

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:411
ANSWERED ON:23.11.2012
BCCI ACCOUNTS
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Will the Minister of FINANCE be pleased to state:

- (a) the entity-wise status of the various sports boards including Board of Control for Cricket in India (BCCI) under Income Tax Law and amount of Income Tax due along with those received from each such board during each of the last three years and the current year till date;
- (b) the board-wise details of assessment done and delays occurred, amount of arrears due and steps taken to recover the same;
- (c) whether statutory audit of the sports boards is likely to be done and if so, the details thereof, entity-wise; and
- (d) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE {SHRI S.S. PALANIMANICKAM}

Part (a): (i) Centralised information is not maintained regarding the entity-wise status of various sports boards across the country covering their various income-tax related issues.

(ii) In respect of the Board of Control for Cricket of India (BCCI), which has been specifically mentioned in the question, the information is as follows. The BCCI amended its objects from 1st June 2006. The registration granted to BCCI under section 12A of the Income-tax Act, 1961 was withdrawn in December 2009, with effect from 1st June 2006. Consequently, for Assessment Years 2007-08, 2008-09 and 2009-10, exemption was denied to its income and tax demand of Rs. 118.04 crore, Rs.257.12 crore and Rs 413.59 crore respectively has been raised. Out of the demand so raised, an amount of Rs.682.22 crore has been collected and on effecting certain rectification, Rs 70.72 crore is due which is being adjusted against a refund due for AY 2012-13.

Part (b): (i) As noted in (a)(i) above, the entity-wise status of various sports boards across the country, in relation to their assessments, is not centrally maintained.

(ii) However, in respect of the BCCI, the assessments were completed in time. There is an arrear demand of Rs. 165.55 crore outstanding against BCCI for assessment years 2004-05, 2005-06 and 2009-10 and the same shall be adjusted against the refund of Rs 180 crore due for AY 2012-13

Part (c) & (d): (i) Sports boards are required to get their accounts audited as per the provisions of the Income-tax Act, 1961, as is applicable in their case.

(ii) The entity-wise details regarding audit of various sports boards across the country is not maintained.

(iii) In the case of BCCI, which is specifically mentioned in part (a), the returns of income along with the audit reports as required under section 12A(b) of the Income-tax Act, 1961 to substantiate its claim of exemption under section 11 of the Act have been filed. However, the Income-tax Department has held that audit reports as required under section 44AB of the Act should have been filed. Penalty proceedings under section 271B have been initiated for AYs 2004-05, 2005-06, 2007-08, 2008-09 and 2009-10 for non-filing of tax audit report.