M/s K.P.H. Dream Cricket Private Limited

Authority for Advance Ruling — Punjab

ORDER NO. AAR/GST/PB/002 Dated: 20.08.2018 Dated **20.08.2018**

Q Questions Before the Authority

- Whether free tickets given as "Complimentary Tickets" falls within the definition of supply under CGST Act, 2017 and thus, whether the applicant is required to pay GST on such free tickets?
- Whether the applicant is eligible to claim Input Tax Credit (for short "ITC") in respect of complimentary tickets?

F Facts

The applicant is a franchisee of BCCI operating the Indian Premier League (IPL) cricket team 'Kings XI Punjab'. In the course of organizing cricket matches, the applicant issues complimentary tickets free of charge to various persons for public relations and business promotion. The applicant sought an advance ruling on the taxability of these free tickets and the eligibility of Input Tax Credit on inputs/input services related to them, and later sought to withdraw the application citing Circular No. 47/21/2018-GST.

H Ruling

Free / Complimentary Tickets as taxable supply and liability to GST	**Yes, treated as taxable supply of service liable to GST under Section 9**	Covers complimentary tickets issued free of charge under Section 7(1)(a) and Section 7(1)(d) read with Para 5(e) of Schedule II
Eligibility of Input Tax Credit (ITC) in respect of complimentary tickets	**Yes, eligible to claim ITC under Section 16**	ITC is available on inputs and input services used in providing the complimentary tickets as output supply is taxable

The Authority held that issuing complimentary tickets free of charge constitutes a **taxable supply of service** under Section 7(1)(a) and Section 7(1)(d) read with Para 5(e) of Schedule II of the CGST Act, 2017, making it liable to GST under Section 9. Consequently, since the output supply is taxable, the applicant is **eligible to claim Input Tax Credit** on inputs and input services used for providing such complimentary tickets under Section 16.

R Reasoning

The Authority observed that issuing complimentary tickets involves an act of forbearance (tolerating non-paying recipients accessing match services) which has monetary value under Section 2(31)(b), satisfying the definition of consideration for supply under Section 7(1)(a). Furthermore, under Section 7(1)(d) read with Para 5(e) of Schedule II, agreeing to tolerate an act or situation constitutes a supply of service regardless of whether explicit consideration is present. Because the complimentary tickets are treated as an output taxable supply, the applicant is entitled to claim Input Tax Credit on inputs and input services under Section 16 of the CGST Act, 2017.

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

P Provisions Relied On

Section 7(1)(a) of CGST Act, 2017	Section 7(1)(c) of CGST Act, 2017
Section 7(1)(d) of CGST Act, 2017	Section 2(31)(a) of CGST Act, 2017
Section 2(31)(b) of CGST Act, 2017	Section 9 of CGST Act, 2017
Section 16 of CGST Act, 2017	Section 17(2) of CGST Act, 2017
Section 17(5) of CGST Act, 2017	Para 5(e) of Schedule II to CGST Act, 2017
Rule 32(6) of CGST Rules, 2017	Circular No. 47/21/2018-GST dated 8th June 2018

! For the Practitioner

This ruling establishes that issuing complimentary tickets free of charge is a **taxable supply of service** under the GST forbearance provisions. Consequently, businesses supplying complimentary passes must pay tax on their monetary value but can fully **claim Input Tax Credit** on the input services utilized for hosting the event.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> aar_gst_pb_02_20.08.2018_k.p.h._dream_cricket_private.pdf

Prepared 22-10-2026.

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