

**CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
CHANDIGARH**

REGIONAL BENCH - COURT NO. I

Service Tax Appeal No. 50638 of 2015

[Arising out of Order-in-Appeal No. JAL-EXCUS-000-APP-206-207-14-15 dated 27.11.2014 passed by the Commissioner (Appeals), Central Excise, Chandigarh-II]

M/s Punjab Cricket Association

Phase-IX, Mohali, Punjab-160062

.....Appellant

VERSUS

**Commissioner of Central Excise & Service
Tax, Chandigarh-II**

Central Revenue Building, Plot No.19,
Sector-17C, Chandigarh-160017

.....Respondent

APPEARANCE:

Shri Sudeep Singh Bhangoo, Advocate for the Appellant

Shri Kanish Saini, Authorized Representative for the Respondent

CORAM: HON'BLE MR. S. S. GARG, MEMBER (JUDICIAL)

HON'BLE MR. P. ANJANI KUMAR, MEMBER (TECHNICAL)

FINAL ORDER NO. 61638/2025

DATE OF HEARING: 28.10.2025

DATE OF DECISION: 04.11.2025

P. ANJANI KUMAR:

M/s Punjab Cricket Association, the appellants, are registered for providing Mandap Keeper Services, Health & Fitness Centre, Club & Association Service, Selling of Space and Event Management Services. During the conduct of an audit for the period 01.04.2007 to 31.03.2009, Revenue observed that the appellants have received

an amount of Rs.12,49,287/- as tournament subsidy from M/s Procam International and have not discharged the applicable service tax; on enquiry, the appellants submitted that the amount has been received for the Inter-School Tournament conducted by District Cricket Association and the same was transferred to the district association. A show cause notice dated 15.03.2012 was issued and confirmed vide Order dated 03.09.2013; an appeal filed by the appellants came to be dismissed by the impugned OIA dated 01.12.2014.

2. Shri Sudeep Singh Bhangoo, learned Counsel for the appellants submits that they have only received the payment from M/s Procam International and transferred the same to the District Cricket Association, who actually conducted the tournament; M/s Procam International are also making similar payments to other State Cricket Associations for sponsoring tournaments, on behalf of their clients i.e Parle G and Boost etc; all the associations had similarly transferred the amounts thus received to the respective District Cricket Associations; Revenue has not raised any issue in their cases. He submits that the show cause notice does not specify the category under Business Auxiliary Service which is said to have been performed by the appellants; in fact, there is no agreement between the appellants and M/s Procam International and there was no contract either; however, the service rendered by District Cricket Associations may at best be termed as "Sponsorship Services" as held in Karnataka State Cricket Association – 2019 (29) GSTL 466; in terms of Notification No.16/2006-ST dated 25.07.2006, the

liability to pay service tax under Sponsorship Services lies with the recipient of the service. Learned Counsel also submits that demand is time barred; cum-tax benefit was not given and benefit of Section 80 was not extended.

3. Learned Authorized Representative for the Revenue reiterates the findings of the impugned order and submits that the impugned order explains as to how the service rendered by the appellants falls under Business Auxiliary Service.

4. Heard both sides and perused the records of the case. In the instant case, Revenue has not shown any evidence to the effect that the appellants have rendered any service to M/s Procam International and there is no contract placed on record. The only argument that can be raised is that M/s Procam International is paying the respective District Cricket Associations as the sponsorship fee on behalf of Parle G and Boost. The appellants have no agreement either with Procam International or with Parle G and Boost; they have just transferred the amount, received from M/s Procam International on behalf of Parle G and Boost, to the District Cricket Associations towards the sponsoring of inter-school tournament. The appellants are not promoting the business of M/s Procam International, who are making payments on behalf of Parle G and Boost; the name of M/s Procam International is not advertised anywhere at least by the appellants. Thus, it cannot be said that the appellants are rendering Business Auxiliary Service to M/s Procam International. The service involved in the instant case is that of Sponsorship Service, for which service tax is to be paid by

the recipient of service, in terms of Notification No.16/2006-ST dated 25.07.2006.

5. In view of the above, we find no merit in the demand raised and confirmed by the Department. Therefore, the appeal is allowed.

(Order pronounced in the open court on 04/11/2025)

(S. S. GARG)
MEMBER (JUDICIAL)

(P. ANJANI KUMAR)
MEMBER (TECHNICAL)

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