirit of anti-profiteering proceedings under Section 171 of the CGST Act stand fulfilled, as the benefit identified by DGAP has been ensured to reach the ultimate recipient. It has been further averred that the Respondent has cooperated at every stage of the proceedings, demonstrated full transparency, and acted without any intent to retain undue benefit or engage in profiteering. In view of this bona fide compliance, closure of proceedings has been sought.

11. This Tribunal has carefully examined the DGAP's findings, the erstwhile NAA's directions, and the Respondent's written submissions. It is observed that the DGAP's quantification of Rs. 3,55,198/- (Three Lakh Fifty Five Thousand One Hundred Ninety Eight Rupees) as differential ITC benefit stands unchallenged and acknowledged by the Respondent. The Respondent has complied voluntarily and remitted the determined amount to the Applicant. The object of Section 171—ensuring

that the benefit of tax reduction or ITC is passed to the recipient—is thus demonstrably achieved. It is further noted that anti-profiteering provisions are remedial in nature and aimed at consumer welfare, rather than punitive. Once the benefit quantified has been duly passed on to the beneficiary and compliance verified, continuation of proceedings serves no regulatory purpose.

12. Accordingly, this Tribunal records its finding that the Respondent has fulfilled his obligations under Section 171(1) of the CGST Act, 2017, by voluntarily transferring the residual ITC benefit to IOCL. The investigation stands concluded with compliance fully achieved. The DGAP's computation is affirmed, and no further action under the Rules is warranted.

13. In consideration of the facts, the DGAP's findings, and the Respondent's written confirmation of payment, this Bench hereby closes the proceedings. The Respondent shall file a copy of proof of the refund of profiteered

amount of Rs. 3,55,198/- with both IOCL and the Jurisdictional CGST Commissionerate within fifteen days of receipt of this order. All other proceedings and notices in the matter stand disposed of accordingly.

14. Copy of the order be sent to applicant, Respondent and to concerned jurisdictional Commissioner CGST/SGST.

15. Pronounced in open court.

Sd/-
(Sh. Anil Kumar Gupta)

Dated: 04.11.2025

S.P