

# CAG report slams Maha for waiving tax on IPL

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**Mumbai:** Describing the Indian Premier League (IPL) matches as “purely commercial” and an “entertainment spectacle”, the Comptroller and Auditor General of India (CAG) has pointed that the Maharashtra government’s non-levy of entertainment duty (ED) has cost it Rs 4.99 crore.

The IPL, states the report, organised a T-20 tournament in April and May 2008, in which 10 matches were played in Mumbai, six in Wankhede and four in D Y Patil stadium. M/s India Win Sports Pvt Ltd was assigned the task of selling tickets for these matches. However, no ED was levied on the admission fee to these IPL matches.

The CAG report states that the franchisee owners of the eight teams comprise business tycoons and film stars. They spend crores



to buy players for the world’s richest cricket tournament, the report stated. “The IPL has been pitched as the ultimate destination of the TV entertainment. It is thus obvious that the main objective of the IPL was to provide entertainment and hence merited levy of ED,” stated the CAG report, adding that the government of Delhi has treated IPL as a commercial venture and levied ED.

The CAG conducted an investigation regarding rates and number of tickets that were sold for different matches to estimate the amount of ED foregone. Speaking to media, Rajib Sharma, principal accountant-general of the state, said, “We had sought information from the government, but both the state as well as the franchisee did not give details.”

A CAG official, requesting anonymity, said the loss could be much more. The CAG has suggested that the government levy ED on IPL matches.

The CAG has also criticised the government for ED exemptions to multiplexes, which resulted in a loss of Rs 160.40 crore. Sharma said that besides screening Marathi films at least once a month, multiplexes are supposed to have art galleries and exhibition centres. “Many have not fulfilled the conditions,” he added.