

LOSSES CAUSED TO BCCI DUE TO N SRINIVASAN

1. On 22nd March 2009 BCCI decided to move IPL to South Africa. BCCI President Shashank Manohar chaired the Emergency BCCI Working Committee meeting, which approved the same, and resolved that the tournament can be moved and BCCI should get RBI approval for operating the Bank Account in South Africa . The responsibility of the same was entrusted to Secretary BCCI (attached are minutes of 22nd March 2009 meeting as **Annexure 1**).
 - The BCCI Secretary flew to South Africa and had a meeting with Cricket South Africa along with his team and decided to contravene the BCCI Working Committee and decided not to have RBI approval at all for conduct of the tournament. He devised a **clever mechanism** , that too **without the approval of the Board** , whereby BCCI did not open any account in South Africa as Mandated by BCCI after approval of RBI, but he chose to go the route of asking Cricket South Africa (CSA) to open a bank account for the purposes of BCCI. For this N. Srinivasan executed an agreement on behalf of BCCI with Cricket South Africa (CSA) on 30th March, 2009. One of the conditions under the agreement dated 30th March, 2009 was that CSA would open and operate a dedicated bank account for conducting the tournament., as if it was a BCCI account but camouflaged as CSA account. (attached is copy of agreement dated 30.3.2009 annexed as **Annexure-2**).
This is what has come to haunt us now, as we have violated the RBI guideleines and ED has served us demand on the same.
 - Further on 25th March, 2009 N. Srinivasan circulated instructions to all including IPL Chairman who was not party or attended any

meeting with CSA and Secretary's team in reference to above agreement and contravention of BCCI resolution that CSA would operate a separate bank account and makes payments on behalf of BCCI and BCCI will replenish the amount as and when required and after the tournament CSA can send final statement for settlement. The letter made it clear that the account would be monitored by BCCI and any disbursement would be made after final approval of N. Srinivasan. All bills were to be forwarded to N. Srinivasan for final authorization. (attached is copy of instructions dated 25.3.2009 annexed as **Annexure-3.**)

- The payment structure was that Prasanna Kanan (who is also employee of India Cements Ltd.) as the Chief Finance Officer of IPL was directly reporting to N. Srinivasan and seeking his approval on various invoices and payments to be made. The remittance of payment to CSA was done under instructions of N. Srinivasan who alone was aware how this remittance was put in a dedicated account and on what basis. The payments made to various vendors out of this dedicated account was also controlled by N. Srinivasan. This is evident from two mails dated 10.4.2009 and 25.4.2009 between Prasanna Kanan and N. Srinivasan . (Copies of such mails are annexed as **Annexure-4 and 5** respectively) .
- The entire violation of FEMA as alleged by Enforcement Directorate is due to **deliberate act of avoiding RBI framework**. The circuitous route adopted by N. Srinivasan stood exposed when ED found out that though the account was in the name of CSA for all effect and purposes it was operated and controlled by BCCI.
- The ED has found funding of CSA by BCCI without RBI's prior approval to be gross violation of FEMA. The violation of FEMA has

been found to the tune of Rs1079.00 crores and the penalty is likely to be 3 times and will cause BCCI to pay 3237.00 crores of rupees.

TOTAL LOSS TO BCCI LIKELY TO BE RUPEES 3237 CRORES.

2. Srinivasan wrongly alleged that Lalit Modi was in any manner beneficiary of facilitation fee agreed to be paid by Sony to WSG. The IPL media rights bid had been initially won by WSG and Sony was merely their sub licensee. Sony issued a press release on 23rd April 2010 (Copy annexed as **Annexure 6**) by which it was made known that facilitation fee was a genuine contractual payment between two multinational entities situated outside India.

- However Srinivasan blackmailed Sony to terminate their agreement with WSG and BCCI would do the same and do direct contract with Sony independent of WSG. (Attached as **Annexure 7** is the **Highly Confidential Memo** prepared by Sony of Minutes of their Meeting with BCCI). These minutes show that Srinivasan and key executives of Sony reached a **collusive agreement to misrepresent facts , make false documents and create false evidence.**
- Sony's aim was to make commercial benefits from BCCI while Srinivasan wanted Sony's help to put false cases against Lalit Modi .
- The minutes disclose that if Sony helped BCCI - BCCI agreed to remove cross default by terminating WSG's agreement , ratify Sony agreement to make it binding on the BCCI, support Sony by going on affidavit in any proceedings initiated against Sony by WSG, give up right to commercially exploit 150 Seconds FCT , terminate the agreement with Colors in which Indian players from the IPL participating. **If Sony did not play ball with BCCI it was threatened with termination of its**

agreement on grounds of fraud, collusion, etc., as also a FIR against Sony .

- This has resulted in BCCI giving up or losing already the following:
 - a). 150 Seconds advertising Inserts by BCCI on Global feed Value:

YEAR	AMOUNT
2011	INR 80 Crores
2012	INR 80 Crores
2013	INR 80 Crores
2014	INR 80 Crores
2015	INR 80 Crores
2016	INR 80 Crores
2017	INR 80 Crores
TOTAL LOSS IN THIS CATEGORY	INR 560 Crores

These amounts are based on 2010 rates achieved by Pioneer who had no marketing time and poor quality issues in the initial games based on 94 game schedule. AS PRECEDENT HAD BEEN SET AND QUALITY ISSUES RESOLVED WE CAN ASSUME FURTHER GAIN CONSIDERING INCREASE IN RATES TO BE ALSO LOSS OF FURTHER INR 560 CRORES

TOTAL LOSS TO BCCI LIKELY TO BE RUPEES 1120 CRORES

b). Reduction in No of Games to help Sony pay less to BCCI and peg up rates of ads resulted in Loss of revenues to BCCI: This is a big issue but not understood by members of BCCI, and has already started to haunt us with cancellation of Sahara Contract (see separate point on this later, major impact in future. Internal papers have been designed for cover up of this MEGA Fraud on the organisation in connivance with SONY.

YEAR	AMOUNT
2011 (18 matches played less)	INR 114.40 Crores
2012 (18 matches played less)	INR 114.40 Crores
2013 (18 matches played less)	INR 174.20 Crores
2014 (18 matches played less)	INR 174.20 Crores
2015 (18 matches played less)	INR 193.54 Crores
2016 (18 matches played less)	INR 228.20 Crores

2017 (18 matches played less)	INR 256.90 Crores
TOTAL LOSS IN THIS CATEGORY	INR 1255.44 Crores

TOTAL LOSS TO BCCI LIKELY TO BE RUPEES 1255.44 CRORES

c) On account of termination of Colors- (who sued us and we have spent considerable amount of monies on this and will have to make a settlement with them on top of it.)

YEAR	AMOUNT
2011 - COLORS	INR 35 Crores
2012 - COLORS	INR 45 Crores
2013 - COLORS	INR 55 Crores
2014 - OTHER CHANNEL PARTNER	INR 65 Crores (EXTRAPOLATED BY SAME AMT)
2015 - OTHER CHANNEL PARTNER	INR 75 Crores (EXTRAPOLATED BY SAME AMT)
2016 - OTHER CHANNEL PARTNER	INR 85 Crores (EXTRAPOLATED BY SAME AMT)
2017 - OTHER CHANNEL PARTNER	INR 95 Crores (EXTRAPOLATED BY SAME AMT)
TOTAL LOSS IN THIS CATEGORY	INR 455 Crores

TOTAL LOSS TO BCCI LIKELY TO BE RUPEES 455 CRORES

C) Srinivasan terminated the contract entered with ESD for Theatrical Rights

YEAR	AMOUNT
2011	INR 11 Crores
2012	INR 12 Crores
2013	INR 14 Crores
2014	INR 15 Crores
2015	INR 20 Crores
2016	INR 25 Crores
2017	INR 30 Crores
2018	INR 30 Crores
2019	INR 40 Crores
TOTAL LOSS IN THIS CATEGORY	INR 197 Crores

TOTAL LOSS TO BCCI RUPEES 197 CRORES

3. The original tender for two new teams provided for Bank Guarantee of full bid amount to safeguard the interest of BCCI. However without any basis Lalit Modi was blamed for the tender condition being onerous and condition was modified to Bank Guarantee of yearly payable amount which was 10 percent of full bid amount . He used the ploy to tell one and all that LKM was favouring big parties and as such Bank Guarantee should be reduced to 10% as was the case when we did first tender. Forgetting that at First tender stage we were not a brand, chances of success were not proven and there was big risks for investors. At the Second Tender stage we were a Global brand, huge success, everyone wanted a piece of action, thus the higher prices. The tender was designed to safe guard BCCI's interest not Lalit Modi's interest. This was changed, and the facts lie before us....

- The tender was won by Sahara Adventure Sports Group which made a bid of USD 370 million bid and Rendezvous which made the second highest bid of USD 333.33 million .
- Srinivasan through his obstinate conduct forced termination of Kochi and has made Sahara force out of franchise. Total loss to BCCI because of reduced bank guarantee on account of Kochi is USD 300 million and on account of Sahara is USD 333 million thus totalling USD 633 million or INR 3798 Crores. And now we have law suits from both of them, they will likely prevail as we had sold to them on basis of home and away, which would require 94 games, Srinivasan in collusion with Sony who wanted lower no of games, as they have to pay BCCI on per game basis, will be in favour of Sahara termination. It is this very clause elimination that will come to bite us back. Further Srinivasan agreed with SONY not to increase beyond 75 Games, which further dilutes BCCI's ability to

expand which will have effect of Billions of dollars on its future business.
This he has cleverly concealed from the Board.

TOTAL LOSS TO BCCI RUPEES 3798 CRORES JUST FROM SAHARA AND KOCHI ALONE. LEAVE ALONE WHAT FUTURE LOSSES WILL BE ADDED

4. Web Media Rights to Live Current Media of \$50 million (INR 300 Crores) were terminated by Srinivasan and BCCI has not found a better deal so far.

TOTAL LOSS TO BCCI RUPEES 300 CRORES

5. Zee had given a guarantee worth \$70 million. It was in the possession of the then treasurer, N. Srinivasan. That guarantee was allowed to lapse by him and then Zee went ahead and cancelled the contract. Srinivasan thus directly caused loss of USD 70 million (INR 420 Crores)

LOSS TO BCCI RUPEES 420 CRORES

6. Srinivasan, to favour his close associates Marans, chose to illegally terminate Deccan Chargers franchisee. Deccan has filed INR 5050 Crores claim on BCCI.

RISK TO BCCI RUPEES 5050 CRORES

Thus Srinivasan has already caused a loss to BCCI of over Rupees 10,000 Crores and also potential risk of Rupees 5000 Crores.

**MINUTES OF THE EMERGENT WORKING COMMITTEE
MEETING HELD ON SUNDAY 22ND MARCH 2009 AT
CRICKET CENTRE, MUMBAI AT 11.00 AM.**

Following members attended the meeting.

Shashank Manohar	President, BCCI - Chairman
Lalit Kumar Modi	Vice President, BCCI
N. Srinivasan	Hon. Secretary, BCCI
Sanjay Jagdale	Hon. Jt. Secretary, BCCI
M. P. Pandove	Hon. Treasurer, BCCI
K. S. Vishwanathan	T.N.C.A.
Jagmohan Dalmiya	C.A.B.
Sharad Pawar	Mumbai CA.
Rajeev Shukla	U.P.C.A
Anirudh Chaudhary	Haryana CA.
V. Chamundeswar Nath	Andhra CA
K. P. Kajaria	N.C.C.
Niranjan Shah	Saurashtra CA
I S Bindra	Punjab CA
Dr. Vijay Mallya	K.S.C.A
Narhari Amin	Gujarat CA
Sudhir Dabir	Vidarbha CA

The Chairman called the meeting to order. He welcomed the members and informed them that the emergent meeting was called to apprise the members about the problems on staging the second edition of IPL and to take a final decision in this matter.

He further informed the house that the IPL had announced its schedule with the inaugural match on 10th April the final on 24th May, 2009. While announcing the schedule it was clarified that the dates would be reworked based on the date of polling in the venues where IPL matches are to be played.

The Election Commission announced the election schedule for the general elections in India. The polling was to be held in 6 phases starting on 13th April and concluding on 13th May 2009 and the counting was to be on 16th May, 2009.

The Ministry of Home Affairs contacted BCCI and informed that the IPL schedule announced by BCCI was almost overlapping with the Election schedule and hence it needs to be changed suitably from the point of view of security during the matches. The Hon. Secretary along with the IPL Chairman and other officials of IPL met the officials of the MHA at Delhi to understand their concerns. On the advice of the MHA, fresh schedules based on the election dates were discussed

with the individual state authorities where IPL matches were to be played. We even identified additional venues to ensure that the event takes place. It is important to note that the BCCI and IPL spared no efforts in trying to accommodate the concerns raised by the MHA.

Even as some states agreed with the revised schedules, some others who had initially agreed, revoked the permissions and expressed their inability to stage the matches making it nearly impossible to hold the IPL matches. He further added the Honorable Chief Minister of Maharashtra wrote to us stating that you cannot hold IPL matches till end of election dates i.e. 13th May 2009. Similarly was the case with the State of Andhra Pradesh. Incidentally the security authorities in both the states had earlier cleared the dates for IPL.

The Office Bearers of the Board had a teleconference on Friday and it was decided that the IPL had to be played and we could not agree to a truncated version. It was decided to explore the possibility of holding the IPL matches in another country this year if necessary.

The Secretary of the Board Mr. N. Srinivasan and the Chairman of IPL Mr. Lalit Modi has had discussions with the ECB President, Mr. Giles Clarke and the CEO of Cricket South Africa, Mr. Gerald Majola. Both have expressed their willingness to conduct the IPL in their respective countries. If we are able to finalize the venue, we could still play the IPL matches in the available window.

With these initial observations, the Chairman invited the members to give their views on this matter.

Dr. Vijay Mallya opined that the IPL had become a valuable property and the cricket fans not only in India but all over the world were looking forward to this event. Dr. Mallya also agreed with the President that there was no question of suspending the IPL for one year. He expressed complete support to hold the IPL outside the country if the Ministry of Home Affairs could not provide the security.

Further elaborating on the same issue, Mr. Srinivasan pointed out that it was impossible to postpone the IPL as the only window available was between 10th April and 24th May 2009. All the teams are to assemble in UK for the ICC Twenty20 World cup which ends on 21st June, 2009. Post the T20 World Cup in UK; the Indian team is to tour West Indies after which we are to tour Zimbabwe for a tri series. In September we play the ICC Champions Trophy at South Africa followed by Champions League in India. Then we have 3 home series lined up with Australia, South Africa and Sri Lanka till end of March, 2010 with a series against Bangladesh in February, 2010. In the given circumstances there was no slot available till the next IPL.

Mr. Srinivasan further pointed out that the Champions League had to be cancelled last year due to the terrorist attack on Mumbai and if the IPL does not happen this year we will lose out on the Champions League for the next year as well. He suggested that BCCI should not look for anything but just finalizing the venue for the IPL. He further added that both ECB and Cricket South Africa have agreed to our terms like the ticket revenue and the venue costs.

They have also agreed to give us clean stadiums so that our commitments made to the sponsors and broadcasters can be completed. Under these conditions he requested Mr. President to freeze on either of the two venues for the IPL.

Mr. Sharad Pawar while addressing the members pointed out that he had talks with the Home Ministry and the Chief Ministers of the states to help in resolving the issue of staging the IPL matches. Mr. Pawar pointed out that the Government had not said that they don't want the IPL to take place, but they could not provide enough security for the event of this type as the security forces are also committed to the Election Commission.

He said the Election Commission has already reserved 75% of the forces on election duty and 25% for the day to day activities in their respective states. At the same time they have also asked the 25% of the forces to be ready in case of emergencies which may occur during the elections. In this case even though the state government wants to host the IPL matches they cannot go ahead without prior permission of the Election Commission.

Mr. Pawar also agreed with the Office Bearers that there was no other slot available this year for the IPL and hence shifting it abroad was the only alternative.

Mr. Pawar further opined that the suggestion of the government to hold the IPL after the elections was not feasible as the Indian team and other teams are to report for the ICC Twenty20 World Cup. He also felt if we do not organize the IPL we would be sending out a wrong signal. Mr. Pawar stressed that BCCI should make it clear that the IPL if shifted to another country, was because of the General Elections in India. He concluded by saying that if we have a choice between UK and South Africa, we should consider UK as there is a sizable population of Asians living there.

Mr. Lalit Modi pointed out that by shifting the IPL matches to either UK or South Africa the cricket loving public in India could still get to watch the live telecast at 4.00 pm and 8.00 pm. As far as the TV production was concerned, Mr. Modi stated that compared to the 8 venues last year we were to use 12 venues this year and keeping that in mind we have to contract 6 kits of high definition

production materials with 34 cameras. He further noted that both the countries had mobile vans unlike India where they had to set up the production unit. Other advantage of playing in UK is that it will involve 90% of travel by road which will be a much easier task logistically. Mr. Modi also expressed his worries over the rain factor in both countries.

Mr. Anirudh Chaudhary opined that it is very important to show the world that cricket in India is not affected due to security concerns and he felt that we can think of completing the initial matches in UK and then semi finals on wards in India. Mr. Lalit Modi did not agree with the suggestion of playing the Semi Finals and Final in India.

Mr. Modi also stressed on the point that as the T20 World Cup was to take place in the UK all other countries will agree to the fact that this is a good chance to get used to the ground and the wickets before an important tournament. He further confirmed that he had a tentative schedule ready for both the venues. In case of UK the grounds to be used would be Lords, Oval Trent Bridge, Old Trafford, Headingley, Edgbaston and Bristol. He also reminded that the English country season begins on the 7th of April which needs to be taken into account. We are also proposing that opening and the closing ceremony to be held in London but unfortunately Lord's will not be available due to prior booked commitments. So the opening ceremony will happen at Oval while for the closing ceremony Lord's would be available.

If we were to go to South Africa the grounds to be used will be Port Elizabeth, De Beers Oval in Kimberly, Buffalo Park in East London, The Wanderers in Jo'berg, Kingsmead in Durban, Oval in Bloemfontein, Super Sport park in Cape Town. Though the Stadium sizes in UK are smaller than compared to in South Africa, the per capita ticket pricing will be twice compared to the ticket price in South Africa as mentioned by Mr. Modi.

Mr. Anirudh Chaudhary asked about the likely date of the final match of the IPL. Mr. Modi replied that it could be either 23rd or 24th May, 2009.

Dr. Mallya was of the opinion that UK would be a better venue in terms of good air connectivity and playing conditions. He also felt that there will be lot of people who will want travel to watch the IPL matches.

The President said that he will examine the pros and cons of both the venues before coming to a decision. Mr. Modi added that after examining all the big tournaments in the world he has come to a conclusion that IPL is a single largest tournament in the world in terms of logistics.

Mr. Srinivasan said before confirming any venue we need to get into an agreement with the respective Host Board on the terms and conditions.

Mr. N. Srinivasan, the Hon. Secretary requested the House to authorize the President Sri Shashank Manohar to take a final decision in the matter of selecting the venue for the IPL 2009.

The members authorized Mr. Shashank Manohar to take the decision on the venue for the IPL 2009.

Mr. Lalit Modi requested the members to approve the opening of an account of US dollars ten million to take care of the expenses for the staging of the IPL abroad.

Mr. Shashank Manohar while responding to Mr. Lalit Modi's request stated that we would open an account after seeking clearance from RBI and that the account would be opened by the Hon. Treasurer Mr. M.P. Pandove.

The members agreed with the observations of the Chairman. The Chairman then informed the house that an appropriate resolution in this regard would be framed by Mr. N. Srinivasan.

Mr. Lalit Modi also brought to the attention of the members the issue between the official broadcaster "MSM" and IPL. IPL terminated the contract with Sony due to multiple breaches in contract terms by Sony. The total contracted revenue of the IPL till last week was Rs 9068 Crores. He further stated that the Board had immediately signed a fresh agreement with WSG. Mr. Modi added that Sony breached that contract in all 59 matches of IPL by overlaying advertisements on our clean feed. According to the BCCI guidelines in a T20 game a total of 2000 seconds is stipulated for advertisements but Sony breached by inserting 3200 seconds i.e. over 60% of allowed inventory. The value of the revised contract entered into with WSG is for Rs 14,068 Cr over the period of 9 years in increase of Rs. 5000 Cr. Sony has agreed to match the amount which WSG has agreed to pay BCCI.

He further stated that on the suggestion of our lawyers we have agreed to an out of court settlement with Sony effective 6.30 am today morning. One of the major points of this agreement was that Sony wanted this agreement to be a non terminable agreement which we have denied to Sony after discussion with the President.

Secondly we also had a restriction on increasing the number of teams from 8 to 10 in the 4th and 5th year. What we have reached in the agreement is we can increase the teams in IPL at any point at their discretion to 10 teams. Further we can increase to number as and when we want to with the first right of refusal with Sony on a pro rata basis to match the number within 15 days, If not, like in England it would be open to all broadcasters to bid. He also added that average

price per match according to the old contract was one million dollars moving to two million dollars per game for the next 5 years which is close to 200% increase compared to the last contract.

Mr. Pawar requested the BCCI President that either for the opening or the closing ceremony of the IPL, one member of every association should be invited and all arrangements should be made by the BCCI.

The Chairman promised to look into the suggestion.

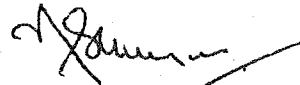
Mr. N. Srinivasan then read out the text of the media release to be issued about the decision of the Working Committee.

The Chairman informed the members that staging the IPL matches in another country would mean that the BCCI-IPL would have to discuss the schedule of expenses with the franchisees and he requested the house to authorize him to take necessary steps in this regard.

The members authorized the President Shri Shashank Manohar to take appropriate decision on behalf of the Board in this matter.



SHASHANK MANOHAR
CHAIRMAN



N. SRINIVASAN
CONVENER

These Heads of Agreement are entered into between **CRICKET SOUTH AFRICA ("CSA")** and **THE BOARD OF CONTROL FOR CRICKET IN INDIA** for and on behalf of its separate Sub-Committee Unit known as The Indian Premier League ("**BCCI-IPL**").

WHEREAS BCCI-IPL wishes to stage the 2009 Indian Premier League tournament ("**IPL**" and each match forming part of IPL being a "**Match**") in The Republic of South Africa and wishes CSA to assist it in this regard by providing the necessary stadia and certain other related matters and CSA is prepared to provide such assistance on the following terms and conditions

IT IS AGREED as follows:

1. Provision of Stadia etc

- (a) CSA shall throughout the Term procure and/or provide the stadia referred to in Schedule 1 (the "**Stadia**" and each one being a "**Stadium**" and which shall mean the whole of the interior and exterior of each such stadium) for the exclusive use by BCCI-IPL throughout the Term (as defined below and meaning on both all Match days and all non-Match days) in staging each Match forming part of the IPL and otherwise in connection with the operation and staging of IPL in general (the current list and schedule of which forms part of Schedule 1 but which may be amended by BCCI-IPL from time to time). As part of this obligation CSA shall ensure that no other events or matches of any kind will be staged at any of the Stadia during the Term.
- (b) CSA shall ensure that at all times throughout the Term BCCI-IPL and all third parties ~~acting on its behalf in relation to IPL shall (subject only as provided above in relation to the Pre-Existing Events) be allowed unrestricted and exclusive access to and use of all of the Stadia for the purpose of staging IPL~~ and as part of this obligation CSA shall, subject only as provided below in paragraph (c), ensure that BCCI-IPL is able throughout the Term and without any restriction of any kind whatsoever to offer for sale tickets for the whole of the spectator viewing area at each Stadium and for each Match (including each and every seat, spectator stand, hospitality box or other such facility at each such Stadium).
- (c) It is acknowledged that certain third parties are entitled to be offered the right to occupy certain hospitality boxes for events within the Stadia. In this regard, BCCI-IPL shall, after having sold/used such amount of such hospitality boxes for its own purposes (which CSA shall ensure does not cause BCCI-IPL to suffer any claims, costs, damages or losses) offer such third parties the first right (on the same terms as are being offered to other potential purchasers) to purchase the right to occupy such boxes for all (and not some only) of the Matches to be staged at each relevant Stadium but if such third parties do not want to purchase this right for all such Matches then such first right shall lapse and such third parties shall enjoy no preferential rights in respect of such boxes. In addition, the parties shall discuss and agree the extent to which any CSA VIP invitees will be entitled to occupy part of the Presidential Suite at each Stadium for any Matches.
- (d) CSA shall ensure that throughout the Term the entirety of the exterior and interior of each Stadium shall be provided or procured by CSA free and clear of all third party or other branding of any kind whatsoever (and CSA shall not seek to impose any restrictions on branding at Stadia in relation to IPL) together with the exclusive and unrestricted use of all such facilities and the provision of such personnel as would

usually be included and provided in connection with the staging of international cricket events at each Stadium including without limitation:

- a wicket and outfield of international standard (including the maintenance and preparation thereof)
 - all necessary cricket-related facilities which shall be required in connection with each Match such as by way of example sight screens (tri-vision), scoreboards, big screens, equipment for displaying third umpire decisions, team dug-outs, floodlighting, pitch covers, rollers, etc
 - all necessary media-related facilities such as a fully-equipped press centre, commentary booths etc which in each case have all necessary facilities, utilities and services
 - all necessary practice facilities including sufficient practice cricket nets (which shall have wickets of sufficient quality and associated net bowlers of sufficient ability), etc
 - a press box manager and media centre manager
 - all available Stadium retailing opportunities
 - all catering and other concessions and outlets
 - use of all available leisure facilities including any gyms or pools etc
 - all necessary space and facilities to enable the TV production and broadcast of all Matches (via any media) to the standard required by BCCI-IPL (being at least as good as an ODI) including a production control room, generators, camera gantries and positions etc
 - ~~all necessary services and utilities such as electricity and water together with all necessary rooms and office space for the operation of IPL (anti-doping rooms, office space for BCCI-IPL etc)~~
 - the provision of adequate and suitable drinks and any necessary catering for players and match officials
 - all necessary (suitably qualified and experienced) personnel in relation to the staging of each Match at each Stadium including stewards, security staff, anti-doping chaperones, scorers, team and match official liaison officers, ball boys, PA operators, groundsmen (to ensure the quality of the wicket, outfield and practice wickets (nets)), gate entry staff, any necessary emergency service staff etc
 - all necessary medical and other emergency services for use by players, spectators and any other third party at each Stadium together with at least three ambulances at each Match
 - dedicated and suitably qualified and experienced support staff to assist BCCI-IPL (who shall work with and under the supervision of the venue managers, tournament director, security firms and other third parties appointed by BCCI-IPL), including a stadium executive, an accreditation executive, security manager and a medical manager.
- (e) CSA shall ensure that the Stadia have all necessary licences and permits in connection with the staging of each Match and comply fully with the requirements of all applicable laws and regulations including in respect of all health and safety requirements. In



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addition, CSA shall throughout the Term take out or maintain all such insurance(s) as would be required by law and/or otherwise normally taken out in connection with the staging of a cricket match at each Stadium for each Match and the operation of and use of the Stadia in connection with the staging of Matches and the IPL in general (whether on Match days or otherwise during the Term) and shall name BCCI-IPL and each IPL franchisee as a named party on such policies of insurance.

- (f) CSA shall be responsible for ensuring the safety and security of each person within the Stadium on the day of each Match and shall ensure that the third parties contracted by it to carry out the same shall work and co-operate with any security personnel appointed by BCCI-IPL.
- (g) CSA shall ensure that all of the personnel to be made available by it in connection with these Heads of Agreement (including those persons referred to in paragraph (c) above) have adequate experience of the Stadium at which they will provide their respective services and shall work with and comply with the reasonable directions of BCCI-IPL and third parties appointed by BCCI-IPL in relation to IPL.
- (h) CSA shall ensure that each Stadia and the other services and facilities to be provided by it under these Heads of Agreement are of international quality and such standard as would be expected of an ODI.

2. Other Assistance/Obligations

- (a) CSA shall upon request provide BCCI-IPL with all such other assistance as it shall require in respect of IPL including providing details of third party contractors who provide services to CSA in connection with cricket (such as ticketing agencies, concession operators, catering companies etc) and the obtaining of any necessary permits or licences.
- (b) CSA shall meet with BCCI-IPL as and when necessary to assist BCCI-IPL to stage the IPL, it being acknowledged that BCCI-IPL owns IPL and shall retain ultimate control in relation to all aspects of IPL. CSA shall ensure that any third party (such as Stadium owners/operators) takes all such action in a timely fashion as shall enable BCCI-IPL to stage the Matches as contemplated by these Heads of Agreement.

3. Rights

- (a) CSA acknowledges and agrees that all rights of any kind in relation to IPL belong to BCCI-IPL including without limitation all commercial rights such as sponsorship rights, media rights, hospitality, merchandising and licensing rights (in some cases being the subject of licence arrangements) and that CSA shall not acquire any rights of any kind in relation to IPL nor shall CSA be entitled to grant or seek to grant to any third party any rights in respect of IPL or otherwise to exploit any rights of any kind in relation to IPL.
- (b) All revenue of any kind and from any source whatsoever in relation to the staging of IPL and each Match shall accrue to and for the benefit of BCCI-IPL and its licensees and CSA shall have no rights of any kind in respect thereof.

4. Fee/IPL Budget



- (a) As consideration for the provision by CSA of its services and assistance in connection with IPL BCCI-IPL shall pay to CSA a fixed fee of US \$3,000,000 (the "Fee") which shall be payable within 15 days of the last Match in 2009. In addition to the Fee BCCI-IPL shall (in accordance with paragraph (c) below) pay those costs and expenses in relation to IPL which are set out in the budget attached as Schedule 2 to these Heads of Agreement (the "IPL Budget" and "Budgeted" shall be construed accordingly).
- (b) If BCCI-IPL is obliged to deduct any withholding tax from the Fee or any other sum payable by it under these Heads of Agreement then it shall be entitled to make such deduction and shall as soon as practicable provide CSA with a certificate of deduction in respect of such withholding tax from the relevant authority. All costs to be incurred by CSA in performing its obligations under these Heads of Agreement shall be included in the Fee and the IPL Budget such that no other payments shall be due from BCCI-IPL to CSA in connection with IPL.
- (c) BCCI-IPL shall pay CSA USD 2,500,000 within 7 days of signature of these heads of agreement to enable the Budgeted costs to be paid by CSA (such sum being the parties' estimate of the anticipated Budgeted costs to be borne by CSA in providing the services under these Heads of Agreement). All such expenditure to be incurred by CSA in relation to the Budgeted costs and the payment of all costs, expenses and invoices for which BCCI-IPL is to be responsible under these Heads of Agreement must be carried out strictly in accordance with these Heads of Agreement and the Budget and any increase or decrease in the Budgeted costs shall require the agreement of both parties.
- (d) CSA shall produce and maintain full and accurate accounting records in relation to all sums and other expenditure paid out for the Budgeted costs. CSA shall permit BCCI-IPL and its professional advisors at any time (both during and after the Term) upon 5 days notice, to audit CSA's records in relation to all expenditure paid out of the Budget.
- (e) CSA shall open and operate a dedicated bank account in the name of IPL South Africa. 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. The ticket revenue earned through BCCI-IPL ticketing partners will also be deposited to this account. No sums shall be released from said bank account without explicit written authorisation by BCCI-IPL. CSA shall maintain books of accounts/statements separately for the payments made on this account after explicit instructions from BCCI-IPL. CSA shall send weekly statement of expenses to BCCI-IPL. No sums shall be made by CSA from this account otherwise than strictly in accordance with this paragraph. BCCI-IPL will not reimburse any expenditure made by CSA from this account without explicit authorisation from BCCI-IPL.
- (f) CSA shall produce and maintain full and accurate accounting records in relation to all sums and other expenditure paid out of the above-mentioned bank account. CSA shall permit BCCI-IPL and its professional advisors at any time (both during and after the Term) upon 5 days' notice, to audit CSA's records in relation to all expenditure paid out on instructions from BCCI-IPL.

5. Term

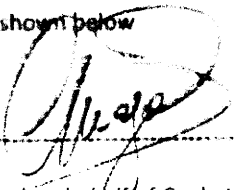


(a) These Heads of Agreement shall take effect upon their signature and shall remain in force throughout the IPL (currently anticipated to be from 18th April until 24th May 2009 and comprising all IPL league, play-off and final matches) (the "Term").

6. General

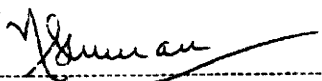
- (a) These Heads of Agreement shall constitute a legally binding agreement between the parties.
- (b) Neither party may assign or transfer these Heads of Agreement to any third party but CSA acknowledges that BCCI-IPL shall use third party representatives and contractors in connection with the staging of IPL and CSA agrees to work with the same.
- (c) Each party shall keep the existence of these Heads of Agreement and their contents strictly confidential.
- (d) CSA shall indemnify BCCI-IPL from and against any damages or costs incurred by BCCI-IPL (or its representatives) which result from any breach by CSA of these Heads of Agreement.
- (e) These Heads of Agreement shall be governed by and construed in accordance with Indian law and any dispute which arises in connection with them shall be decided by arbitration in Mumbai, India.

The duly authorised representatives of the parties have signed these Heads of Agreement on the date shown below



For and on behalf of Cricket South Africa

Date: 30/03/09



For and on behalf of The Board of Control

Date: 30 March 2009

for Cricket in India

for Cricket in India

SCHEDULE 1

The Stadia and Match Schedule

SCHEDULE 2
THE IPL BUDGET

THE BOARD OF CONTROL FOR CRICKET IN INDIA



N. Srinivasan
(HONORARY SECRETARY)

Honorary Secretary's Office

Honorary Secretary's Office
The Tamil Nadu Cricket Association
M A Chidambaram Stadium
Victoria Hostel Road, Chepauk,
Chennai 600 005. INDIA.
TEL : 091-044-28524004 (Off)
TELE FAX : 091-044-42663555
MOBILE : 09841090122
nsbccisecretary@yahoo.co.in

24th March 2009

Chairman,
IPL

Dear Lalit,

Sub: Note on Account operation in South Africa.

As per the strict Reserve Bank policy in South Africa, the foreign entities cannot operate the account through cheques / payorders in South Africa. They do not accept instructions for transfer through fax. The acceptable mode of transfer is through web transfer. The Treasurer cannot be expected to stay in South Africa full time in executing this.

It is suggested that we follow the system as ICC follows during International Tournaments. Cricket South Africa operates a separate bank account and makes payments on behalf of BCCI. The payments that are made would be monitored by us and would be made only after ensuring that proper authorization is received from IPL Chairman and Hon. Secretary, BCCI. BCCI will replenish this amount as and when required. After the tournament, CSA can send the final statement for settlement.

Payment Authorization

1. Bills will be raised in a payment requisition form.
2. The bills will be checked by Manager – Business & Commercial and COO, IPL
3. The bills will be approved by Chairman, IPL
4. The bills will be forwarded to Secretary, BCCI for final authorization

After this, the payment will be released by CSA. The approvals will be in email / fax / scanned copy.

THE BOARD OF CONTROL FOR CRICKET IN INDIA



N. Srinivasan
(HONORARY SECRETARY)

Honorary Secretary's Office

Honorary Secretary's Office
The Tamil Nadu Cricket Association
M A Chidambaram Stadium
Victoria Hostel Road, Chepauk,
Chennai 600 005. INDIA.
TEL : 091-044-28524004 (Off)
TELE FAX : 091-044-42663555
MOBILE : 09841090122
nsbccisecretary@yahoo.co.in

For efficient management of this and for follow up, some of the staff will be sent from Mohali /Chennai to Johannesburg on a full time basis to assist the Business & Commercial Manager from 1st April 2009. The Honorary Treasurer will oversee this operation and will be responsible for reconciliation of the Accounts including tax matters.

This is issued with the approval of President, BCCI.

With Regards

Yours sincerely,

N. Srinivasan
Hon. Secretary

CC: President, BCCI
CC: Hon. Treasurer, BCCI
CC: CAO, BCCI
CC: COO, IPL

Original Message-----

From: Prasanna <prasanna@iplt20.com>

To: nsbccisecretary@yahoo.co.in

Cc: lkm@iplt20.com; sundar@iplt20.com; 'vishwanath mani' <ksvichu@yahoo.co.in>; 'Mohinder Partap Pandove' <treasurerbcc@gmail.com>; deepak.sharma@bcc.tv; 'SRINIVASAN P.B.' <pb_srini@hotmail.com>

Sent: Fri, Apr 10, 2009 6:03 pm

Subject: Update on payments

Sir,

I wanted to update you on the payments made so far and the status. After approvals, I had asked CSA to withdraw money and arrange for cash yesterday for giving Allowances to Chennai, Bangalore and Delhi team at Jo'burgh , Jaipur team to be given in Cape town and Mumbai team in Durban. We had also requested them for cash allowance for IPL staff.

Unfortunately, due to the heavy requirements, the Bank gave only Cash for the Chennai Team on Wednesday and I had distributed the same to Russell in Jo'burgh on Wednesday.

Yesterday, the Standard bank has communicated to CSA that cash notes are not available in Capetown and Durban for the teams due to the Easter Weekend. Jo'burgh had enough cash in their chest to service all teams. We decided that since it is long weekend till Tuesday, it would be better if we withdraw the cash for all teams in Jo'burgh. The Bank informed that sending cash through armour vehicle will attract Rand 5,000 charges for which we agreed. The bank has made an error of calculation of cash withdrawals and had brought additional 1 Million Rands.

After this, we distributed the allowances to Bangalore and Delhi teams in Jo'burgh. During mid afternoon, CSA got hold of their affiliated units in Cape Town and Durban and they agreed to withdraw cash for us from their accounts to distribute them to the Teams based there. We had additional cash here for both the teams which I told them to hold here since Cash is required for Hyderabad who have

requested cash in Jo'burgh, staff per diems, Imprest Cash, Cash for Umpire phones and Umpires allowances.

Sir, Hyderabad had requested for USD 69,160 today late afternoon (rounded off to Rand 637,000). Since, extra cash was available and since we did not want to carry extra cash to the rooms, based on in principle approval for giving the monies to franchisees for their DA, I had distributed the cash to the Hyderabad team. We had also taken the Imprest cash, staff allowances and umpires allowances from the additional cash available, which were already approved. Mohali has requested for USD 50,000 only today and since they are in Port Elizabeth, I have communicated to them that cash will be given only on Tuesday. We have to carry the Umpire's allowances to Capetown on Saturday and for this, I request your approval to take a personal bodyguard for carrying R 530,000.

Balance cash available with CSA are given below:

Cash Accounts – IPL SA Rand

Total Cash received	4,560,560	
Distributed		
Chennai	640,224	
Delhi	632,560	
Bangalore	1,198,720	
Imprest	40,000	
Umpire Phones and recharge		50,000
Umpires Allowances		530,000
Hyderabad	636,400	
Staff Allowances	260,500	
Total Distribution	3,988,404	
Balance with CSA	572,156	
or in USD (1 Rand = 9.21 USD)		62,123

Balance Cash available in Imprest – Rand 40,000 (No claims made yet, claims will be made shortly)

The Bank account balance is hereunder:

ParticularsRand

Total Amount Received from BCCI 50,627,500

(USD 5.5 Million x 9.21)

Less - Expenses Made from Bank

Maverick 10,480,847

Ireland / Davenport 570,000

CSA - Big Concerts 7,346,212

CSA - Sports Logistics - Garith 920,500

CSA - Sportlogistics 3,290,788

CSA - Image Entertainment 11,400,000

CSA - W.P. (Allowance for Jaipur) 350,000

CSA - KZN (Allowance for Mumbai) 470,000

Cash withdrawn 4,560,560

Bank Charges (Transport) 5,000

Total Expenses 39,393,907

Balance in Bank 11,233,593

or in USD 1,219,717

*CSA denotes payments made from CSA Account since IPL SA account does not have Internet Banking Facility and monies have been transferred back to CSA from IPL Account. All payments were made after due approval.

To summarize, as of 10th April, the balances available are:

-	Cash Imprest	-	Rand 40,000	(USD 4343)
-	Cash	-	Rand 572,156	(USD 62,123)
-	Bank Account	-	Rand 11,233,593	(USD 1,219,716)

Considerable payments are to be paid in the next few days and since both Hon. Secretary and Hon. Treasurer are leaving India from 14th / 15th April till 20th April, can I request you to approve a further transfer of USD 10 Million to CSA. The expected cash outflow till 20th April is:

Required Funds in the 10 days

Rands

Hotel Advance (by 14th)	5,000,000	
Hotel Advance (by 20th)	5,000,000	
Travel Bills (estimated)	3,000,000	
Adv and Promotions (est)	40,000,000	
Opening Ceremony (Balance)	4,000,000	
Sports Logistics	2,105,644	
Replay Screen (Additional)	3,680,000	
Turnstile servicing (operation of turnstiles – software costs)		1,000,000
Ticketing Servicing (IT Support and costs)	1,500,000	
Maverick (entertainment) - 25%	5,240,424	
Other Misc.	4,000,000	
Total	74,526,067	
or USD	8,091,864	

I will send the invoices for approval for the expenditures.

For your approval please.

Thanking You,

Yours faithfully,

Prasanna Kannan

From: Lalit Modi <lalitikumarmodi@aol.com>

To: Aol <lkmodi@aol.com>

Subject: Fw: Update as on 24th April 2009

Date: Sun, May 9, 2010 4:11 pm

-----Original Message-----

From: N Srinivasan

To: Prasanna Kannan

Cc: trasurerbcci@gmail.com

Cc: Sundar Raman

Cc: Lkm ipl

ReplyTo: N Srinivasan

Subject: Re: Update as on 24th April 2009

Sent: 25 Apr 2009 23:08

Approved. Srinivasan Sent from BlackBerry® on Airtel

From: "Prasanna" **Date:** Sat, 25 Apr 2009 13:37:47 +0200 **To:** <nsbccisecretary@yahoo.co.in>

Subject: Update as on 24th April 2009 Sir,

The Updated statement of expenses made from SA and the balance available is as below:

Particulars

Date

Receipts

Payments

Bank Charges

01-Apr-09

93

Maverick Experience Exhilarator (Pty) Ltd.

07-Apr-09

4,000,000

Maverick Experience Exhilarator (Pty) Ltd.

07-Apr-09

4,000,000

Maverick Experience Exhilarator (Pty) Ltd.

07-Apr-09

2,480,847

Ireland/Davenport (Pty) Ltd.

07-Apr-09

570,000

Cash

08-Apr-09

400,000

Cash

08-Apr-09

260,500

Cash

09-Apr-09

344,890

Cash

09-Apr-09

470,420

Cash
09-Apr-09

632,560

Cash
09-Apr-09

247,240

Cash
09-Apr-09

1,006,170

Cash
09-Apr-09

1,198,720

Bank Charges
09-Apr-09

5,000

Image Entertainment (Pty) Ltd.
09-Apr-09

11,400,000

Big Concerts International
09-Apr-09

7,346,212

Sports Logistics
09-Apr-09

920,500

Sports Logistics
09-Apr-09

3,290,788

Cash
09-Apr-09

350,000

Cash
09-Apr-09

470,000

Cash
14-Apr-09

460,000

Megaview Displays
14-Apr-09

2,935,500

I.M.G. (S.A.) (Pty) Ltd.
15-Apr-09

173,723

Ireland/Davenport (Pty) Ltd.
15-Apr-09

1,087,914

Cash
15-Apr-09

1,225,200

Imperial Chauffeur Drive

16-Apr-09

38,673

Mindshare SA Gauteng (Pty) Ltd.

16-Apr-09

25,308,000

Danzit Productions

16-Apr-09

550,233

Supersport International (Pty) Ltd.

16-Apr-09

627,000

Zemdock CC T/A Sedgars

16-Apr-09

654,360

Advance to Southern Sun Hotel

17-Apr-09

5,000,000

One & Only Cape Town

17-Apr-09

1,252,005

Megaview Displays

20-Apr-09

2,148,900

Imperial Chauffeur Drive

21-Apr-09

987,330

Maverick Experience Exhilarator (Pty) Ltd.

21-Apr-09

433,551

Maverick Experience Exhilarator (Pty) Ltd.

21-Apr-09

4,806,872

Oriental Insurance Co. Ltd.

21-Apr-09

10,223,374

Magna Carta Public Relations (Pty) Ltd.

21-Apr-09

293,355

Ireland/Davenport (Pty) Ltd.

23-Apr-09

59,185

Magna Carta Public Relations (Pty) Ltd.

23-Apr-09

2,003,355

Glenrand M.I.B. Ltd.

23-Apr-09

654,000

One & Only Cape Town

23-Apr-09

1,252,005
Lazer Communications
23-Apr-09

12,215
LX Steeldesign
23-Apr-09

8,728
Villager Football Club
23-Apr-09

60,000
Advance to Southern Sun Hotel

Sent from BlackBerry® on Airtel

Press Statement from MSM Satellite (Singapore) Pte. Ltd. (MSM) on the IPL broadcast rights

Mumbai, Friday, April 23, 2010

This statement is with reference to media reports speculating on alleged irregularities in the IPL broadcast rights currently owned by MSM Satellite (Singapore) Pte. Ltd. (MSM).

We wish to state that all transactions relating to MSM's acquisition of the broadcast media rights in 2008 as well as 2009, have been undertaken with full knowledge of all the parties; in an open and transparent manner and in keeping with applicable laws.

MSM strongly refutes all unsubstantiated allegations of any impropriety in this matter, as incorrect and inaccurate.

To clarify the situation and our position, we wish to highlight the following:

A quick summary

1. On March 14, 2009, the BCCI unilaterally terminated the then existing broadcasting rights agreement dated 21 January 2008 with MSM.
2. MSM immediately initiated legal action against the BCCI in the Bombay High Court to stay the termination. However, BCCI had vested the Indian subcontinent broadcasting rights with WSG Mauritius, for a nine year period (2009-2017) under an agreement dated 15 March 2009.
3. Given that the contract had already been awarded to WSG Mauritius, the court did not grant MSM a stay leaving MSM the only recourse to sue BCCI for damages or try to secure the rights back through a commercial negotiation. MSM opted to enter into a commercial negotiation to try and re-secure the rights.
4. MSM's goals in the commercial negotiation were two-fold: i) to secure the rights that had been unilaterally terminated and for the entire 9 year period keeping BCCI unaffected by paying the same amount to BCCI as contracted by WSG Mauritius, and ii) It was MSM's clear position that to secure its business interests, the broadcasting rights agreement should be a direct contract with the BCCI, rather than as a sub-license under an agreement with WSG Mauritius, which had these rights, as per the agreement with BCCI dated March 15, 2009. To facilitate MSM's condition for a direct contract with BCCI, WSG Mauritius agreed to give up its broadcast rights for the Indian subcontinent in favour of MSM, thus paving the way for BCCI & MSM to enter into a contract directly. In consideration for this, MSM agreed to pay WSG Mauritius a facilitation fee.
5. MSM wishes to re-emphasize here that the 'Facilitation Fee' of Rs.425 crores to WSG Mauritius is for :
 - a. the original option fee of \$25million (Rs.115 crores approximately) to extend the rights to years 6 till 10,
 - b. an additional fee over the 9 years of the contract of Rs.310 crores. These fees were to compensate WSG Mauritius for returning its rights for IPL season 2 – 10 to BCCI in favour of MSM and were necessary if MSM was to secure the rights to IPL season 2–10. However, the potential rating incentive at the end of year 5 of \$35 million (Rs.160 crores) under the agreement dated 21 January 2008 was eliminated, and
 - c. as a consequence of these commercial negotiations the net incremental amount attributable to WSG Mauritius giving up its IPL Indian subcontinent rights is Rs.150 crores.

6. MSM also wishes to state that the payments made to BCCI and WSG Mauritius have been in accordance with applicable laws and as per established international cross border banking norms and procedures.
 - i. MSM received tax advice from external tax experts that the transaction with WSG Mauritius did not attract India taxes and MSM has accordingly not withheld any Indian tax. MSM has accounted for the payments in its financial statements which have been audited and filed before statutory authorities.

MSM has acted at all times with impeccable integrity and highest ethical standards and Corporate Governance. MSM has complied with applicable laws. Allegations in certain sections of the media attributing wrongful conduct to MSM are incorrect and completely unfounded.

A detailed perspective

January 2008 – MSM acquires IPL broadcast rights for the first time

1. Pursuant to a public and competitive tender process in response to a global Invitation To Tender ('ITT') floated by the BCCI, WSG India acquired the broadcast rights for a period of 10 years (2008-2017) with MSM as the partner broadcaster. MSM's bid was for the Indian subcontinent broadcast rights for a period of 5 years (2008-2012) subsequent to which MSM entered into an agreement dated 21 January 2008 with BCCI for the same. WSG India acquired the world rights for 10 years (2008 – 2017) including the Indian subcontinent rights for years 6-10 (2013-2017) of the IPL tournament. MSM had an option to secure the Indian subcontinent rights for years 6 through 10 from WSG India on payment of an option fee of \$25 million with this fee being payable latest by year 3 of the contract or the option would lapse. In addition, there was a potential rating incentive of \$35million MSM would pay WSG India (who was obliged to pay this to BCCI) at the end of year 5 if the option was exercised.

March 2009 – Renegotiation of IPL Broadcasting Rights

1. On March 14, 2009, the BCCI unilaterally terminated the then existing broadcasting rights agreement dated 21 January 2008 with MSM.
2. MSM immediately initiated legal action against the BCCI in the Bombay High Court to stay the termination. However, BCCI had vested the Indian subcontinent broadcasting rights with WSG Mauritius, for a nine year period (2009-2017) under an agreement dated 15 March 2009.
3. Given that the contract had already been awarded to WSG Mauritius, the court did not grant MSM a stay leaving MSM the only recourse to sue BCCI for damages or try to secure the rights back through a commercial negotiation. MSM opted to enter into a commercial negotiation to try and re-secure the rights.
4. MSM's goals in the commercial negotiation were two-fold: i) to secure the rights that had been unilaterally terminated and for the entire 9 year period keeping BCCI unaffected by paying the same amount to BCCI as contracted by WSG Mauritius, and ii) It was MSM's clear position that to secure its business interests, the broadcasting rights agreement should be a direct contract with the BCCI, rather than as a sub-license under an agreement with WSG Mauritius, which had these rights, as per the agreement with BCCI dated March 15, 2009.
5. Intense commercial negotiations ensued with other broadcasters also expressing interest making the situation extremely competitive. After protracted negotiations between MSM, WSG Mauritius and BCCI, MSM entered into a renegotiated agreement on the IPL broadcasting rights with the BCCI at the same consideration offered by WSG Mauritius and

for the same duration (9 years), in lieu of WSG Mauritius relinquishing its rights, thereby achieving both its goals.

6. To facilitate MSM's condition for a direct contract with BCCI, WSG Mauritius agreed to give up its broadcast rights for the Indian subcontinent in favour of MSM, thus paving the way for BCCI & MSM to enter into a contract directly. In consideration for this, MSM agreed to pay WSG Mauritius a facilitation fee.
7. MSM wishes to re-emphasize here that the 'Facilitation Fee' of Rs.425 crores to WSG Mauritius is for :
 1. the original option fee of \$25million (Rs.115 crores approximately) to extend the rights to years 6 till 10,
 2. an additional fee over the 9 years of the contract of Rs.310 crores. These fees were to compensate WSG Mauritius for returning its rights for IPL season 2 – 10 to BCCI in favour of MSM and were necessary if MSM was to secure the rights to IPL season 2– 10. However, the potential rating incentive at the end of year 5 of \$35 million (Rs.160 crores) under the agreement dated 21 January 2008 was eliminated, and
 3. as a consequence of these commercial negotiations the net incremental amount attributable to WSG Mauritius giving up its IPL Indian subcontinent rights is Rs.150 crores.
8. Consequently, MSM entered into the fresh broadcasting rights agreement with BCCI, which also cross references the agreement between WSG Mauritius and MSM. Hence the two transactions were clearly in the knowledge of all the parties, including the BCCI.
9. Following this, MSM and BCCI withdrew the legal action initiated in the Bombay High Court after informing the court that an amicable settlement had been reached.
10. The manner in which MSM's rights were terminated, the ensuing litigation and the subsequent out of court settlement are all matters in the public domain. All the agreements entered into by MSM comply with applicable laws, are valid and subsisting.

April 2010 – Current Situation & Contractual Transactions

11. MSM has paid WSG Mauritius Rs. 125 crores till date, in keeping with the contractual terms and the balance of Rs. 300 crores is due and payable in eight installments spread over the next seven years of the contract.
12. MSM also wishes to state that the payments made to BCCI and WSG Mauritius have been in accordance with applicable laws and as per established international cross border banking norms and procedures.
13. MSM received tax advice from external tax experts that the transaction with WSG Mauritius did not attract India taxes and MSM has accordingly not withheld any Indian tax. MSM has accounted for the payments in its financial statements which have been audited by independent auditors and filed before statutory authorities.
14. During the survey conducted at the premises of MSM India on 21 April 2010, MSM has extended the fullest cooperation to the Indian Tax authorities and provided them with copies of all the agreements referred to above as well as details of all payments made to BCCI and WSG Mauritius. MSM is committed to extending all cooperation and assistance required by the authorities.

MSM has acted at all times with impeccable integrity and highest ethical standards and Corporate Governance. MSM has complied with applicable laws. Allegations in certain sections of the media attributing wrongful conduct to MSM are incorrect and completely unfounded.

-- ENDS --

For further information, please contact:

Vinod Moorthy, IPAN Hill and Knowlton
vmoorthy@ipanhillandknowlton.com / + 91 98921 31110

Subject	Summary of meeting with BCCI
From	Ashok
To	N P Singh
CC	ManJit Singh
Sent	Sunday, May 30, 2010 9:03 PM

BCCI represented by Shashank Manohar, N Srinivasan and Prof. Ratnakar Shetty

Key points made by the BCCI:

1. BCCI says it has documentation exchanged between LKM and WSG that establishes no 'facilitation services' as contemplated in the Facilitation Agreement could have been provided as the rights reverted back to the BCCI on 24 March 2009 and there was no question of WSG being in a position to facilitate the acquisition of these rights by MSMS. (They claim to have a letter from WSGM stating its inability to locate a broadcaster for the India rights and returning the rights on that ground: this is followed by a letter from LKM to WSGM confirming the reversion of the rights- both signed prior to the acquisition of rights by MSMS).
2. The Facilitation Fee is nothing but a part of the Media Rights License fee and rightfully "belongs" to the BCCI.
3. Since the rights reverted back and no facilitation services were provided, WSGM in collusion with LKM "misrepresented" the facts to MSMS. Now that BCCI has provided the correct facts to MSMS, the balance payment of the Facilitation Fee must be made to the BCCI.
4. BCCI is willing to provide the correspondence/documentation exchanged with WSG regarding the reversion of the media rights.
5. MSMS must not make any further payments under the Facilitation Agreement to WSGM
6. The MRLA between MSMS and BCCI is "inchoate" as the authorised signatory for all BCCI agreements is only the Honorary Secretary (N Srinivasan) and until the agreement is either "ratified" or re-executed by the Honorary Secy it is for the BCCI to either accept or repudiate the agreement.
7. The Facilitation Fee was meant to benefit LKM in his personal capacity and the BCCI is gathering evidence to establish this "misconduct".
8. BCCI will in due course terminate the WSG Agreement as the BCCI believes WSG colluded with LKM to deprive BCCI of its rightful fees.
9. BCCI is actively considering taking criminal action against LKM and WSG.

BCCI has sent a letter to MSMS requesting its cooperation by giving a written confirmation of its willingness to pay the residual Facilitation Fee to BCCI and NOT to WSGM. **BCCI believes MSMS has sufficient grounds (based on the correspondence between BCCI and WSG before the signing of the**

MRLA) to establish that WSGM did not represent the correct facts to MSMS.

If MSMS does not co-operate, BCCI will:

- terminate the MRLA on grounds of "fraud", "collusion", etc.
- include MSMS in the criminal complaint as an abettor

If MSMS "co-operates", BCCI will:

- remove cross default
- ratify the MRLA to make it binding on the BCCI
- support MSMS by going on affidavit in any proceedings initiated against MSMS by WSGM
- favourably consider any amendments to the MRLA include removal of "ad-inserts"
- express support for action taken by MSMS

BCCI is also rejigging the format from 2011 onwards. Though there will be 10 teams, there will be fewer matches with a two group round robin (possibly). However MSMS will not have to pay anything more than the pro rata increase already agreed.

BCCI confirmed they have terminated the agreement with Colors for the new season of Fear Factor with Indian players from the IPL participating.

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Best

Ashok