

Statement of Shri. N Srinivasan Aged 65 Years, residing at 2/1, Boat Club First Avenue, Chennai – 600 028, Hony. Secretary, BCCI, Cricket Centre, Wankhede Stadium, D Road, Churchgate, Mumbai - 400020 recorded under the provisions of Section 37 of the Foreign Exchange Management Act, 1999 on 7th July 2010 before the Assistant Director, Directorate of Enforcement, Mumbai.

I am in receipt of your Summon No.T-3/81-B/2008 dated 24th June 2010 calling upon me to appear before you today on 7th July 2010. Accordingly, I have appeared before you for giving my evidence and producing documents as mentioned in the summons. Before recording of my statement, I have been explained the provisions of Section 37 of the Foreign Exchange Management Act, 1999, I am now aware that according to the provisions of the said Sections, it is binding upon me to state the truth only. I have also understood that giving false & fabricated evidence and/ or suppressing true facts is an offence, committing which, I shall be liable to be punished under the provisions of the law. I have also been cautioned that my statement can be used as evidence against me or against anybody else in any proceeding under the Foreign Exchange Management Act, 1999 or any other Law. With due understanding of the above facts, and the provisions of Law, and fully understanding my responsibility there under, I am giving my true and correct statement under oath as under:-

D. K. Sinha
7-7-2010
Oath administered
(D.K. SINHA)

N Srinivasan
7/7/2010
Oath taken
(N Srinivasan)

N Srinivasan
7/7/2010

Question 1. Please identify yourself.

I am N Srinivasan, Hony. Secretary of the Board of Control for Cricket in India (BCCI). I am a Chemical Engineer with a Masters Degree from the Illinois Institute of Technology, Chicago, USA. I am the Vice Chairman and Managing Director of The India Cements Limited which is a Public Company engaged in the manufacture of Cement with factories in Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra and Rajasthan. I am an Indian Citizen. My passport No. is Z1759512 issued at Chennai on 13th April 2009 and valid till 12th April 2019.

Question 2: Please give details of your Association with BCCI

I am the President of the Tamil Nadu Cricket Association for the last nine years and as a result I have been a member of the Working Committee of the BCCI since 2002. As the TNCA is a permanent member of the Working Committee of the BCCI, I was the Chairman of the Finance Committee of the BCCI for the years 2002-03, 2003-04 and 2004-05. In the year 2005, I took over as Treasurer BCCI from ^{November} September 2005. At the Annual General Meeting of the BCCI in September 2008, on expiry of my term as Treasurer, I was unanimously elected as the Hony. Secretary of the BCCI which is my present position. My tenure as Secretary will end in September 2011.

Question 3: What are/were your powers and responsibilities as Treasurer and later on as Secretary of the BCCI.

The duties of the Treasurer are::

- i) Receive all subscription and donations and the monies payable and / or receivable by the Board.
- ii) Make payments and incur expenditure out of the funds of the Board in accordance with the decisions of the Board, the Working Committee or any other Sub-Committee appointed by the Board;
- iii) Keep accounts of all moneys received and expended by the Board, in respect of assets, credits and liabilities of the Board;
- iv) Prepare statement of accounts;
- v) A) Place before the Working Committee:
 - i) Proforma Annual Balance Sheet;
 - ii) Proforma Statement of Accounts of the Board;
 - iii) Annual Budget
- b) Place before the Annual General Meeting duly audited:
 - i) Annual Balance Sheet
 - ii) Statement of Accounts of the Board.

D. Srinivasan
7/7/2010

N. Srinivasan
7/7/2010

- vi) Invest and/or disburse the funds of the Board, to withdraw any or all the existing fixed deposits before the date of maturity in accordance with any general or special directions of the Board or the Working Committee.
- vii) Prepare budgets to be presented at the Annual General Meeting, Special General Meeting and Working Committee Meeting.

The duties of the Secretary are:

- i) Keep and maintain the minutes of Annual General, Special General Meetings of the Board, Meetings of the Working Committee and Committees appointed by the Board in appropriate books and shall cause them to be properly and correctly recorded and confirmed.
- ii) Carry on all correspondence in the name of the Board save as otherwise directed by the President or the Working Committee.
- iii) Be in charge of all correspondence and records of the Board including that of all Committees or such properties as may be entrusted to his care by the Board.
- iv) Convene the Annual General Meeting, the Sepcial General Meeting, Meeting of the Working Committee with the concurrence of the President. He may also convene meetings of any other Committee, Sub-Committee of which he is the convenor.
- v) Circulate to all Members of the Board statement of accounts prepared by the Treasurer.
- vi) Be an ex-officio Member of all Committees except the Selection Committee.
- vii) Convene and attend the meetings of the Selection Committee, but shall nto be entitled to take part in deliberations of the Selection Committee nor shall he be entitled to vote. However, he shall be entitled to convey to the Selection Committee the views of the Board.
- viii) Have the power to delegate any work to the Honorary Joint Secretary.
- ix) Exercise, as Chief Executive of the Board, general control over all matters regarding the Board and over all employees of the Board subject to general or special direction of the Board or the Working Committee.
- x) Have the power to sign the letters of appointment, dismissal or termination of the employees.
- xi) Have power to delegate any work to any employee of the Board.

Question 4: Please explain the decision making mechanism within the BCCI

As in any organization the members in General Meeting have all powers and day to day working is overseen by the Working Committee of the Board. Under the authority of the Working Committee the Office Bearers of the Board carry out their responsibilities in keeping with the constitution. Over a period of time it has been made clear as to what

D. S. D. S.
7-7-2010

M. J. S.
7/2/2010

issues needed to be decided by the Working Committee and what can be decided by the Office Bearers. In addition, there are standing committees of the Board which deal with specific areas like the Tour, Programme & Fixtures Committee, Umpires Committee, Finance Committee etc. Members are elected to these committees at every Annual General Meeting as their tenure is only one year. Other than the Finance Committee for which a separate Chairman is chosen at each AGM the other standing committees are headed by Vice Presidents of the Board. Apart from this, there are selection committees viz., All India Senior Selection Committee, All India Junior Selection Committee, All India Women's Selection Committee and Zonal Selection Committees. In the year 2007 a new sub-committee was formed for the purpose of conducting the Indian Premier League (IPL) matches and was named IPL Committee. This Committee is a sub-committee of the BCCI.

Question 5: Please give the constitution of the IPL Committee

At the Annual General Meeting held on 28th September 2007, resolutions enabling the formation of a sub-committee to manage the IPL were approved. The committee was called Indian Premier League (IPL) and was formed for a period of five years term on the following terms:

The Committee shall comprise of the following:

Chairman

Four Members appointed by the Board

Three Ex-Cricketers of repute

The Office Bearers of the Board during their tenure would be ex-officio members of the Committee.

All decision relating to the League would be taken by the Committee by majority and in case of equality of votes the Chairman shall have a casting vote.

The Committee shall maintain a separate Bank Account which shall be operated by the Treasurer, BCCI.

The Committee shall submit a report of the annual activities and decisions along with the audited statement of accounts every year for the approval of the General Body at the Annual General Meeting.

The above committee is also the Governing Council of the IPL. The composition of the first Governing Council is as follows:

Chairman - Lalit Kumar Modi

Members - I S Bindra.

D. S. Bindra
7-7-2010

Lalit Kumar Modi
7/7/2010

Arun Jaitley

Rajiv Shukla

Chirayu Amin

M A K Pataudi

Sunil Gavaskar

Ravi Shastri

The four office bearers namely the then President, Mr. Sharad Pawar, the then Secretary, Mr. Niranjan Shah, Hon. Treasurer, N Srinivasan and Hon. Jt. Secretary, Mr. M P Pandove were the ex-officio members of the Governing Council.

Subsequently, at the Annual General Meeting held on 24th September 2008, Dr. Farooq Abdullah and Mr. Niranjan Shah were named as members of the Governing Council with Mr. Niranjan Shah being designated as Vice Chairman. This was because Mr. Niranjan Shah was no more the secretary of the Board and members felt he should be continued on the Governing Council.

Question No. 6: Please explain what is the mechanism for financial control and audit within the BCCI

I have already explained the duties and responsibilities of the Hon Treasurer. The Hon. Treasurer is responsible to receive all money on behalf of the Board, make payments, incur expenditure, keep accounts, prepare statement of accounts, present it to the working committee and members in General Meeting for approval. Apart from the Hon. Treasurer, the BCCI has a standing committee called Finance Committee which is empowered to have over all control on the expenditure of the Board, approve the accounts, the income and expenditure statement and budget prepared by the Hon. Treasurer and place them for approval at the Working Committee and at the Annual General Meeting. The Finance Committee consists of a Chairman and one member each from the five zones with the Hon. Treasurer as the convenor. The Chairman is appointed by the members at the AGM. The Board appoints statutory external auditors at every General Meeting to audit the accounts of the Board. The Board also has a system of internal audit and has been appointing external internal auditors for such purposes.

Question 7: How are the revenue resources identified and decision about sources of such revenue for the BCCI taken?

I will answer this question in two parts: the first will relate to the BCCI test and ODI cricket as per the Future Tour Programme (FTP)/ICC events and the second with regard to Indian Premier League.

Dr. Farooq Abdullah
7-7-2010

N. Srinivasan
7/7/2010

FTP/ICC events: The BCCI has traditionally identified the sources of revenue for bilateral tours under the FTP and revenue received from the ICC for participating in ICC events like World Cup etc. the sources of income are

- a) Sponsorship of the Team
- b) Media Rights Income (when matches are played in India)
- c) Sale of title sponsorship for international FTP matches played in India

Apart from the above when matches are held in India, state associations can raise revenue by sale of Ground Sponsorship rights / hoardings and revenue from sale of tickets. When BCCI participates in ICC events, they are entitled to a distribution of revenue by the ICC which varies depending upon the revenue raised by ICC, expenditure of ICC for that particular event.

In the case of Indian Premier League (IPL) – various properties of the IPL that could be monetized were identified by Mr. Lalit Modi in conjunction with IMG and action was taken to monetize the same by Mr. Lalit Modi. In most cases, he entered into contracts for sale of these rights on his own and it was only very rare for any proposal to be put up for prior approval before execution.

Question 8: The question was with regard to the system of the BCCI.

As far as the first part of my reply regarding traditional sources of revenue are concerned the BCCI followed a transparent process of inviting bids through the tender mechanism. This process was conducted by the Marketing Committee of the BCCI which then placed its recommendations before the Working Committee for its approval.

In the case of Indian Premier League (IPL), the Governing Council was expected to carry out the responsibilities in the first instance and seek approval of higher body.

Question 9: How do the auditors point out non-receipt of any income that should have been received by BCCI on account of certain decisions taken by it?

The responsibility of the auditor is to examine all contracts pertaining to sale of properties which should yield an income and examine all agreements, understandings etc. entered into by the BCCI with a view to earning revenue and ascertain whether for the relevant year under audit what was due and payable as per contracts has been received. In any commercial organization, there will always be delays in receipts as well as payments. The auditor is expected to comment upon matters where for example in the case of receipts, if there are circumstances leading to believe that there is a doubt on the ability of the BCCI to recover monies due.

Question 10: Is there any BCCI regulation / bye-laws for conduct of affairs relating to BCCI and BCCI-IPL

D. S. D. S.
7-7-2010

M. S. M. S.
7/7/2010

With regard to BCCI, we have already filed Memorandum, Rules and Regulations which also deals with IPL.

Question 11: How did BCCI control the functioning of the IPL, its Management and Finance?

When the IPL Governing Council was formed by the BCCI and a Chairman named and powers to conduct the affairs of the IPL were given to the Governing Council of the IPL with a proviso that "All decisions relating to the League would be taken by the committee by majority and in case of equality of vote, the Chairman shall have a casting vote"..... and further "the committee shall report of its annual activities and decisions along with audited statement of accounts every year for the approval of the General Body at the AGM". It was expected that this would be sufficient for the BCCI to exercise control over the activities of the IPL in particular because all the members of the Governing Council were chosen by the BCCI at its AGM.

Question 12: What are the different types of accounts held by BCCI and BCCI-IPL and who is / are authorized to operate these accounts?

All Accounts of BCCI -IPL are in Rupees. With regard to BCCI, the BCCI invests all its surpluses in Fixed Deposits with major banks and for the purpose of operations apart from Rupee Accounts, it has got a EEFC Account with State Bank of Travancore at Jaipur. All Accounts of the BCCI, BCCI-IPL can only be operated by whoever is the Hon. Treasurer of the BCCI. For purposes of administrative convenience, Office Bearers of the BCCI are permitted to open small imprest accounts for day to day expenses.

Question 13: How are the funds generated by BCCI and BCCI-IPL utilized?

The funds are utilized for the promotion and development of cricket, creation of infrastructure etc. in keeping with the Memorandum and Objects of the Association.

Question 14: In which account was the money furnished by the successful bidders for acquisition of IPL franchise received and how was this money utilized?

The money was received in the BCCI-IPL account. The funds became part of the General pool of the BCCI. I undertake to furnish party-wise details to the department.

Question 15: Please state whether the amounts received from the Franchisees was maintained in any Fixed Deposit account or any such instrument

Policy was that money being fungible no distinction was made with regard to the source from which it was received particularly if the currency was Indian Rupees. All monies would form part of overall pool and surpluses not required for operation were deposited

Devi Kant
7-7-2010

7/7/2010

as time deposits in major banks. The BCCI does not invest any monies in any other form of instruments.

Question 16: Please give details of the various rights that were identified by BCCI-IPL as being viable to be exploited commercially

Apart from the Media Rights/ Title Sponsorship Rights, several other rights were identified. I undertake to furnish a detailed list of this after verifying the records by tomorrow.

Question 17: Were the individual members of the Governing Council given any separate powers?

No. the constitution made it clear that all decisions regarding the League were to be taken by the Governing Council only by a majority. All members of the Governing Council has a vote and in case of equality the Chairman had a casting vote.

Question 18: What all were the Media Rights that were identified as having commercial value and saleable?

TV Rights, Internet, Mobile were originally identified as Media Rights that could be monetized. For IPL – 3 in 2010, additional rights identified were theatrical rights and additional 150 seconds per match of air time. It was mentioned by Mr. Modi that IPL was entitled to monetize 150 seconds per match after Sony had used up their 2600 seconds per match. This was commercially exploited by Mr. Modi during IPL 3.

Question 19: Was the help of any Agency taken by BCCI –IPL for identification of the rights for commercial exploitation.

Decisions with regard to exploitation of Media and other Rights were generally taken by Mr. Lalit Modi. As and when he decided these were brought to the Governing Council for ratification. When I say ratification, what I mean is, that several files containing agreements / details of transactions would be placed in the meeting room where the Governing Council was held and members informed that they could inspect the same. Generally, hardly any one did so because of paucity of time and the fact that hundreds of pages were involved. I believe that IMG an Agency appointed at the very beginning to conceptualize and advise BCCI on the structure of the IPL / the tournament / franchise agreement / franchise regulations/ marketing strategies for the franchise tender/ media rights / sponsorship rights / licencing rights etc. and to assist in conduct of the tournament etc. who were fully involved. IMG also provided the entire assistance and took responsibility for drafting all agreements with players, franchisees, vendors and anybody else.

Question 20: Please give details of all agreements entered into between BCCI and IMG.

D. Lalit Modi
7/7/2010 *7/7/2010*

I shall submit the same.

Question 21: Please give the dates of all Governing Council Meetings along with copies of the Minutes.

Meetings of the Governing Council to the best of my recollection were held on

18th October 2007, 17th November 2007, 14th January 2008, 24th January 2008, 25th January 2008, 13th February 2008, 3rd April, 2008, 16th September 2008, 5th February 2009, 22nd March 2009, 11th August 2009, 2nd September 2009, 17th December 2009, 7th March 2010, 21st March 2010. I undertake to furnish copy of the minutes of these meetings tomorrow.

Question 22: Whether the decisions taken by the Governing Council were final or whether they needed to be approved by any other committee or authority?

The IPL Governing Council was a sub-committee of the BCCI and as such had to report and seek approval from the Working Committee and the AGM of the BCCI.

Question 23: IPL is started in the year 2007. Were all the decisions regarding exploitation of commercial rights, holding of the tournaments and conduct of affairs of the IPL were approved by the Working Committee and AGM of the BCCI.

I have to refer to the records if I have to give a reply with regard to every transaction referred to in the question. I can state that seldom was prior approval of the Governing Council was taken for any major decision. A perusal of the minutes itself will reveal that there were more matters ratified than approval sought. There are also instances Mr. Lalit Modi has exceeded the decision of the Governing Council and there are instances where even when the Governing Council has been informed, it has not been given complete details of transactions which are sought to be ratified / approved.

Question 24: How was the decision taken to assign the Media Rights to WSG (India) Pvt. Ltd. and MSM (Singapore) Pte. Ltd.

In 2008, after an ITT was issued for sale of Media Rights, WSG (India) and MSM (Singapore) were awarded the Media Rights. For the period 2008-2017, WSG India were given the rights for Rest of the World and for the Indian subcontinent, the rights were given to MSM (Singapore) for the period 2008-2012. From the records I state that this decision was made by the Governing Council on 14th January 2008.

Question 25: Who had drafted the ITT as well as the subsequent agreements entered into by BCCI with WSG (India) and MSM (Singapore)?

All agreements with vendors were drafted by IMG under instructions from Mr. Lalit Modi. I believe the ITT was also drafted by IMG.

Debut
7-7-2010 / *7/7/2010*

Question 26: Were the Terms and conditions contained in the ITT and the agreements deliberated and approved by the Governing Council.

The ITT was not placed before the Governing Council for specific approval. With regard to the Media Rights agreement, the Media Rights agreement with MSM and WSG was approved by the Governing Council on 25th January 2008.

Question 27: Who were the officials authorized by the BCCI to execute agreements on its behalf?

As per the constitution of the BCCI, the agreements have to be executed by the Hon Secretary of the BCCI.

Question 28: Please state who had executed the IPL Media Rights Agreement with MSM Singapore and WSG India, on behalf of the BCCI

Mr. Lalit Modi executed the agreement with WSG /MSM.

Question 29: How was the information regarding signing of the various agreements conveyed to the members within the BCCI.

Predominantly e-mails were used.

Question 30: What were the reasons on the basis of which the agreement dated 21.01.2008 with MSM (Singapore) was terminated?

At a meeting of the Governing Council held on 5th February 2009, it was reported that there were some breaches by MSM (sony) and notices had been issued to them. The Chairman was authorized to take action against MSM and try and sort out the same. In case there was no solution, the chairman had to look for an alternate and Governing Council also authorized an additional 5 minutes break every 10 overs to be monetized. The Governing Council did not authorize Mr. Lalit Modi to terminate the agreement with MSM.

Question 31: Was the termination of the above agreement approved by the Governing Council?

The Governing Council was not aware of the termination or any of the events leading upto the signing of the subsequent agreement with MSM Satellite (Singapore) Pte Ltd. on 25.3.2009. In this respect a Show Cause Notice has been issued to Mr. Lalit Modi on 25.4.2010. Copies of the Show Cause Notices and replies received from Mr. Lalit Modi have been furnished.

Question 32: Immediately after termination of the MSM agreement, BCCI has entered into an agreement with World Sports Group (Mauritius) Ltd. on 15.3.2009. Was the agreement discussed in the Governing Council or Working Committee of the BCCI/

Dr. J. K. Modi
7-7-2010 *7/7/2010*

From the records, I state that the agreement with MSM was terminated late on 14th March 2009 and Mr. Lalit Modi entered into agreement with WSG Mauritius Ltd at 3.00 a.m. on the 15th March 2009. Obviously there was no occasion for any one else let alone the Governing Council to have any knowledge of this. This is also referred in the Show Cause Notice issued to Mr. Lalit Modi.

Question 33: When was this agreement with WSG Mauritius Ltd brought to your notice.

I became aware of this only recently in 2010 after which we started the process of investigating the same which led to discovery of many things many of which form part of the show cause notices issued.

Question 34: What were the credentials of WSG Mauritius Ltd. to execute the Media Rights Agreement?

I came to know about WSG Mauritius only recently as stated above. Not being a broadcaster, I don't see how they could have been given the rights by Mr. Lalit Modi in 2009.

Question 35: In reply to question No. 30, you have stated that you became aware of the agreement with WSG Mauritius only recently in 2010. I am now showing you Minutes of the Emergent Working Committee Meeting held on 22nd March 2009 at Mumbai. This minutes has been forwarded to this office by BCCI vide letter dated 11th May 2010. Please go through the same especially page 5 where it is mentioned that Mr. Lalit Modi has stated during the said meeting that the Board had immediately signed a fresh agreement with WSG. Please explain that how can you now say that the fact of the agreement with WSG Mauritius entered on 15.3.2009 came to your notice only recently.

If you read the minutes carefully, you will notice that Mr. Modi only refers to WSG. There is no mention of WSG Mauritius at all.

Question 36: Was the BCCI aware of existence of WSG Mauritius?

No.

Question 37: when it was informed to the Working Committee on 22.3.2009, that an agreement has been entered with WSG, did the Governing Council or the Working Committee deliberate upon the terms and conditions and the capability of the WSG to broadcast the events?

There was no detailed discussion.

Question 38: Was any objection raised by any member of the Governing Council or the Working Committee about signing of this particular contract?

Dastur
7-7-2010 *7/7/2010*

At this distance of time, I cannot recall precisely who said what at the meeting except that the main highlight as stated by Mr. Modi was an increased revenue of Rs. 5000 Crores that would accrue to the BCCI.

Question 39: Was the fact that the agreement required WSG Mauritius to sub-licence the Media Rights for the Indian Sub-continent to an acceptable broadcaster within 72 hours discussed in the Governing Council or Working Committee. Were any objections raised by the members with respect to this clause in the agreement?

Neither the Working Committee nor the Governing Council was aware of the details of the agreement or the letters exchanged between Mr. Lalit Modi and WSG/ WSG Mauritius.

Question 40: Whether the Governing Council or Working Committee had approved the extension of time to WSG Mauritius from the stipulated 72 hours mentioned in the agreement.

They did not know of the 72 hours let alone the extension.

Question 41: When did the Governing Council approve the terms and conditions and signing of the Media Rights agreements on 25th March 2009.

From the Minutes of the Meeting of the Governing Council held on 11th August 2009, it is noticed that the MSM agreement is included in the list of agreements with vendors that was placed in the Meeting Room when the meeting took place. As a matter of fact I do not recall any member of the Governing Council reading any of the documents placed at the corner of the room.

Question 42: How were the terms and conditions of the above agreements finalized and what were the material changes in the agreements executed on 25.3.2009.

The detailed terms and conditions of the agreement with MSM Singapore Pte Ltd. were negotiated only by Mr. Lalit Modi with the assistance of IMG. I never saw the agreement. I was not aware of the existence of any other agreement between MSM / WSG / WSG Mauritius which have all come to light now. I am certain that none of the other members of the Working Committee of the BCCI or the Governing Council had the prior knowledge. I have only recently seen the agreement between BCCI and WSG India for the Rest of the World Media Rights. I noticed clauses in the agreement with MSM that referred to an agreement between MSM and WSG Mauritius and the agreement with WSG India also bearing reference to the said MSM and WSG Mauritius agreement. The fact that BCCI has to either terminate the MSM agreement or pay the facilitation fee to WSG Mauritius if MSM was in breach of its agreement with WSG Mauritius are decisions that the BCCI would never have taken.

D. D. Modi
7-7-2010 *J. S. Kumar*
7/7/2010

Question 43: Please specify the clauses in the agreements mentioned by you in the above reply

BCCI – MSM Singapore agreement dated 25.3.2009: A reading of clause 10.4 would clarify that BCCI is obliged to terminate the agreement with MSM if BCCI is put on notice by WSG for breach of the MSM /WSG Mauritius agreement by MSM.

BCCI – WSG India agreement dated 25.3.2009: Clause 27.5 states that if BCCI is put on notice that MSM have breached their agreement with WSG Mauritius and has not remedied the breach within a specified period then, the licensor (BCCI) must either terminate the licence agreement with MSM or in the alternate make payments to WSG Mauritius of amounts due from MSM.

Question 44: Please go through Clause 10.4 of BCCI /MSM Singapore agreement dated 25.3.2009 and explain the various terms contained therein.

Licensor means the BCCI

WSG Notice means written notice having a cure period of not less than 21 days issued to Licensor (BCCI) by WSG (WSG Mauritius) in accordance with the terms of the WSG agreement

WSG agreement means the agreement between WSG Mauritius and MSM Singapore dated 25th March 2009.

Question 45: Why has BCCI in clause 10.4 of its agreement with MSM agreed to terminate the said agreement if MSM Singapore breaches an agreement with WSG Mauritius referred to in the agreement as the WSG agreement.

We were not aware of this clause and we would never have agreed to this. When we asked Mr. Paul Manning of IMG why he included such a clause and was it not harmful to the BCCI, he stated that he was under instructions from Mr. Lalit Modi to include it.

Question 46: I am now showing you an agreement titled "Deed for provision of Facilitation Services" entered into between WSG Mauritius and MSM Singapore on 25th March 2009. Please go through the same and confirm whether this is the same agreement which is referred to in clause 10.4 of the MRLA dated 25.3.2009 between BCCI and MSM Singapore.

I have seen the copy of said agreement and I have put my dated signature on the first and last pages in token of having seen the same. I confirm that this is the same agreement referred to in Clause 10.4 of the MRLA.

On being asked I state that, I was not aware at any time of the existence of this agreement until recently when it came to our notice and it forms part of the show cause notice issued to Mr. Lalit Modi.

D. Kumar
7-7-2010

J. Johnson
7/7/2010

Question 47: Please give details of the amount of facilitation fee to be paid to WSG Mauritius by MSM Singapore the references of which appear in the agreement between BCCI and MSM and WSG dated 25.3.2009.

From the details contained in the Deed for facilitation fee between MSM and WSG Mauritius and subsequent discussions we have held with MSM executives, it appears that the total facilitation fee was Rs. 425 Crores to be paid in installments. Out of this Rs. 125 Crores has already been paid by MSM to WSG Mauritius. With regard to the balance fee payable of Rs. 300 Crores, MSM have signed an amended agreement with BCCI on 25th June 2010 agreeing to pay this balance Rs. 300 Crores to the BCCI as part of the rights fee. MSM have also committed to the BCCI that they will take all steps to recover Rs. 125 Crores already paid to WSG Mauritius and on recovery remit the same to BCCI.

Question 48: In the show cause notice dated nil issued to Shri. Lalit Modi in April 2010, in para 12 (b) it is stated as under:

"WSG Mauritius Pvt Ltd. appears to have been chose against WSG India Pvt. Ltd. to enter with the 72 hour validity contract dated 15.3.2009 since in any case this contract was by mutual decision never to be implemented and WSG Mauritius Pvt. Ltd. was meant to be a conduit for receipt of facilitation fee. WSG Mauritius Pvt. Ltd. was a totally unknown entity and no documents are available on record to show that this entity qualified the criteria under clause 2.4 of the ITT."

From the above it appears that termination of the contract with MSM on 14.3.2009 and the subsequent events leading to signing of the agreement on 25.3.2009 was all created only for the purpose of receiving the facilitation fee of Rs. 425 Crores. Why did the BCCI not object to these developments?

The BCCI had no knowledge of machinations of Mr. Lalit Modi neither was the BCCI aware of WSG Mauritius nor the existence of a facilitation fee agreement. The moment this came to the notice steps have been taken to take disciplinary action. A show cause notice has been issued to Mr. Lalit Modi. He has been suspended from the BCCI from having anything to do with the BCCI, steps have been taken to recover the money from MSM. The BCCI has also terminated the contract with WSG India.

Questions 49: In the show cause notice dated nil issued to Shri. Lalit Modi in April 2010, in para 12 (f) it is stated as under:

"Reports suggest that Sony (MSM Satellite (Singapore) Pte Ltd.) paid out "facilitation fee" of US \$ 80 Million to WSG Mauritius Pvt Ltd. for the later to cede its rights back to BCCI. A mere reading of the contract of BCCI with WSG Mauritius Pvt Ltd. would have shown it was not worth the paper it was written on. You would have been fully aware of

D. D. Modi
7-7-2010

J. S. Kumar
7/7/2010

the negotiations between Sony and WSG since you knew of this matching bid by Sony three days even before surrender of rights by WSG Mauritius Pvt. Ltd."

From the above it appears that WSG Mauritius Pvt Ltd was brought into play only for the purpose of the facilitation fee. Do you confirm the same?

Yes.

Question 50: Where were the negotiations for finalization of the agreement dated 25.3.2009 held and who were the officials representing the BCCI in the negotiations.

I do not know where the negotiations were held because I was not aware of the same. However, I can ask IMG for the details and revert within a week. As I was not aware of these discussions, I am not aware of the participants but during our interaction with Mr. Paul Manning recently, it appears that IMG was fully involved in all negotiations taking instructions from Mr. Lalit Modi. I have asked Mr. Sundar Raman as to the extent of his knowledge. His reply was that he was also not fully aware and this was corroborated by MSM.

Questions 51: The agreement with MSM was terminated on 14.3.2009. From your answers it appears that nobody from the BCCI raised any objection or took interest in signing of the contract and the discrepancies now being pointed out about the various terms and conditions in the agreement. How do you explain this?

I can only speak for myself. I state that there were several occasions when I have asked for details regarding the Sony transaction and in particular stating that both President and I were in the dark but I was not provided any clarification. I will submit the mail sent by me in this regard tomorrow.

Question 52: Please see the agreement dated 15.3.2009 between BCCI and WSG Mauritius where at schedule 1 pertaining to payments, an amount of Rs. 112.50 Crores was payable to BCCI by WSG Mauritius immediately on signing of the agreement. Please give details of the payments received by BCCI in terms of this agreement.

No payment was received.

The above statement has been given by me voluntarily without any threat or force. This statement running into fifteen pages has been typed by P. S. Rajan who is an employee of India Cement Ltd and also works for me in BCCI Secretary's Office. This statement is true and correct. I shall again appear before you tomorrow (on) 8/7/2010 at 11. A.M.

Before me Darshan
7/7/2010
(Darshan) 7/7/2010

Further Statement of Shri. N Srinivasan, Hony. Secretary, BCCI recorded under section 37 of the FEMA 1999 on 8th July 2010 in continuation of his statement dated 7th July 2010.

As undertaken by me in my statement dated 7th July 2010, I N Srinivasan am appearing before you today i.e., 8th July 2010 to give my further statement. I take Oath that I will state the truth and nothing else.

N Srinivasan
8/7/2010
Oath taken
(N Srinivasan)

D. K. Sinha
8-7-2010
Oath Administered
(D.K. SINHA)

I have once again been explained section 37 of the FEMA 1999 and I have understood that giving false statement is an offence. I am therefore giving my further statement as under:

As undertaken by me I am producing the following

1. List of agreements signed with IMG
2. Details of amounts received from Franchisees towards Performance Deposit.
3. List of various contracts in respect of different rights sold by IPL
4. Copies of e-mails dated 6th April 2009 and 7th April 2009 exchanged by me with Mr. Sundar Raman, Mr. Lalit Modi's reply, Mr. Shashank Manohar's observations thereon and my reply to Mr. Lalit Modi.
5. Copies of Minutes of the Governing Council Meetings as per the attached list.

I have put my dated signatures on all of the above for the purpose of identification.

Question 1: Please explain the method by which the various properties of IPL were valued?

Generally value was discovered through the Tender process. However, we have noticed instances where such tender process was not followed by Mr. Lalit Modi.

Question 2: It is noticed that in case of certain tenders a minimum/reserve amount was stipulated. Please explain the basis for arriving at this amount?

N Srinivasan
8-7-2010

N Srinivasan
8/7/2010

The base / reserve price to be put were always suggested by Mr. Lalit Modi as far as IPL was concerned. In the case of BCCI properties, it was based upon by an assessment made by the Marketing Committee on the basis of inputs received from various sources.

Question 3: In the Emergent Working Committee meeting held on 22nd March 2009, Mr. Lalit Modi had informed about termination of the MSM agreement and about signing of a new agreement with WSG. Why the Working Committee didn't insist on a tender process for awarding the Media Rights?

The Media Rights owned by MSM reverted back to WSG India as per clause 29 of the agreement dated 21st January 2008 between BCCI and WSG India. When Mr. Modi mentioned that MSM had been terminated and an agreement signed with WSG for an increased amount of Rs. 5000 Crores, the general impression was that he had terminated MSM and that the rights reverted to WSG India and in the process BCCI was richer by Rs. 5000 Crores. None of the members knew that he had actually signed with a third party viz., WSG Mauritius. If this was known at that time, definitely the members would have insisted on a tender process to discover the true value of the additional 600 seconds provided.

Question 4: In the same meeting, the working committee was informed that the value of the revised contract entered into with WSG was for Rs. 14068 Crores over a period of nine years an increase of Rs. 5000 Crores. It was further informed that Sony had agreed to match the amount which WSG had agreed to pay BCCI. When Sony was only matching the agreement entered into between BCCI and WSG then what was the necessity for the Working Committee to allow Mr. Modi to carry on negotiations with MSM for the Media Rights agreement for the same amount.

The Governing Council of IPL had at their meeting on 5th February 2009 authorised Mr. Lalit Modi to take necessary action against MSM and try and sort out the same with regard to the reported breaches of MSM. Mr. Lalit Modi was also asked to find alternate solutions if there was no solution with MSM to the satisfaction of IPL. Mr. Modi was also authorized to finalise adding a five minute break after every ten overs and negotiate financial revenue for the same. There was no authorization from the Working Committee of the BCCI to Mr. Lalit Modi to continue to negotiate and finalise the contract with MSM. In fact, at the Meeting of the emergent working committee held on 22nd March 2009, Mr. Modi mentioned that Sony had agreed to match WSG. The members were under the impression that when he said WSG he meant WSG India. The members had no inkling that he had given away the rights including the additional 600 seconds to a third party viz., WSG Mauritius who was not even a broadcaster.

D. D. D.
8-7-2010

M. J. J.
8/7/2010

Question 5: Was any question about the authority of Mr. Lalit Modi or about the termination and negotiation of the agreement raised in the Governing Council or Working Committee Meeting in connection with the Media Rights Agreements?

Mr. Lalit Modi had not been given any authority to terminate the MSM agreement by the Working Committee of the BCCI. It was only the Governing Council of IPL that had tasked him to try and sort out issues with MSM because he had reported breaches by MSM. The expectation of the members was that Mr. Lalit Modi in carrying out negotiations would follow proper procedure.

MSM-1

Question 6: Please refer to para 12 (b) of the Show Cause Notice issued to Shri. Lalit Modi (SCN1) in April 2010 in which you have mentioned that the agreement with WSG Mauritius Pvt. Ltd. was a contract never to be implemented and WSG (Mauritius) Pvt. Ltd. was meant to be a conduit for receipt of facilitation fee. It was a conduit for whom? Please elaborate and also provide evidences in your possession for indicating the said overseas company as a conduit?

To start with once we became aware of the various agreements including the BCCI/WSG Mauritius agreement of 2009, the facilitation agreement between MSM and WSG Mauritius read with specific clauses in other agreements it became clear that the rights had been parked with WSG Mauritius for a short period to enable a facilitation fee to be negotiated. WSG Mauritius was not qualified to hold the rights free as he was not a broadcaster and he did not have any arrangement with a broadcaster at the time the rights were vested with them. The process of handing the rights to WSG M with out any tender and without any process to discover the value would cause suspicion to any one's mind. WSG Mauritius is given 3 days to find a broadcaster which is then extended upto 24.3.2009. In the meanwhile, Mr. Lalit Modi informs other broadcasters that the rights are with WSG Mauritius, please negotiate with them and that the time is running out and WSG Mauritius could decided without reference to the BCCI. If indeed WSG Mauritius was a true holder of the rights, why is Mr. Lalit Modi canvassing for rival broadcasters to join WSG Mauritius or negotiate with WSG Mauritius for the Media Rights. Actually he had no business to be involved if there was any genuineness to the transaction. We have been told by officials from MSM that it was made clear that unless a facilitation fee agreement was signed they would not get the BCCI rights. While the Media Rights had been given to WSG Mauritius, Mr. Lalit Modi was conducting negotiations with MSM for the same rights and there is a mail to evidence this which I shall produce. It was therefore clear on a plain reading that WSG Mauritius had no intention to exploit the rights which is proved by later events when on 25th March 2009 they sign an agreement with BCCI to terminate the 15th March 2009 agreement and hand the rights back to BCCI. Shortly thereafter BCCI enters into an agreement with MSM giving them the Media Rights for the same amount that WSG had

D. Kumar
8-7-2010

J. Kumar
8/7/2010

agreed to pay. Simultaneously MSM enters into an agreement with WSG Mauritius agreeing to pay a facilitation fee of US \$ 80 Million (Rs. 425 Crores) for services rendered and facilitating MSM to obtain the Media Rights from BCCI. This preamble in the facilitation fee agreement is a falsehood. WSG Mauritius had no role to play once they mutually terminated their Media Rights agreement with BCCI on 25th March 2009. There is no consideration for WSG Mauritius to receive Rs. 425 Crores from MSM. I now refer to clause 10.4 in the agreement between BCCI and MSM dated 25.3.2009 signed by Mr. Lalit Modi. This clause provides that if the BCCI was put on notice by WSG Mauritius that MSM had breached the facilitation fee agreement, BCCI would terminate its media rights agreement with MSM. In other words, MSM is threatened with termination of its contract if they do not pay on time to WSG Mauritius who has performed no service at all. In the agreement signed between BCCI and WSG India on the same day 25.3.2009 for the Rest of the World Rights, clause 27.5 states that in the event BCCI is put on notice that MSM has failed in its obligations or has breached its facilitation fee agreement with WSG Mauritius, then BCCI is expected to either terminate the Media Rights agreement with MSM or pay WSG Mauritius amounts due to them under the facilitation fee agreement they had with MSM. All these agreements were signed by Mr. Lalit Modi. It is obvious that he wanted to ensure that under any circumstances the facilitation fee must be paid to WSG Mauritius even if it meant BCCI had to make the payment even though BCCI was not a party. There is no doubt in my mind that no one would go to such extent unless he had a personal stake in the matter. In addition he took great pains to conceal this from Members of the BCCI. He never informed anybody that he had guaranteed payment of a facilitation fee to WSG Mauritius an entity that was not known to the BCCI. When we asked Mr. Paul Manning, the IMG Lawyer who drafted these agreements why the above referred clauses were included, he stated that Mr. Lalit Modi instructed him to do so. When we asked him whether he was not aware that these were not in the interest of the BCCI and still why were they included. He replied that although he had advised Mr. Lalit Modi about the downsides of clause 10.4 in the Media Rights agreement with MSM, he was instructed by Mr. Modi to keep the clause which incidentally was a request from WSG. Lastly, MSM have now entered into an amended agreement with the BCCI on 25th June 2010 under which they have agreed to pay Rs. 300 Crores (Rs. 425 Crores – Rs. 125 Crores already paid) to the BCCI as part of the rights fee. They will also take steps to recover the Rs. 125 Crores already paid to WSG and give them to the BCCI. Therefore, it is clearly established that Rs. 425 Crores is part of the rights fee which was sought to be siphoned off to a Mauritius Company. I have given above the basis on which the accusation 12 (b) was made.

Question No.7: Please refer to the agreement for facilitation fee shown to you yesterday. In the said deed WSG agreement has been defined as "IPL Licence

Devi
8/7/2010

Paul Manning
8/7/2010

agreement dated 23 March 2009 between BCCI and WSG". What is this agreement about and please furnish a copy of the same.

I have not seen the above referred agreement. It is not available in our records.

Question 8: After termination of the agreement with MSM dated 21st January 2008, new agreement was signed on 25th March 2009 for reportedly higher amount as rights fee accruing to the BCCI. Have you ascertained the valuation aspect of the two agreements and have any additional benefits accrued to the BCCI by virtue of new agreements.

As mentioned earlier, on 5th February 2009, the Governing Council decided to allow a five minute break after 10th over of each innings which were to be commercially exploited. This amounted to 600 seconds per match. Therefore the rights fee payable by Sony increased and this increase is reflected in the agreement dated 25.3.2009. In the case of WSG India who also got a benefit of additional 600 seconds, there was no increase of rights fee at all. They were given 600 seconds extra as free as per the agreement of 25.3.2009.

Question 9: Does the higher amount of right fee represent the enhanced air time of 600 seconds or any additional amount was generated by negotiating the fresh agreement with MSM.

It is a fact that an additional amount was agreed to be paid by MSM for the additional 600 seconds. Whether the increase reflected the true value of additional 600 seconds cannot be confirmed as the value was not discovered in the market. The press reports and other market information that is reaching the BCCI now indicate that MSM made huge profit in IPL 3 after paying increased amount for the additional 600 seconds.

Now I am showing you copy of the Deed of Mutually agreed termination to which the BCCI, World Sports Group (India) Private Limited, World Sports Group (Mauritius) Limited in which it has been stated that in order to facilitate signing of a fresh media rights agreement between BCCI and WSG (Mauritius) Limited, BCCI has approached WSG (India) Private Limited to agree a mutual termination of the WSG Media Rights agreement. Please go through the said deed of mutually agreed termination dated 15th March 2009.

Question 10: In response to question No. 5 you have stated that Mr. Lalit Modi was not authorized to terminate the agreement with MSM. This deed of termination along with the termination notice given by the BCCI to MSM was approved by the BCCI. This is in conflict with your reply given at question no. 5 above.

Delivered to Mr. Modi on 8/7/2010

I have seen the agreement and I have put my dated signature on the first and last pages of this agreement. I maintain my statement that this termination was not authorized by the Working Committee of the BCCI.

Question 11: Two IPL tournaments have been held since the termination of the agreements. Was any action taken in respect of the termination of the agreements?

After all the facts came to the notice of the BCCI, action has been taken to issue a show cause notice to Mr. Lalit Modi in which what is stated above is traversed. BCCI has entered into an amended agreement with MSM to recover Rs. 425 Crores of the facilitation fee.

Question 12: The deed of mutual termination is apparently made to facilitate signing of the agreement by BCCI with WSG Mauritius. Was there any due diligence done regarding credentials of WSG Mauritius to execute the contract?

BCCI was not aware of the agreement with WSG Mauritius.

Question 13: During IPL matches held this year advertisements were shown during the over. Was there any agreement with MSM or any other company for these advertisements?

In the agreement between BCCI and MSM dated 25.3.2009, clause 2.8 allows BCCI 150 seconds of television air time per match after MSM have inserted 2600 seconds of commercial airtime. This clause also says this was for the purpose of promoting the league, teams, cricket and the official website. While this was so, Mr. Lalit Modi informed the Governing Council held on 7th March 2010 as follows:

"The Chairman also explained that we have 150 seconds in Sony Max for promotional inventory during the tournament which can be sold to a third party. Members authorized the Chairman to go ahead and find a prospective partner". It was the expectation of the members indeed 150 seconds of television air time per match was available for commercial exploitation and while finding a partner due process would be followed. It has now come to the notice of BCCI that MSM never signed any agreement permitting such sale of 150 Seconds per match. Furthermore, there was no authorization to Mr. Lalit Modi to sell this air time during an over in between balls. On top of this, it has come to our knowledge that the 150 Seconds was exploited by parties who had no agreement with the BCCI. I state that Mr. Lalit Modi did not enter into any agreement with the parties who actually were responsible for finding the advertisers. This is one of the charges in the third Show Cause Notice issued to Mr. Lalit Modi.

D. Lalit Modi
8-7-2010

[Signature]
8/7/2010

Question 14: Which are the parties with whom agreements were signed for these advertisements and has BCCI received any amount on account of the mid over advertisements and how has it been accounted in your records?

The main party who exploited this 150 Seconds is company by name Pioneer Digadsys. BCCI has no agreement with them. I am given to understand that the company belongs to Mr. Kunal Dasgupta former CEO of MSM. The Company's address is M/s. Pioneer Digadsys, 815, Crystal Paradise, Datta Salvi Road, Off Veera Desai Road, Andheri (W), Mumbai 400062. Tel.: +91 - 22 - 6675 2797. The BCCI has not received any money so far.

Question 15: Who are the Auditors of the BCCI?

The External Statutory Auditors of the BCCI are M/s. S B Billimoria & Co. The external internal auditor is M/s. Dasgupta & Associates, Chandigarh. M/s. P B Vijayaraghavan & Co., were formerly external internal auditor of the BCCI upto 2008-09 and now are tax consultants of the BCCI.

Question 16: When this concept of IPL was mooted how was the availability of foreign players for participation in the tournament ensured?

The conceptualizing and planning to start the IPL was known only to the then President Shri. Sharad Pawar, Mr. Lalit Modi, Mr. I S Bindra and M/s. IMG. Among other services IMG was fully involved in locating players as well as preparing the agreements for engaging the services of various players. I believe all player MOU / agreements were prepared by IMG. The proposal to play a domestic T20 tournament comprising Indian International, Indian Domestic and International players was presented and approved by the Working Committee of the BCCI at its meeting held on 13th September 2007. I hereby furnish copies of minutes of all meetings of the working committee of the BCCI since December 2006 to date. As regards the procedure followed to locate and secure the players, IMG are best placed to give a reply.

Question 17: Did BCCI issue any letter of recommendation to the various cricket boards in favour of IPL so as to enable them to allow their players to participate?

At the meeting of Working Committee held on 13th September 2007, while briefing members along with Mr. Andrew Wildblood of IMG about the proposed IPL, Mr. Lalit Modi informed members as follows:

D. Modi
8/7/2010

L. Modi
8/7/2010

"Mr. Lalit Modi informed the members that BCCI was in touch with the authorities of sister boards and their response to the Indian Premier League had been positive. They have assured full support to the league and they would officially make available their current players to join the Indian Premier League. Mr. Lalit Modi further stated that all foreign players desiring to participate in the Indian Premier league will have to obtain a No Objection Certificate from their respective Boards."

Question 18: What were the different types of MOU/ agreements that were signed by the BCCI with the foreign players in order to confirm their availability to take part in the tournament and whether no objection certificate from their respective boards were furnished by these players to the BCCI?

The entire responsibility and management of player contact, agreement with player and all such details were handled solely by Mr. Lalit Modi and IMG. As I understand it players were first contracted through a standard MOU which apparently then was converted into a Long form agreement which offered three choices to the player where he could choose to be on a retainer or on a basic fee or a firm price agreement. This was prior to the auction. Post the auction, the players entered into an agreement with the Franchisees.

Question 19: What were the obligations of the BCCI towards the foreign players in respect of Retainer/ Basic / Firm agreements?

In the case of a player who opted for the Retainer form of agreement, while a reserve price was fixed for him in the auction, in the event of he is not picked in the auction, he will be paid a retainer fee as per the respective agreement.

If the player has chosen a basic fee agreement, in the event he was not picked in the auction BCCI guaranteed him the basic fee as per agreement. If he was picked in the auction for an amount higher than the reserve price the entire amount could be kept by the player. If he was picked in the auction for less than the basic price, the difference would be paid by the BCCI.

A player who chose the firm type agreement, was guaranteed his reserve price by BCCI. However, if he was picked in the auction for a higher value, the difference would go to BCCI.

Question 20: Please give details of the foreign players who had participated in the IPL seasonwise?

D. Dhoni
8-7-2010

S. Srinivasan
8/7/2010

We have already submitted the same vide Annexure A to our letter dated 17th June 2010. I have seen the same running into three pages and put my dated signatures on them in confirmation.

Question 21: Please give details of the payments made by BCCI to the Indian /foreign players or on their behalf to free them of any contractual obligation entered into by them prior to making themselves available to play in the IPL?

To the best of my knowledge no such payment was made.

Question 22: Among the list of foreign players submitted vide Annexure A through letter dated 17th June 2010, please indicate which players were contracted directly by the Franchisees without the players having entered into any prior MOU/agreement with the BCCI?

The only players who would have been directly contracted by the Franchisee without prior contract of the BCCI will fall in the category of replacement for injured players, foreign players who have not been capped who could be directly engaged by the Franchisee. I shall furnish the details. For IPL 2 and IPL 3, foreign players only signed a consent form to participate in the auction and post auction entered into an agreement with the Franchisee.

Question 23: I am showing you a list of 20 foreign players. Please go through it and furnish copies of the agreements entered into with them by the BCCI.

I have seen the said list and put my dated signature on it in confirmation of having seen it. I need sometime to furnish the details.

Question 24: Please give the names of the foreign players who were contracted to participate in the IPL through any agent and also give details of the payments made by BCCI to such agents?

I shall furnish the same.

Question 25: Please give details of the permissions / approvals obtained from RBI in respect of payments made to the foreign players and their agents.

I shall furnish the same if available as I am unable to recall immediately whether and when BCCI made applications to RBI in this respect.

D. S. D. S.
8-7-2010

M. J. S. S.
8/7/2010

Question 26: Please see minutes of the Special General Meeting held on 17th April 2008. On Page No. 6 of the said minutes, under a separate para some issue relating to South African players is discussed. Please elaborate.

I have seen the said minutes and I have put my dated signature on the relevant para at page 6. This relates to the fact that South African players had to go back to South Africa to fulfill their domestic obligations and then return for IPL. The question was as to who would bear the additional cost. My recollection is that the Franchisees paid for the same.

Question 27: Was there any assessment of the financial implications and budgeting for the tournament conducted by the BCCI – IPL in South Africa?

The decision to conduct the IPL 2 in South Africa was taken at the emergent working committee meeting of the BCCI on 22nd March 2009. The tournament was scheduled to start on 10th of April which left 19 days to organize the massive tournament. It was acknowledged during the meeting that there would be increased cost. While this was discussed in the Governing Council of IPL it was roughly estimated that the cost may work out to Rs. 100 Crores. There was no time to work out a detailed budget.

Question 28: How many agreements were executed by the BCCI with foreign entities for conducting IPL 2?

BCCI entered into an agreement with Cricket South Africa and IMG Media for conduct of IPL 2.

Question 29: How were the agreements were prepared / drafted and who decided the terms and conditions of these agreements?

The Agreements were prepared by IMG. I along with Hon. Treasurer, BCCI, Chief Administrative Officer, BCCI and Mr. Sundar Raman, COO, IPL participated in discussion with Cricket South Africa representatives Mr. Gerald Majola, their Chief Executive and Mr. Don McIntosh their COO finalized the agreements.

Question 30: Who had signed the agreements on behalf of BCCI with the foreign entities and under what authority?

The agreement with Cricket South Africa was executed by me as the Hon. Secretary of the BCCI under the authority given by the President /Working Committee BCCI. The agreement with IMG Media was signed by Mr. Lalit Modi.

D. Modi
8-7-2010

Lalit Modi
8/7/2010

Question 31: Who were the persons and entities authorized by the BCCI to organize and monitor the functioning of IPL 2?

Cricket South Africa along with representatives from IPL and IMG and some officials from BCCI were authorized.

Question 32: The BCCI entered into an agreement with Cricket South Africa on 30th March 2009. Sub Clause a) of Clause 4 mentions about "IPL budget" and "budgeted" the copy of the agreement provided to this office mentions about the IPL budget at schedule 2 which is blank. Was any budgeting done at the time of entering into agreement with Cricket South Africa?

As I have mentioned earlier the decision to conduct the tournament in South Africa was taken on 22.3.2009 with only 19 days left to start the tournament. Agreement was reached with Cricket South Africa on the modalities only on the 30th March 2009 10 days before the scheduled start of the tournament which was subsequently postponed by one week. Volume of work that needed to be done to run the tournament was such that advance budgeting did not take place although envisaged in the agreement referred to.

Question 33: How much amount was paid to Cricket South Africa as advance?

Details have been furnished vide our letter dated 25th June 2010.

Question 34: As per the agreement as consideration for the provision by CSA of its services and systems in connection with IPL, the BCCI IPL undertook to pay CSA a fixed fee of US \$ 30,00,000/- In addition to the costs and expenses in relation to IPL which are stated to be set out in the budget attached as schedule 2. Further BCCI IPL undertook to pay to CSA US \$ 25,00,000/- within 7 days of signature. How much amount was paid in advance?

As mentioned earlier, budget was not prepared prior to the signing of the agreement. The estimated expenses for conducting the tournament in South Africa was prepared letter. I shall furnish full details of payments made datewise within one week.

Question 35: What was the total expense incurred by BCCI-IPL for conducting the IPL 2 in South Africa?

These details have been furnished under para 1 (xi) of my letter dated 25th June 2010.

D. J. D. J.
8-7-2010
J. Sharma
8/7/2010

Question 36: Please state whether there is any amount outstanding from Cricket South Africa or from any agency in respect of the IPL 2 tournament?

No. Not to my knowledge.

Question 37: Has the account of IPL been finalized and settled?

The final reconciliation is yet to be done.

Question 38: Has the BCCI remitted the entire amount for all the expenses incurred or it has been adjusted against the revenues generated during the tournament at South Africa?

The two revenues available in South Africa directly to the BCCI were revenue from sale of tickets and revenue from sale of pouring rights. I do not know whether some of this revenue was utilized to meet expenses of IPL 2. I shall verify and revert very quickly.

Question 39: How were the amounts remitted to Cricket South Africa and in which account?

Funds were transferred by wire transfer and I shall furnish the details.

Question 40: Please refer to agreement dated 30th March 2009 between BCCI and CSA which provides that CSA shall open and operate a dedicated bank account in the name of IPL South Africa and that monies will be deposited to CSA bank account from time to time and CSA will transfer these funds into IPL South Africa towards anticipated certain other IPL related expenses. It has also been provided that "No sums shall be released from said bank account without explicit written authorization from BCCI - IPL. CSA shall maintain book of accounts/statements separately for the payments made from this account after explicit instructions from BCCI-IPL" Please confirm whether this clause of the agreement was followed by CSA?

I shall check the records and furnish my reply as soon as possible.

Question 41: Has the account been operated on the explicit written authorization by BCCI-IPL?

The agreement was that the account would be operated to make payment as authorized and approved by BCCI-IPL. A detailed analysis of each transaction will be required to testify to the same.

*Delivered
8-7-2010
8/7/2010*

Question 42: Who was responsible from BCCI to authorize operation of the account in South Africa?

All expenses and payments need the approval of Mr. Lalit Modi after which it was sent to BCCI for counter signature by the Hon. Secretary after which only Cricket South Africa would effect payment.

Question 43: What is the status of Bank account today? Is there any balance lying in the account?

We have asked for the status of the account with Cricket South Africa. I shall furnish the same on receipt of it.

Question 44: How were the expenses for travel and accommodation of players, officials were paid?

Payment was made in South Africa by Cricket South Africa through IPL South Africa and these amounts were recovered from the respective Franchisees.

Question 45: What was the role of IMG in relation to IPL 2 ?

They also participated in the conduct of the tournament. The production of the feed was contracted to IMG.

Question 46: Was any permission taken from the RBI for making advance payment to Cricket South Africa?

BCCI did not approach the RBI.

Question 47: Did BCCI take any permission for adjustment of receivables against expenses

I shall first verify whether at all any adjustment was made and revert.

Question 48: Has the BCCI taken any permission for guaranteeing the amount to the foreign players which has been referred to above as Base Fee, Reserve Price, Retainer Fee in the various MOUs / Agreements signed between the BCCI and the Foreign players.

These agreements were prepared by Mr. Lalit Modi and IMG and executed by Mr. Lalit Modi after which it was presented to the Working Committee of the BCCI. I do not think any specific approval was obtained.

Devi
8-7-2010
[Signature]
8/7/2010

Question 49: Please see the deed of mutually agreed termination dated 15.3.2009 between BCCI, WSG India and WSG Mauritius. In the said agreement **New WSG Media Rights** agreements is defined as the agreements with WSGM for i) the television rights for the Indian sub-continent ("Indian Rights agreements") and with WSG for ii) the Internet and Mobile Rights for the Indian Sub-continent and Media Rights for the World ("revised ROW agreement"). Please explain what are the above two agreements?

Reading of the definitions and the recital B referred to seems to indicate that India Rights agreement pertains to television rights for the Indian Sub continent and Internet Mobile Rights for the Indian subcontinent and Media Rights for the Rest of the World is the revised ROW agreement.

Question 50: Please give details of the agreements entered into with Live Current Media and the rights conferred on LCM by way of these agreements. How was LCM chosen for the purpose of these rights?

LCM was given the rights for development and management of web portals of BCCI and IPL. Then BCCI terminated its agreement with LCM in March 2009. As regards IPL, LCM assigned the rights to Global cricket Ventures Singapore (GCV) who in turn gave it to GCV Mauritius which we understand majority owned by Elephant Capital whose managing partner is Mr. Gaurav Burman. The rights were given without a tender.

On being asked by you if there is anything else that I wish to mention, I state that examination of the ownership of Ticketgenie reveals the existence of a Mauritius investor. Ticketgenie is an organization that was given the right to print and sell the tickets for the two semi finals, the playoff match for the third sport and the final of the recently concluded IPL 3. There was no agreement signed with Ticketgenie and although the Final was played on the 25th April 2010, only a few days ago an odd amount of Rs. 10.58 Crores was received by BCCI. We now come to understand that 50% of Ticketgenie is owned by a Mauritius based company called Canning Investments. We have not received any reconciliation from Ticketgenie and we are therefore in the dark as to what is owed to the BCCI for four matches of the IPL. M/s. Ticketgenie's address is 215, Bellary Road, Palace Orchards, Bangalore.

Question 51: Annexure B of the Minutes of the Governing Council meeting held on 11th August 2009 shows that BCCI-IPL had conducted a workshop for Franchisees in Bangkok in October 2008. It is further seen that BCCI-IPL has incurred a cost of Rs. 57,16,969/- towards the said workshop. Please explain the purpose of this workshop and the various heads under which the above expense was incurred?

Debut
8-7-2010 / *[Signature]*
8/7/2010

I have seen the said minutes which have been submitted by me today and I have put my dated signature on page 22 thereof. The workshop provided a platform for stake holders of the IPL to interact with members of the Governing Council. The amount referred to covered the travel, boarding, lodging and meeting room expenses of the workshop.

Question 52: Was any permission obtained from the RBI for making the payments on account of the above workshop?

No specific approval from RBI was obtained. The fact is that most of the payments were made in India as an Indian Travel Agent was engaged for this purpose. As regards any payment in foreign exchange I shall verify and revert. A similar workshop was held in Bangkok during November 2009 and the same Indian Travel Agent M/s. Beacon Travels was used. I shall also verify about expenditures in foreign exchange and revert.

The above statement is given by me voluntarily without any pressure, threat or force. This statement running into fifteen pages is typed by P.S. Rajan as per my say. I have read the same and confirm its correctness. I shall appear before you as and when called.

M/S. Rajan
8/7/2010

Before me
Dated
8-7-2010
(D.K. SINHA)

Statement of Shri. N Srinivasan Aged 65 Years, residing at 2/1, Boat Club First Avenue, Chennai – 600 028, Hony. Secretary, BCCI, Cricket Centre, Wankhede Stadium, D Road, Churchgate, Mumbai - 400020 recorded under the provisions of Section 37 of the Foreign Exchange Management Act, 1999 on 15th April, 2011 before the Assistant Director, Directorate of Enforcement, Mumbai.

I am in receipt of your Summon No.T-3/81-B/2008 dated 13th April 2011 calling upon me to appear before you today on 14th April 2011. I couldn't appear on 14.4. 2011 because of I received the summons only on 14.4.2011 and it was a holiday on 14.4.2011. I informed you accordingly and therefore I am appearing before you today i.e., 15.4.2011. Accordingly, I have appeared before you for giving my evidence and producing documents as mentioned in the summons. Before recording of my statement, I have been explained the provisions of Section 37 of the Foreign Exchange Management Act, 1999, I am now aware that according to the provisions of the said Sections, it is binding upon me to state the truth only. I have also understood that giving false & fabricated evidence and/ or suppressing true facts is an offence, committing which, I shall be liable to be punished under the provisions of the law. I have also been cautioned that my statement can be used as evidence against me or against anybody else in any proceeding under the Foreign Exchange Management Act, 1999 or any other Law. With due understanding of the above facts, and the provisions of Law, and fully understanding my responsibility there under, I am giving my true and correct statement under oath as under:-

Deedant
Oath administered 15-4-2011

N Srinivasan 15/4/11
Oath taken
(N Srinivasan)

Deedant
15-4-2011

N Srinivasan
15/4/11

Q-1: Please give a brief background of the Indian Premier League, how the concept originated and how decisions were taken in respect of formation of the league, ensuring availability of the domestic and foreign players for the tournaments.

Ans: At a meeting of the Working Committee on 21st August 2007 it was mentioned by the Chairman that Mr. Lalit Modi had been doing some work on a domestic twenty 20 league to be followed by an International Twenty 20 league. Mr. Modi wanted to use the services of IMG which was approved.

At a meeting of the Working Committee of the BCCI held on 13th September 2007, the Chairman of the meeting informed the members that it was proposed to start a domestic twenty/20 league called the Indian Premier League. He said that Mr. Lalit Modi had been working on this project for two years. Mr. Modi and Mr. Andrew Wildblood of IMG then made a presentation to members highlighting various issues including the basic structure and financial aspects of the league. Until this Working Committee meeting, all decisions presumably had been taken by Mr. Lalit Modi. I became aware of it only at the said meeting.

Q-2: Who negotiated with the foreign cricket boards to release the players for participation in the IPL?

Ans: I believe it was Mr. Lalit Modi.

Q-3: In what capacity did Mr. Lalit Modi negotiate on behalf of the BCCI?

Ans: It is a fact that other Office Bearers of the BCCI came to know of the details of the Indian Premier League only at the Working Committee Meeting of 13th September 2007. Since the Chairman was aware that Mr. Modi has been working on this project for some time, I can only presume that Mr. Modi may have taken the consent of the Chairman for his actions.

D. S. Srinivasan
15-4-2011

(2)

M. S. Venkatesh
15/4/11

Q-4: Was the issue of formation of IPL ever discussed before the Working Committee or General Body prior to 13th September 2007 and was any authorization given to Shri. Modi for negotiating with the foreign cricket boards?

Ans: It was briefly mentioned on 21st August meeting of the Working Committee. The details were presented on 13th September 2007. No authorization was given to Mr. Lalit Modi prior to the Working Committee Meeting of 21st August 2007.

Q-5: What was the role entrusted by the BCCI to IMG in formation of the Indian Premier League?

Ans: Prior to 21st August 2007, I did not know of IPL and therefore have no knowledge of what role they have in the same. At the 21st August 2007 meeting, the Chairman informed members that the domestic twenty 20 league was to be followed by an international twenty20 league. Mr. Modi at that meeting stated that he wanted to take the help of M/s. IMG and wanted authority to appoint them as consultant. The meeting authorized him to work out the modalities of the appointment of IMG.

Q-6: Who carried out negotiations with the foreign players?

Ans: Mr. Lalit Modi and may be IMG.

Q-7: How was the decision taken to sign the MOUs /agreements with the foreign players?

Ans: I had no knowledge of the MOU until it was presented to the BCCI as a fait accompli.

Q-8: From the contents of the MOUs it is seen that the BCCI has undertaken an obligation to make payment of a fixed amount to the foreign players for making them available for allotment to the franchisees. Under what authority were these MOUs signed with the foreign players and what was the purpose of signing of those MOUs?

Debuti
15-4-2011

J. S. Khanna
15/4/11

(3)

Ans: As stated earlier, it was not until 21st August 2007 where a brief mention was made of IPL and 13th September 2007 when some more details were mentioned that we had any idea of this project. No authority had been given to Mr. Lalit Modi by either the Working Committee or the General Body of the BCCI to sign any contracts with foreign players. As per the constitution of the BCCI it is only the Hon. Secretary who is authorized to carry on correspondence and represent the BCCI. Mr. Modi professed that this was to ensure good participation in the auction and ensure availability of players for the tournament.

Q-9: Please go through the Minutes of the IPL Governing Council Meeting held on 18th October 2007 particularly para 7 and 8.

Ans: I have gone through the Minutes of the IPL Governing Council Meeting held on 18th October 2007 particularly para 7 and 8 and have put my dated signature on the same in token of having seen the same.

Q-10: At para 8 the Minutes says that the Board authorises the Treasurer to go ahead and make payment to all players signed as per the contracts signed by the Chairman on behalf of the IPL. What contract is referred to in respect of the players?

Ans: As you may notice, I was not present at that Meeting. I presume contracts referred to are those signed by Mr. Lalit Modi with the players.

Q-11: Since the meeting of 18th October 2007 was the opening meeting of the IPL Governing Council and the league and franchises were not constituted, what necessitated authorization for payment to the contracted players?

Ans: I was not present at the meeting so I do not know the discussion that took place leading to this direction to the Treasurer. I presume it would have been because of commitment made by Mr. Modi to the players.

Q-12: Has there been any payment made to the players in terms of the aforesaid authorization given to the Treasurer?

Ans: I think so. I will furnish the details by Monday, 18th April 2011.

D. D. Modi
15-4-2011

[Signature]
15/4/11

(4)

Q-13: I am showing you a representative sample of an agreement executed between the BCCI and a foreign player (namely Jacob Oram) on 19.2.2008. Please go through it especially para 2.3 and 2.4.

Ans: I have seen and I have put my dated signature on the same in token of having seen the same.

Q-14: Under Clause 2.3 the BCCI has agreed to pay the player the contracted amount and in clause 2.4 the BCCI has undertaken a guarantee to the player that the franchisee shall pay the player the fee due to him under his player contract. By the said clauses, the BCCI had undertaken an obligation of making payment to a person resident outside India. Has the BCCI taken any prior approval of the RBI before executing the agreement?

Ans: The contract seen by me is not signed by the authorized person. As per the constitution and practice of the BCCI, contracts have to be signed by the Hon. Secretary of the BCCI. If it was Mr. Modi or his nominees who have executed these contracts, they had no authority from the Working Committee/ AGM of the BCCI to do so. Since I was not aware of the execution of the MOU when it took place the question of applying to RBI did not arise as far as I was concerned. To clarify further since only Mr. Modi knew about the execution of the MOU, BCCI being in the dark did not apply to RBI for prior permission.

Q-15: Now I am showing you a representative sample of BCCI (IPL) Player MOU. Please go through it

Ans: I have seen and I have put my dated signature on the same in token of having seen the same.

Q-16: Under the said MOU, the BCCI has agreed to pay to the contracted player an annual base fee which is guaranteeing payment of an amount to a person resident outside India. Was any approval taken from the RBI for guaranteeing the same?

Ans: As stated earlier, the appropriate authority in BCCI did not authorize the signing of this MOU. In fact the appropriate authority was not aware of the execution of the MOUs until much later. Therefore, no application for approval could have been made.

D. S. D. S.
15-4-2011

(5)

J. S. D. S.
15/4/11

Q-17: I am showing you a copy of the Franchise agreement executed by the BCCI with M/s. Deccan Chronicles Holdings Limited. Please go through the same particularly schedule 1 to the said agreement.

Ans: I have seen and I have put my dated signature on the same in token of having seen the same.

Q-18: At para 1 of the schedule, there is a reference of payment made by IPL to the player and it restrains the player from claiming payment of the sum paid by IPL from the Franchisee. Does it refer to the payment made by the BCCI in terms of MOUs / agreements executed between the BCCI and the foreign players referred above?

Ans: This is a schedule which forms part of the ITT set out inviting offers for Franchises. It does not refer to any MOU.

Q-19: Under what circumstances can BCCI/IPL make payment to a player in connection with the Indian Premier League?

Ans: Payment can be released if

- a) There is a valid contract which necessitates payment
- b) Direction of an authority like IPL Governing Council, Working Committee, AGM etc.

Q-20: Has BCCI entered into any contract with any player giving him an entitlement to receive any payment from the BCCI in connection with the IPL except the MOUs / agreements guaranteeing payments as discussed above?

Ans: BCCI has not signed any contracts with players for any payment in connection with IPL other than the contracts signed by Mr. Lalit Modi without prior approval of the BCCI.

Q-21: The opening Governing Council meeting held on 18th October 2007 seems to have approved the MOUs / agreements executed with foreign players in as much as it has acknowledged existence of the contracts and given directions to the Treasurer to comply with the terms and conditions of the contract so far as payment to players is

Deduni
15-24-2011

(6)

[Signature]
15/4/11

concerned. How can you say that the contracts executed by Shri. Lalit Modi were unauthorized.

Ans: They were not authorized when he signed it. He had no authority to execute the same.

Q-22: Please furnish the details of performance deposits from foreign parties received and accepted by the BCCI?

Ans: We have already furnished the details of Performance Deposits received from Emerging Media, Volkswagen and ESS. In addition to that, we have received an amount equivalent to Rs. 10,00,00,000/- from Entertainment and Sports Direct, Mauritius. I am submitting a copy of letter of eligibility from the said party which reflects the payment of performance deposit made to BCCI.

Q-23: Was there any approval taken by the BCCI from the RBI for accepting performance deposits from persons resident outside India.

Ans: No.

The above statement is given by me voluntarily without any pressure, threat or force and is true and correct. I shall appear before you as is and when required

Before me

Dehradun
15-4-2011

(D.K. SINHA)

Asst. Director

[Signature]

15/4/2011