

WHEREAS a complaint under sub-section (3) of Section 16 of the Foreign Exchange Management Act, 1999 (for short FEMA) has been filed before me against you, for contravention of the provisions of Foreign Exchange Management Act (as specified in the enclosed complaint);

On perusal of the said complaint and after considering the cause shown by the complainant in his complaint bearing number T-3/47-B/2010/AD(DKS)/Part (BCCI-I) dated 13<sup>th</sup> July, 2011, there appears to be contravention of the following provisions of FEMA, 1999 as specified in the said complaint:

- (i) Noticee No. 1 appear to has contravened the provisions of Section 5 of FEMA, 1999 read with item No. 15 of Schedule III to Rule 5 of the FEM (Current Account Transaction) Rules, 2000, to the extent of Rs.88,48,01,059/-.
- (ii) Noticees No. 2 & 3 have contravened the above provisions of the Foreign Exchange Management Act, 1999 in terms of Section 42(1) to the extent of Rs.88,48,01,059/-.
- (iii) Noticee No. 4 has contravened the above provisions of the Foreign Exchange Management Act, 1999 in terms of Section 42(1) to the extent of Rs. 55,43,87,970/-.

You are, therefore required to show cause in writing within 30 days of the receipt of this notice, as to why adjudication proceedings as contemplated under Section 16 of the Foreign Exchange Management Act, 1999 should not be held against you for the aforesaid contraventions.



**Before the Special Director of Enforcement (Adjudicating Authority)  
Directorate of Enforcement, Mumbai.**

**Complaint under Section 16(3) of Foreign Exchange Management Act, 1999.**  
**F.No. T-3/47/B/2010/AD(DKS)/Part(BCCI-I)**

**In the matter of Investigations against M/s. BCCI and others**

D. K. Sinha,  
Assistant Director,  
Directorate of Enforcement,  
Mumbai

..... Complainant

V/s

1. The Board of Control for Cricket in India  
Cricket Centre, Wankhede Stadium,  
'D' Road, Churchgate,  
Mumbai – 400 020
2. Mr. Lalit Kumar Modi,  
Nirlon House, 3<sup>rd</sup> Floor,  
Dr. Annie Beasant Road,  
Worli, Mumbai
3. Shri N. Srinivasan,  
Hony. Secretary, BCCI  
Cricket Centre, Wankhede Stadium,  
'D' Road, Churchgate,  
Mumbai – 400 020
4. Shri M.P. Pandove,  
Hony. Treasurer, BCCI  
Cricket Centre, Wankhede Stadium,  
'D' Road, Churchgate,  
Mumbai – 400 020
5. State Bank of Travancore,  
Jaipur Branch,  
Ashok Marg, C-Scheme,  
Jaipur – 302 001
6. Shri A.K. Nazeer Khan,  
Chief Manager,  
State Bank of Travancore,  
Ashok Marg, C-Scheme,  
Jaipur – 302 001

Noticees

Respected Sir,

By virtue of Central Government (Department of Revenue, Ministry of Finance) Order No. S.O. 1157(E) dated 26-12-2000, the Complainant herein is authorized to file this complaint before the Special Director of Enforcement, who is the Adjudicating Authority in terms of Central Government Order No. S.O. 535(E) dated 01-06-2000, to hold an inquiry against the Respondent-Noticees herein for adjudication of the contraventions discussed herein below:

1. The facts leading to the filing of this complaint, which are in respect of and limited to the remittances made by Board of Control for Cricket in India (hereinafter referred to as BCCI) to IMG(UK), Ltd in connection with consultancy service provided by the later to the BCCI, are briefly discussed below:

**Background of the case:**

1.1 On receipt of certain reliable information, enquiries were initiated by the Mumbai Zonal Office of the Directorate of Enforcement in the matter regarding the conduct of Twenty20 cricket tournament known as the Indian Premier League (hereinafter referred to as IPL) organized by the BCCI. On basis of the above information, directives under section 37 of the FEMA, 1999 were issued to the BCCI on 29.05.2008 and 14.07.2008 to furnish certain information/details. Vide their letters dtd. 04.07.2008, 07.08.2008 and 30.10.2009, BCCI furnished certain details. Subsequently information was received from various sources including Print and Electronic Media pointing to large scale irregularities in the conduct and functioning of the Indian Premier League (IPL) necessitating a comprehensive investigation in respect of IPL and its franchises. In order to conduct a thorough investigation in the matter, documents were requisitioned from the BCCI, the Franchisees, Media and Commercial rights holder of the BCCI and the concerned Authorised Dealers. The documents received from the aforesaid sources were examined in detail. The following paras briefly describe the background of issues covered by the Complaint.

1.2 The organizational and operational structure of the BCCI was examined and it was found that the BCCI is registered as a society under the Tamil Nadu Societies Registration Act, 1975. The scrutiny of the said documents received from BCCI revealed that the Working Committee of the BCCI in its meeting held on 13.09.2007 decided to launch the Indian Premier League (IPL) which was to be formed as a sub-committee of BCCI. It was further decided in the said meeting that a Governing Council would be set up to deal with all matters related with IPL. Shri Lalit Kumar Modi, Vice President of BCCI was appointed as Chairman and Commissioner of IPL in the said Working Committee Meeting. In the Annual General Meeting held on 28.09.2007, it was resolved that Shri N. Srinivasan, Hon. Secretary would open and operate the new bank account in the name of BCCI-IPL. In the Special General Meeting of the BCCI held on 16.12.2007, the rules and regulations of BCCI were amended. It was decided that the committee to administer the function of IPL would be appointed by the General Body of the Board. The term of the Office of the members of the Committee would be five years and would comprise of the Chairman, 04 members appointed by the Board, 03 ex-cricketers of repute. The Office bearers of the board during their tenure would be the ex-officio members of the committee. The Special General Meeting also ratified the appointment of Shri Lalit Modi as Chairman.



1.3 During the course of investigation in respect of IPL, it came to notice that International Management Group (UK) Ltd. (IMG) , has been appointed by the BCCI for providing consultancy services to the IPL. The documents received from the BCCI vide its letter dated 25.06.2010 and 26.07.2010 were examined. Scrutiny of the said documents inter alia revealed that the BCCI had made payments totaling Rs. 29,73,85,110 to IMG(UK) as Consultancy fees for IPL 2009 as detailed below:

Sr.No	Date	Amount (Rs.)
1.	23.05.2009	9,20,80,000
2.	04.11.2009	20,53,05,110
	<b>Total</b>	<b>29,73,85,110</b>

It was further revealed that the BCCI has made several other remittances on account of consultancy fees to the IMG (UK) Ltd., however, for all these remittances the BCCI had not made any application to the RBI in relation to procuring of said consultancy services from IMG (UK) Ltd.

1.4 On preliminary enquiry it was found that the BCCI had made the remittances to IMG (UK) Ltd. for procuring consultancy service from outside India which required prior approval of the Reserve Bank of India (RBI) under Section 5 of FEMA,1999 read with item No. 13 of Schedule III to the Rule 5 of the FEM (Current Account Transactions) Rules, 2000 and since it appeared that the BCCI did not appear to have applied for and obtained permission from the RBI, a detailed investigation was taken up.

1.5 It may be mentioned that during the course of investigation in the matter various issues emerged indicating contravention of the provisions of FEMA,1999 by the BCCI as well as many other entities. The present Complaint deals with the remittances, as mentioned below, made by the BCCI to IMG(UK) towards consultancy fees for the years 2008, 2009 and 2010. The other issues including the payments made by the BCCI to the IMG Group entities along with various other issues concerning BCCI, Shri Lalit Kumar Modi and other entities are under investigation and are being dealt with separately. Further complaints, if required, will be issued in respect of the other issues in due course of time.

## 2. Details of investigation:

2.1 In order to ascertain the nature of payments made by the BCCI to IMG (UK) Ltd., the copies of agreements executed between the BCCI and IMG (UK) Ltd. were examined. On scrutiny of the said agreements, it came to the notice that International Management Group (UK) Ltd., was incorporated on 23 January 1969 under the laws of United Kingdom. A Memorandum of Understanding (MoU) was entered into by BCCI and IMG (UK) Ltd.(IMG) on 13.09.2007, appointing IMG on a sole and exclusive basis to assist and to provide the services such as to conduct research in respect of the appropriate structure for the IPL and make recommendations to BCCI, development of a rights management process in respect of the commercial rights, advice in respect of those of the Rights which may be 100% owned centrally and the division of the other



Rights between BCCI and the Franchisees, preparation and execution of marketing strategies for the Franchise tender, media Rights, sponsorship Rights, official supplier Rights, licensing Rights and any other Rights, management of the Franchise tender process, management of the sale processes in respect of the Rights, preparation and negotiation of the contracts with the successful Franchisees, sponsors, media and all other entities which acquire or may be interested in any of the Rights, implementation and management of the centrally controlled/owned Rights on behalf of the relevant third parties (sponsors etc.)/running of the event/logistics, advice and assistance in connection with the development of any relevant stadia and the finance which may be necessary in connection therewith etc. From the MoU dated 13<sup>th</sup> Sept., 2007, it is seen that the IMG was to receive a consideration for the provision of services, 10 % of the gross amount of income which is payable during the term. It was further clarified in the MOU that IMG shall not be entitled to a commission on those revenues/income that are retained exclusively for the franchisees. Further IMG was appointed to provide the service for a period from signature of the MoU until the date of the conclusion of the 10<sup>th</sup> playing season of the IPL or for a period of 10 years, whichever is later.

2.2 Subsequently, a Service Agreement was entered into between BCCI and International management Group (UK) Ltd on 24.09.2009 which superseded the earlier MOU dated 13.09.2007. As per this agreement, IMG would continue to advise and assist the BCCI in connection with the structure of the league, League rules and regulations, the Franchise agreement, the League implementation budget and the Media Rights agreements. In addition, IMG would continue its work in carrying out or providing the ongoing execution of the management in respect of the Rights of BCCI and advice in connection therewith, preparation and execution of marketing strategies for and advice in connection with any ongoing tender process in respect of Franchise Rights, the Media Rights and the Commercial Rights and advice and assistance in the management of any future Franchise tender process or the sales processes in respect of the Rights and the ongoing preparation and negotiation, subject to the final decision of the BCCI, of contracts with the successful Franchisees & the Rights Agreements and any other contracts with Rights Holders etc. In terms of the said agreement, the BCCI agreed to pay to IMG the sum of :

- "(a) in respect of the 2009 IPL Season the sum of Rs. 23 crores being the invoiced and as yet unpaid balance of the total sum of Rs. 33 crores which the parties acknowledge is due and payable in respect of said Season pursuant to the MOU (as varied by the parties), which sum shall be paid immediately upon signature of this Agreement in accordance with said invoices; and*
- (b) Rs. 27 crores in respect of the 2010 IPL Season and each subsequent Season during the Representation Period provided that such sum shall increase by Rs. 1 crore in respect of each Season in which there are nine or 10 Teams and a further Rs. 1 crore per team in respect of each Season in which there are more than 10 Teams. This annual sum shall be paid in respect of 2010 to 25%*

on each of 1 October 2009, 1 January 2010, 1 April 2010 and 1 July 2010 with the payments in respect of each subsequent year of the Representation Period being structured in the same manner (such that in respect of 2011 the 25% installments will be payable on 1 October 2010, 1 January 2011, 1 April 2011 and 1 July 2011 and so on).

2.3 BCCI further signed an Addendum Agreement on 18.01.2010 with IMG (UK) Ltd. appointing it as BCCI's preferred agent and representative to advise and assist in exploitation of the rights and the provision of the services throughout the territory during the representation period. The agreement further provided that in consideration of the provision of the services, BCCI will pay to IMG the sum of Rs. 23 crores, being the involved and as yet unpaid balance of the total sum of Rs. 33 crores which the parties acknowledged payable. Further, it was agreed that Rs. 27 crores in respect of 2010 IPL Season and each subsequent Season will be paid to IMG with a provision to increase by a sum of Rs. 1 crore in respect of each season in which there are 9 or 10 Teams and by another amount of Rs. 1 crore in case there are more than 10 Teams.

2.4 The BCCI vide its letter dated 25.06.2010 furnished the following details in respect of payments made by it to IMG (UK) Ltd. on account of consultancy services rendered by them:-

Particular	INR	Dt. Of Payment
IPL 2008	38448000	26 <sup>th</sup> may 2008
Consultancy	38646000	27 <sup>th</sup> may 2008
	38610000	28 <sup>th</sup> may 2008
	38556000	29 <sup>th</sup> may 2008
	50753500	30 <sup>th</sup> may 2008
Consultancy	125399589	28 <sup>th</sup> January 2009
Consultancy	59565508	25 <sup>th</sup> may 2009

Particular	INR	Dt. Of Payment
IPL 2009		
Consultancy	92080000	23 <sup>rd</sup> May 2009
	205305110	4 <sup>th</sup> November 2009
IPL 2010		
Consultancy	61442550	20 <sup>th</sup> January 2010
	19523552	5 <sup>th</sup> February 2010

2.5 Statement of Shri N.Srinivasan, Hon. Secretary of the BCCI was recorded on 08.07.2010 wherein he has inter alia stated that the BCCI has not obtained any permission from the RBI for making remittances to the IMG (UK) Ltd. for the consultancy services. Further Shri N. Srinivasan during the course of his statement submitted a list of agreements signed by BCCI with IMG. The list, inter alia, contained the details of agreements signed with IMG as under:-

**"IMG (UK) Ltd. – Management Consultancy Agreement**

1. MoU between B CCI and M/s IMG (UK) Ltd. on 13<sup>th</sup> September, 2007.



2. Agreement between BCCI and M/s IMG (UK) Ltd. on 24<sup>th</sup> September 2009.
3. Agreement between BCCI and M/s IMG (UK) Ltd. on 18<sup>th</sup> January 2010."

2.6 Further statement of Shri. N Srinivasan was recorded under the provisions of Section 37 of the Foreign Exchange Management Act, 1999 on 15<sup>th</sup> April, 2011 wherein he inter alia stated that in the meeting of the Working Committee of the BCCI held on 13<sup>th</sup> 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 further stated that Mr. Lalit Modi had been working on this project for two years and that 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. He further stated that in the meeting of the Working Committee on 21<sup>st</sup> 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 and that Mr. Modi at that meeting stated that he wanted to take the help of IMG and wanted authority to appoint them as consultant and the meeting authorized him to work out the modalities of the appointment. Shri Srinivasan further stated that prior to 21<sup>st</sup> August 2007, he didn't know of IPL and, therefore, had no knowledge about the role entrusted by the BCCI to IMG.

2.7 A directive dated 21.05.2010, was issued to the IMG to furnish the relevant information/documents. IMG, vide its letter dated 01.07.2010, furnished a written submission along with copies of certain documents. It was stated in the said letter that International Management Group (UK) Ltd. was a company incorporated under the laws of United Kingdom and they have no branch/subsidiary company in India. It was further stated that the company entered into agreements with BCCI for establishment, commercialization and operation of the IPL event in India. IMG, vide its letter dated 16.07.2010 furnished the details of invoices raised by it on BCCI for IPL events, the details of which are reproduced below:-

S.No.	IPL Event	Invoice No.	Date	Fees Amount	Reimbursement of Expenses Amount	Remarks
1	IPL 2008	2663545	14 April 2008	USD 4,790,000	-	Annexure C
		2664139	23 May 2008	USD 3,789,000	-	
		2666246	07 October 2008	USD 964,000	-	
		2668293	01 March 2009	-	USD 61,736	
		2672544	08 January 2010	-	GBP 861.90	
2	IPL 2009	2668752	09 April 2009	INR 165,000,000	-	Annexure D
		2669411	01 May 2009	INR 82,500,000	-	
		2669412	01 July 2009	INR 82,500,000	-	
		2670643	31 August 2009	-	GBP 6,452.20	
		2670853	01 September 2009	-	GBP 3,005.21	
3	IPL 2010	2671134	01 October 2009	INR 67,500,000	-	Annexure E
		2672453	01 January 2010	INR 67,500,000	-	
		2673140	01 April 2010	INR 67,500,000	-	
		2674993	01 July 2010	INR 67,500,000	-	
		2672786	28 January 2010	-	GBP 2595.40	



2.8 The invoices raised by IMG (UK) were examined. The invoice No. 2663545 was raised for an amount of USD 4,790,000 in connection with IPL 2008 agreement with IMG (UK) Ltd. for 'fees as per memorandum of understanding dated 13<sup>th</sup> September, 2007'. The invoice was shown as first commission invoice. The invoice No. 2664139 was raised for an amount of USD 3,789,000 for contractual agreement with IMG (UK) Ltd. for IPL 2008 and the invoice was shown as second commission invoice. The invoice No. 2666246 for an amount of USD 964,000 was shown as third commission invoice for IPL 2008 agreement. The aforesaid three invoices were raised by IMG (UK) Ltd. under the service agreement made by it with the BCCI vide MoU dated 13.09.2007 and the service to be provided by IMG (UK) Ltd. was a consultancy service. Further the IMG (UK) Ltd. raised invoice No. 2668752 for INR 165,000,000 on account of Indian Premier League 2009 for 50% of the fee as per agreement. For the purpose of the same agreement, invoice for 25% of fee for an amount of INR 82,500,000 was raised vide invoice No. 2669411 and for the balance amount of 25% invoice No. 2669412 for an amount of INR 82,500,000 was raised. In respect of IPL 2010, the total amount payable was claimed in four equal installments of INR 67,500,000 each respectively vide invoice Nos. 2671134, 2672453, 2673140 and 2674993.

2.9 Summons were issued to the officials of IMG (UK) Ltd. Mr. Peter Griffiths, Senior Vice President and Director of Operation with M/s International Management Group, appeared in the office on 29.09.2010 and 30.09.2010 and his statement was recorded wherein he inter alia stated that IMG is a Sports and Media marketing company involved in the commercialization and creation of sports properties and that IMG (UK) was contracted by the BCCI to develop the idea of city based professional cricket league and that IMG was responsible for the sporting and commercial modling of the league, producing the legal structure and contracts. He stated that for IPL related matters, he used to interact with Mr. Lalit Modi and Mr. Sunder Raman and that he used to take instructions from them. Shri Peter clarified that each IPL season is considered as a separate project by IMG (UK) Ltd. and the services provided to BCCI-IPL as described in the Service agreement dated 24.09.2009 can be described as Consultancy services.

2.10 Further, Mr. Andrew Wildblood, Vice President, IMG (UK) Ltd., appeared in this office on 12.10.2010 and in his statement he explained the services provided by IMG to BCCI-IPL in relation to the conduct of the Indian Premier League and stated that they had researched the correct split of rights between those that would be sold centrally by the BCCI and those to be sold locally by the respective franchises in order to arrive at the optimum financial position and that all of this would have been educated estimates of potential value as no precedent existed for the launch of such a league and that it was this financial research that would have suggested the reserve price that was set for

the first franchise tender. He further stated that the MoU signed with BCCI, sets out IMG's obligations and compensation arrangements as follows:

- Developing the concept for the sporting, commercial and investment structuring of this league.
- The preparation and drafting of legal documents necessary for such an enterprise.
- The sale of the commercial rights and in the case of the media rights, the preparation of the tender documents.
- The preparation of the tender documents in respect of the sale of the franchises.
- Preparation of the player agreements, the operational rules.
- The implementation of the league.
- Under a separate agreement, the production of the Television coverage.

2.11 A copy of MoU dated 13.09.2007 executed between the BCCI and International Management Group (UK) was submitted in this office by Shri Andrew Wildblood, Vice President, IMG (UK) Ltd. The MoU appears to be signed by Shri Lalit Modi on behalf of the BCCI. The said MoU, inter alia, recites that *the "BCCI wishes to appoint IMG and IMG wishes to be appointed by BCCI to assist in the establishment, commercialization and operation of the IPL....."* The MoU further lists a range of services to be provided by the IMG which include conducting research in respect of appropriate structure for the IPL and to make recommendations to BCCI accordingly and to conduct research and prepare the foundation documentation regarding constitution of the IPL and its functioning, to advise regarding allocation of rights between the franchises and the BCCI. From the terms of the MoU, it is clear that the services to be rendered by IMG (UK) Ltd. are consultancy services for the purpose of Foreign Exchange Management (Current Accounts Transactions) Rules, 2000.

2.12 Summons was issued to the Manager, State Bank of Travancore, Ashok Marg, C-Scheme, Jaipur and in response to which Shri.A.K.Nazeer Khan, Chief Manager of the bank appeared in this office on 10.12.2010 and his statement was recorded. In his statement Shri.A.K.Nazeer Khan submitted letter dated 29.10.2009 of BCCI wherein the BCCI had requested the bank to remit GBP equivalent to INR 20,53,05,110/- to International Management Group (UK) Ltd. On being asked about the purpose of this remittance he stated that normally the request letter is always accompanied by the Form A2 which in this case was not readily available and that on the request letter the purpose of remittance has been handwritten in pen as Management Consultancy Fees. He further stated that while preparing the swift message, the purpose of remittances must have been obtained from BCCI by the bank official and the same has been mentioned in the swift message also. Shri. Nazeer Khan also submitted copy of SWIFT message in respect of remittance of GBP 26,37,188.31 made by the BCCI to IMG, UK wherein Management Consultancy fees has been mentioned in the remittance information column. During the course of the statement recorded on 10.12.2010, Shri A.K. Nazeer Khan was asked to furnish the details of remittances made to IMG. Shri Nazeer Khan submitted the details of 45 remittances made to IMG Group, Cricket South



Africa, etc. In his statement dated 03.02.2011, Shri A.K. Nazeer Khan was asked whether the Bank's policy permit remittance beyond one million dollar for Consultancy Services, in response to which he admitted that any current account remittance towards consultancy fees above US \$ 1 mn. requires prior approval of the RBI and regarding remittance of USD 2637,188.31 remitted on 04.11.2009 to IMG UK towards management consultancy fee was an omission on the part of the Bank in not having insisted on RBI prior approval because of the mistaken notion that all current account transactions were within powers of AD and therefore, the particular remittance was put through in good faith.

2.13 Further statement of Shri.Nazeer Khan was recorded on 03.02.2011 and he also submitted copies of A-2 forms in respect of remittances made by BCCI to IMG (UK) Ltd. in respect of IPL. It is seen from the details of payments remitted to IMG (UK) Ltd. by the State Bank of Travancore, which were submitted in this office on 10.12.2010 by Shri A.K. Nazeer Khan, Chief Manager, State Bank of Travancore, Jaipur, that the BCCI had affected the following remittances in connection with the service agreements executed by it on 13.09.2007 which was subsequently revised by an agreement executed on 24.09.2009.

Sl. No	A2 Date	Purpose of remittance	USD	GBP	Equivalent to INR	Bank Ref #	Beneficiary
1	26.05.08	Contractual obligation for IPL	900000.00		38448000.00	7061208TT000156	International Management Group
2	27.05.08	Contractual obligation for IPL	900000.00		38646000.00	7061208TT000157	International Management Group
3	28.05.08	Contractual obligation for IPL	900000.00		38610000.00	7061208TT000158	International Management Group
4	29.05.08	Contractual obligation for IPL	900000.00		38556000.00	7061208TT000166	International Management Group
5	30.05.08	Contractual obligation for IPL	1190000.00		50753500.00	7061208TT000166	International Management Group
6	28.01.09	Balance Amount for IPL 2008	2565983.00		125399589.00	7061208TS000338	International Management Group
7	08.04.09	Refund of ST deducted from party	1179515.00		59565508.00	7061209TS000077	International Management Group (UK) Ltd
8	21.05.09	Towards Fee for IPL 2009		1229044.31	92080000.00	7061209TS000147	International Management Group
9	04.11.09	Management Consulting Fee		2637188.31	205305110.00	7061209TS000296	International Management Group (UK) Ltd
10	12.01.10	Agreed Fee for IPL 2010		838806.14	61442550.00	7061210TS000009	International Management Group (UK) Ltd
11	02.02.10	2 <sup>nd</sup> Instalment of agreed for IPL 2010		264367.66	19523552.00	7061210TS000038	International Management Group (UK) Ltd
12	12.11.10	3 <sup>rd</sup> and 4 <sup>th</sup> Instalment of IPL 2010 (agreed fee)		1624198.16	116471250.00	7061210TS000318	International Management Group (UK) Ltd
					884801059.00		

2.14 During the course of investigation, the Reserve Bank of India vide letter no: FE.CO.EPD/21954/21.52.001/2010-11 dated 17.03.2011 forwarded a request made to



them by State Bank of Travancore, Jaipur seeking post facto permission of the RBI for the remittance of GBP 26,37,188.31 made by them to IMG(UK) towards Management Consulting Fee on behalf of the BCCI. This request was made by the State Bank of Travancore, Jaipur to the RBI vide their letter no: DGM/RO/ND/185 dated 04.02.2011, a copy of which was also forwarded along with the above letter of RBI. This request of State Bank of Travancore, Jaipur was rejected by the RBI as the matter was being investigated by the Directorate of Enforcement.

2.15 Summons under the provisions of Section 37 of FEMA, 1999 was issued to Shri Lalit Kumar Modi vide F.No. T-3/81-B/2008/PKN/AD(DKS)/4137 dated 02nd August, 2010 requiring him to appear in person on 10/08/2010. A fresh Summons was issued vide F.No. T-3/81-B/2008/PKN/AD(DKS) dated 24th August, 2010 requiring Shri Modi to appear in person on 07th September, 2010 for tendering evidence and for producing documents as mentioned in the Schedule thereto. Shri Modi did not appear and failed to comply with the Summons. Accordingly, for non-compliance of Summons by Shri Lalit Kumar Modi, a complaint dated 16/09/2010 under section 13 of FEMA, 1999 has been filed and a Show Cause Notice has been issued to him vide T-4/19-B/DD(SB)/FEMA/2010 dated 20th September, 2010. Further Summons were issued to Shri Lalit Modi for his appearance in person 09.12.2010 for tendering evidence. However, Shri Modi did not comply with the Summons.

### 3. Regulations:

- 3.1 Section 5 of the FEMA, 1999 regarding Current Account Transactions reads as under:

*"Any person may sell or draw foreign exchange to or from an authorized person if such sale or drawal is a current account transaction:  
Provided that the Central Government may, in public interest and in consultation with the Reserve Bank, impose such reasonable restrictions for current account transactions as may be prescribed."*

The restrictions as mentioned above are provided in the Foreign Exchange Management (Current Account Transaction) Rules, 2000.

- 3.2 Rule 5 of the Foreign Exchange Management (Current Account Transaction) Rules, 2000 provides as under:-

" 5. Prior approval of Reserve Bank.

*No person shall draw foreign exchange for a transaction included in the Schedule III without prior approval of the Reserve Bank ;*

*Provided that this rule shall not apply where the payment is made out of funds held in Resident Foreign Currency (RFC) Account of the remitter."*

The Schedule III to Rule 5 provides as under:-

" **SCHEDULE III**  
(See rule 5)

Your attention in this connection is drawn to Rule (4) of the Foreign Exchange Management (Adjudication Proceedings and Appeal) Rules, 2000;

In view of the above, you are required to appear either in person or through Legal Practitioner/Chartered Accountant duly authorized by you to explain and produce such documents or evidence, as may be useful for or relevant to the subject matter of enquiry;

In case you fail, neglect or refuse to appear before me on the appointed date, the adjudication proceedings will be initiated against you ex-parte. Reliance has been inter alia placed on the documents listed in Annexure to the complaint.

Given under my hand and seal on this 20<sup>th</sup> day of July 2011.

  
(RAJENDRA)  
SPECIAL DIRECTOR



Encl: Complaint dated 13<sup>th</sup> July, 2011

15. Remittance exceeding US\$ 1,000,000, per project, for any

*Consultancy service procured from outside India"*

3.3 Sub-section 4 of Section 10 of the FEMA, 1999 reads as under:

*"An authorised person shall, in all his dealings in foreign exchange or foreign security, comply with such general or special directions or orders as the Reserve Bank may, from time to time, think fit to give, and, except with the previous permission of the Reserve Bank, an authorised person shall not engage in any transaction involving any foreign exchange or foreign security which is not in conformity with the terms of his authorisation under this section".*

3.4 Sub-section 5 of Section 10 of the FEMA, 1999 reads as under:

*"An authorised person shall, before undertaking any transaction in foreign exchange on behalf of any person, require that person to make such declaration and to give such information as will reasonably satisfy him that the transaction will not involve, and is not designed for the purpose of any contravention or evasion of the provisions of this Act or of any rule, regulation, notification, direction or order made thereunder, and where the said person refuses to comply with any such requirement or makes only unsatisfactory compliance therewith, the authorised person shall refuse in writing to undertake the transaction and shall, if he has reason to believe that any such contravention or evasion as aforesaid is contemplated by the person, report the matter to the Reserve Bank."*

3.5 Section 42 of FEMA reads as under -

*(1) Where a person committing a contravention of any of the provisions of this Act or of any rule, direction or order made thereunder is a company, every person who, at the time the contravention was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly :*

*Provided that nothing contained in this sub-section shall render any such person liable to punishment if he proves that the contravention took place without his knowledge or that he exercised due diligence to prevent such contravention.*

*(2) Notwithstanding anything contained in sub-section (1), where a contravention of any of the provisions of this Act or of any rule, direction or order made thereunder has been committed by a company and it is proved that the contravention has taken place with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly.*

*Explanation.—For the purposes of this section—*

*(i) "company" means any body corporate and includes a firm or other association of*



individuals; and

(ii) "director", in relation to a firm, means a partner in the firm.

### 3.6 AD(MA Series) Circular No. 11, dated 16.05.2000

*The Reserve Bank of India has issued clarifications on new Rules and Regulations framed under FEMA. It provides that to give effect to the provisions of the Act, the Govt. of India has, among others, made Foreign Exchange Management (Current Account Transaction) Rules, 2000 under Section 5 read with section 46 of the Act, and the circular requires all authorized dealers to carefully study the provisions of the Act, Rules/Regulations/Notifications since all foreign exchange transactions taking place with effect from 01.06.2000, will be governed by the provisions of the Foreign Exchange Management Act, 1999.*

*Para 10 of the circular provides as under –*

*"The directions contained in this circular have been issued under section 10(4) and section 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and these shall come into force from 1<sup>st</sup> June, 2000. Any contravention or non-observance of these directions is subject to the penalties prescribed under the Act."*

## 4. Result of Investigation:

4.1 From the aforesaid it is seen that the BCCI entered into an agreement for the Consultancy Services to be provided from outside India by IMG (UK) under the MoU dated 13.09.2007 for a period of ten years. It is also apparent from the MoU that the IMG(UK) Ltd was contracted for providing services to the BCCI from outside India for the Indian Premier League project from the stage of conceptualization to implementation till the year 2017. Further, the agreements dated 24.09.2009 and 18.01.2010 refer to IMG obligations which, inter alia, state as under –

*"IMG shall during the Representation Period provide the services set out in Clauses 4.1 and 4.2 (the "Services") it being acknowledged that a significant proportion of the Services constitutes advice provided to the BCCI from outside India using IMG's international expertise and resources. "*

4.2 Clause 4.1 of the Service Agreement dated 24.09.2009 records IMG (UK) Ltd., "having carried out research and advised the BCCI in connection with the formation and governance of the League." It further provides that the IMG "shall continue to advise and assist the BCCI "in respect of specified matters such as structure of the League, the League rules and regulations, the franchise agreement and any necessary franchise regulations, the league implementation budget and the media rights agreements. In addition to the above under Clause 4.2, the IMG was further required to continue its work relating to management of BCCI rights in respect of various media rights and other commercial rights. The IMG was further assigned the work of preparation and execution of marketing strategies, advising and assisting BCCI in future franchisee tender processes and management of the sale processes in respect of the Rights, preparation and negotiation of contracts, implementation and management of the sale and delivery

the Right to Rights Holders, the preparation of a television production specification, preparation of match day guidelines, provision for hospitality guidelines, management of the annual player trading window, assistance in creation/development of new intellectual properties, carrying out research in consultation with BCCI each year to ascertain improvements in various areas of management and execution of the League etc.

4.3 It is evident that in terms of MoU dated 13.09.2007, the BCCI appointed IMG (UK) Ltd. to assist it in establishment, commercialization and operation of the IPL and the set of obligations undertaken by IMG (UK) Ltd. were to be executed over a period of 10 years. The IMG vide the said MoU and the agreements dated 24.09.2009 and 08.01.2010 referred above, undertook the obligation of a wide range of interrelated tasks relating to formation of the IPL and creating an operational framework for the League and its management and for achieving optimum commercial exploitation of the various rights during the contract period..

4.4 From the aforesaid, it is clear that the IMG (UK) Ltd. was engaged by the BCCI for making the IPL Project successful as is reflected from the Minutes of the Working Committee meeting held on 21.08.2007 which acknowledge a lot of work done by Shri Lalit Modi on this Project and further records that Shri Lalit Modi pointed out that in order to make the project successful, it was necessary to take the help of a professional organization and requested the house to authorize him to workout the modalities for appointment of M/s IMG as the consultant for the Twenty20 League. Further, the MoU dated 13.09.2007 and the superseding agreements covered a period from IPL Season-1 to IPL Season-10 i.e. for a period of 10 years indicating that the duration of the project for which the services of IMG were contracted was 10 years and each of the remittance referred above represents payment made by the BCCI for consultancy services received from outside India for the project of Indian Premier League.

4.5 The agreement between the BCCI and IMG (UK) Ltd. was not for and limited to any specific IPL season or year but there was a continuity of purpose and all the interrelated tasks assigned to IMG (UK) Ltd. were aimed at achieving the objectives set out under the MoU/agreements over the tenure of the agreements. Therefore, under the said agreement the Indian Premier League was a project within the meaning of item No. 15 of Schedule III to Regulation 5 of Foreign Exchange Management (Current Account Transactions) Rules, 2000 (hereinafter referred to as the Rules). Although the terms of the agreement were revised by agreements dated 24.09.2009 and 18.01.2010 particularly with reference to the consideration payable to the provider of the service i.e. IMG (UK) Ltd., there was no change in the nature of service which was admittedly a consultancy service received by the BCCI from outside India. Since IMG (UK) Ltd. was engaged by the BCCI to provide consultancy service for a period of ten years i.e. from signature of the MoU until the date of the conclusion of the 10<sup>th</sup> playing Season of the IPL or for a period of 10 years, whichever is later, the IPL was a specific project for



which IMG (UK) Ltd. was appointed by the BCCI to provide the consultancy services from outside India.

4.6 The fact that the consultancy service was received from outside India is further corroborated by the recitals of "IMG Obligations" in the agreements dated 24.09.2009 and 18.01.2010 which acknowledge that a significant proportion of the Services constitutes advice provided to the BCCI from outside India using IMG's international expertise and resources.

4.7 It is seen from the details provided by the State Bank of Travancore, Jaipur Branch at Para No. 2.11 that the BCCI has effected remittances totaling to Rs. 88,48,01,059/- during the years 2008, 2009 & 2010 towards consultancy services provided by the BCCI in connection with IPL Season 1, 2 & 3 and from the said remittance details it revealed that for the purpose of the aforesaid remittances the BCCI made the following communications with the said Bank :-

- (a) Shri N. Srinivasan, Hon. Treasurer, BCCI vide his letter dated 24.05.2008 advised the Bank to remit US \$ 47,90,000 through telegraphic transfer by debiting account No. 57027625920 to International Management Group (UK) Ltd. For the purpose of the remittance four separate A2 forms were submitted for amounts of USD 9,00,000/- and one A2 form for USD 11,90,000. The A2 forms were signed by Shri N. Srinivasan as the Treasurer of BCCI and the purpose of remittance was shown as "Contractual Obligations for IPL" in all the five forms..
- (b) Shri M.P. Pandove, Hon. Treasurer, BCCI vide his letter dated 28.01.2009 advised the Bank to remit US \$ 25,65,983 through telegraphic transfer by debiting account No. 57027625920 to International Management Group (UK) Ltd. For the purpose of this remittance one separate A2 forms was submitted for an amount of USD 25,65,983. The A2 form were signed by Shri M.P. Pandove as the Treasurer of BCCI and the purpose of remittance was shown as "Contractual Fee for IPL 2008" in the said form..
- (c) Shri M.P. Pandove, Hon. Treasurer, BCCI vide his letter dated 08.04.2009 advised the Bank to remit US \$ 11,79,515 through telegraphic transfer by debiting account No. 57027625920 to International Management Group (UK) Ltd. The A2 form was not made available.
- (d) Shri M.P. Pandove, Hon. Treasurer, BCCI vide his letter dated 21.05.2009 advised the Bank to remit GBP equivalent to Rs.9,20,80,000/- through telegraphic transfer by debiting account No. 57027625920 to International Management Group (UK) Ltd. For the purpose of this remittance one separate A2 forms was submitted for an amount of GBP equivalent to Rs.9,20,80,000/-. The A2 form were signed by Shri M.P. Pandove as the Treasurer of BCCI and the purpose of remittance was shown as "Contractual Fee for IPL 2009" in the said form.



- (e) Shri M.P. Pandove, Hon. Treasurer, BCCI vide his letter dated 04.11.2009 advised the Bank to remit GBP equivalent to Rs.20,53,05,110/- through telegraphic transfer by debiting account No. 57027625920 to International Management Group (UK) Ltd. For the purpose of this remittance one separate A2 forms was submitted for an amount of GBP equivalent to Rs.20,53,05,110/-. The A2 form were signed by Shri M.P. Pandove as the Treasurer of BCCI and the purpose of remittance was shown as "Contractual Fee for IPL 2009" in the said form.
- (f) Shri M.P. Pandove, Hon. Treasurer, BCCI vide his letter dated 12.01.2010 advised the Bank to remit GBP equivalent to Rs.6,14,42,550/- through telegraphic transfer by debiting account No. 57027625920 to International Management Group (UK) Ltd. For the purpose of this remittance one separate A2 forms was submitted for an amount of GBP equivalent to Rs. 6,14,42,550/-. The A2 form were signed by Shri M.P. Pandove as the Treasurer of BCCI and the purpose of remittance was shown as "Agreed Fee for IPL 2010" in the said form.
- (g) Shri M.P. Pandove, Hon. Treasurer, BCCI vide his letter dated 02.02.2010 advised the Bank to remit GBP equivalent to Rs. 01,95,23,552/- through telegraphic transfer by debiting account No. 57027625920 to International Management Group (UK) Ltd. For the purpose of this remittance one separate A2 forms was submitted for an amount of GBP equivalent to Rs. 01,95,23,552/-. The A2 form were signed by Shri M.P. Pandove as the Treasurer of BCCI and the purpose of remittance was shown as "Contractual Fee for IPL 2010" in the said form.
- (h) Shri M.P. Pandove, Hon. Treasurer, BCCI vide his letter dated 12.11.2010 advised the Bank to remit GBP equivalent to Rs. 11,64,71,250/- through telegraphic transfer by debiting account No. 57027625920 to International Management Group (UK) Ltd. For the purpose of this remittance one separate A2 forms was submitted for an amount of GBP equivalent to Rs. 11,64,71,250/-. The A2 form were signed by Shri M.P. Pandove as the Treasurer of BCCI and the purpose of remittance was shown as "3<sup>rd</sup> and 4<sup>th</sup> Installment- 50% for IPL 2010 (Agreed Fee)" in the said form..

4.8 Rule 5 of the Rules requires prior approval of the Reserve Bank for drawal of foreign exchange for undertaking a transaction included in Schedule III. As per item 15 of the said Schedule III, remittance exceeding US\$ 10,00,000 per project for any consultancy service procured from outside India. All the aforesaid remittances amount

to drawal of foreign exchange for the purpose of procuring consultancy service from outside India and since prior approval of the RBI was not taken, the transactions appear to be in contravention of Section 5 of FEMA, 1999 read with item 15 of Schedule III to Rule 5 of the said Rules.

4.9 The BCCI executed the MoU with IMG (UK) Pvt. Ltd. on 13.09.2007. From the minutes of the opening IPL Governing Council Meeting held on 18.10.2007, it is seen that the IMG was invited to the meeting and "the MoU signed with IMG was noted". From the minutes of the meeting of the Governing Council held on 17.11.2007, it is seen that the IMG gave a representation on the event implementation for the IPL.

4.10 The minutes of the Governing Council and Working Committee do not show any discussion about the terms and conditions for the services to be rendered by the IMG except for the consideration to be paid to IMG (UK) Ltd. Further there was no discussion about the modality for payment to the IMG.

4.11 The fact that the nature of services provided by the IMG(UK) Ltd. from outside India to the BCCI were in the nature of Consultancy Services, is established by the following :

- a) In the Working Committee Meeting of BCCI, held on 21<sup>st</sup> August , 2007, it was mentioned that Shri Lalit Modi was authorized to work out the modalities for appointment of IMG as a consultant for the Twenty20 League.
- b) It has been confirmed by Shri N Srinivasan, Hony. Secretary of BCCI, in his statement dated 15.04.2011 that Shri Modi wanted to take the help of IMG and wanted authority to appoint them as Consultant.
- c) Vide its letter dated 25.06.2010, the BCCI furnished the details of remittances made to M/s IMG (UK)Ltd. The BCCI refers to these remittances for payments for 'Consultancy'.
- d) In his statement dated 08.07.2010, Shri N. Srinivasan, Hony. Secretary of BCCI, referred to the agreements signed with IMG (UK) Ltd. as 'Management Consultancy Agreements'.
- e) In his statements dated 29.09.2010 and 30.09.2010, Shri Peter Griffiths, Senior Vice President and Director of Operations, IMG, has confirmed that the services provided to BCCI-IPL as described in the Service Agreement dated 24.09.2009 can be described as 'Consultancy Services'.
- f) The agreements dated 24.09.2009 and 18.01.2010 refer to the IMG obligations which acknowledges that a significant proportion of the Services constitute advice provided to the BCCI from outside India using IMG's international expertise and resources.
- g) In his statement dated 03.02.2011, Shri A.K. Nazeer Khan, Chief Manager, State Bank of Travancore, admitted that the remittance to IMG UK towards management consultancy fee was an omission on the part of the Bank in not



having insisted on RBI prior approval because of the mistaken notion that all current account transactions were within powers of AD and therefore, the particular remittance was put through in good faith.

- h) Reserve Bank of India vide letter no: FE.CO.EPD/21954/21.52.001/2010-11 dated 17.03.2011 forwarded a request made to them by State Bank of Travancore, Jaipur seeking post facto permission of the RBI for the remittance of GBP 26,37,188.31 made by them to IMG(UK) towards Management Consulting Fee on behalf of the BCCI. This request was made by the State Bank of Travancore, Jaipur to the RBI vide their letter no: DGM/RO/ND/185 dated 04.02.2011, a copy of which was also forwarded along with the above letter of RBI. This request of State Bank of Travancore, Jaipur was rejected by the RBI as the matter was being investigated by the Directorate of Enforcement.

4.12 The aforesaid facts overwhelmingly indicate that the BCCI was a recipient of consultancy services from outside India under the agreements referred above executed with IMG (UK) Ltd.

4.13 From the evidences discussed above, it is evident that during the years 2008, 2009 and 2010, the BCCI, had drawn foreign exchange totally equivalent to Rs. 88,48,01,059/- for consultancy services procured from outside India which was rendered to it by the IMG (UK) Ltd. The BCCI had drawn foreign exchange in excess of US \$ 10,00,000 per project which is restricted to that limit as prescribed by the Central Government under Rule 5 of the FEM(Current Account Transaction) Rules, 2000 read with item No. 15 of Schedule III to Rule 5 of the said Rules and the transaction required prior approval of the Reserve Bank of India. Therefore, BCCI by making the transactions without prior approval of the RBI, appears to have contravened the provisions of Section 5 of FEMA, 1999 read with Rule 5 of FEM (Current Account Transactions) Rules, 2000 read with item No. 15 of Schedule III to Rule 5 of the said Rules.

4.14 Shri Lalit Kumar Modi, Chairman of the Indian Premier League of the BCCI, was authorized by the BCCI to negotiate with the IMG and he was primarily responsible for appointing IMG (UK) Ltd. as a consultant. The MoU dated 13.09.2007 was signed by him on behalf of the BCCI. He was fully aware of the nature of service to be rendered by the IMG (UK) Ltd. In his capacity as the Chairman of the Indian Premier League, he was responsible to the BCCI for conduct of its affairs in relation to the IPL and was under a legal obligation to observe the law. Under the provisions of Section 42 (1) of FEMA, 1999, as Chairman of the Indian Premier League and because of his knowledge and awareness of the nature of transactions between the BCCI and IMG, he was responsible for the contraventions committed by the BCCI by drawal of Foreign Exchange equivalent to Rs.88,48,01,059/- and remitted to IMG (UK) Ltd. on account of consultancy service

received by the BCCI from outside India in contravention of Section 5 of FEMA, 1999 read with Rule 5 of FEM (Current Account Transactions) Rules, 2000 read with item No. 15 of Schedule III to Rule 5 of the said Rules.

4.15 Shri N. Srinivasan, presently Hony. Secretary of the BCCI, had signed the agreements executed by the BCCI with IMG (UK) Ltd. on 24.09.2009 and 18.01.2010. He was fully aware of the nature of service to be rendered by the IMG (UK) Ltd. Further, he was the Hony. Treasurer of the BCCI during 2008 and as Hony. Treasurer, he had forwarded advices to the State Bank of Travancore for drawal of foreign exchange for remittances to the IMG (UK) Ltd. Further, he had signed the A2 Forms and declarations in respect of payments made for IPL 2008. In his capacity as the Hony. Treasurer and Hony. Secretary, he was responsible to the BCCI for conduct of its affairs and was under a legal obligation to observe the Law. Under the provisions of Section 42 of FEMA, 1999, as Hony. Treasurer and Hony. Secretary and because of his knowledge and awareness of the nature of transactions between the BCCI and IMG, he was responsible for the contraventions committed by the BCCI by drawal of foreign exchange equivalent to Rs.88,48,01,059/- and remitted to IMG (UK) Ltd. on account of consultancy service received by the BCCI from outside India in contravention of Section 5 of FEMA, 1999 read with Rule 5 of FEM (Current Account Transactions) Rules, 2000 read with item No. 15 of the Schedule III to the said Rules.

4.16 Shri M.P. Pandove, presently Hony. Treasurer of the BCCI, during 2009 & 2010, as Hony. Treasurer, had forwarded advices to the State Bank of Travancore for drawal of foreign exchange for remittances to the IMG (UK) Ltd. Further, he had signed the A2 Forms and declarations in respect of payments made for IPL 2009 & 2010. In his capacity as the Hony. Treasurer, he was responsible to the BCCI for conduct of its affairs and was under a legal obligation to observe the Law. Under the provisions of Section 42 of FEMA, 1999, as Hony. Treasurer and because of his knowledge and awareness of the nature of transactions between the BCCI and IMG, he was responsible for the contraventions committed by the BCCI by drawal of foreign exchange equivalent to Rs.55,43,87,970/- (as listed at Sl. No. 6 to 12 of the chart appearing on Para 2.13 on page 9 of this compliant) and remitted to IMG (UK) Ltd. on account of consultancy service received by the BCCI from outside India in contravention of Section 5 of FEMA, 1999 read with Rule 5 of FEM (Current Account Transactions) Rules, 2000 read with item No. 15 of the Schedule III to the said Rules.

4.17 The State Bank of Travancore, in dealing in foreign exchange equivalent to Rs.88,48,01,059/-, as aforesaid, failed to comply with the directions given by the Reserve Bank of India under AD (MA Series) Circular No. 11 dated 16.05.2000 issued under Section 10 (4) and 11 (1) of the FEMA, 1999. Therefore, State Bank of Travancore, Jaipur Branch, appear to have contravened the provisions of Section 10(4) of



FEMA read with Section 5 of FEMA and read with item No. 15 of the Schedule III to Rule 5 of the FEM (Current Account Transaction) Rules, 2000 and also read with AD (MA Series) Circular No. 11 dated 16.05.2000 (issued under Section 10 (4) and 11 (1) of the FEMA, 1999) to the extent of Rs.88,48,01,059/- and section 10(5) of FEMA, 1999 to the extent of Rs.88,48,01,059/-.

4.18 Shri A.K. Nazeer Khan, Noticee No. 2, was the Chief Manager of the Jaipur Branch of the State Bank of Travancore during the relevant period when the said Bank, engaged in transaction in foreign exchange equivalent to Rs.88,48,01,059/- in contravention of the above provisions of FEMA, 1999. The contraventions are attributable to the negligence on the part of Shri A.K. Nazeer Khan, therefore, appears to have contravened the above provisions of FEMA, 1999 in terms of Section 42(2) ibid to the extent of Rs.88,48,01,059/-.

5. The investigations pertaining to other issues are being dealt separately

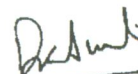
6. The Complainant, therefore, submits:-

I that the above noticees no 1 to 6 appear to have violated the provisions of FEMA, 1999 as mentioned above, and are liable to penalties under Section 13(1) of FEMA 1999.

II It is, therefore, prayed that this complaint may be taken on record and the noticees no 1 to 6 be dealt with in accordance with law.

III That the Complainant seeks permission of the adjudicating authority to refer to and to rely, inter alia, on the documents mentioned in the "Annexure" to this complaint.

Dated at Mumbai, this 13<sup>th</sup> day of July 2011



(D. K. SINHA)  
ASSISTANT DIRECTOR  
COMPLAINANT

### ANNEXURE

1. Memorandum of Understanding (MoU) dated 13.09.2007 between BCCI and M/s IMG (UK) Ltd.
2. Agreement dated 24.09.2009 between BCCI and M/s IMG (UK) Ltd.
3. Agreement dated 18.01.2010 between BCCI and M/s IMG (UK) Ltd.
4. Statement dated 08.07.2010 of Shri N. Srinivasan, Hon. Secretary of the BCCI.
5. Statement dated 15.04.2011 of Shri N. Srinivasan, Hon. Secretary of the BCCI.
6. Statements dated 12.10.2010 of Mr. Andrew Wildblood, Vice President, M/s IMG (UK) Ltd..
7. Statements dated 29.09.2010 and 30.09.2010 of Mr. Peter Giffiths, Senior Vice President & Director of Operation, M/s International Management Group (IMG).
8. Statements dated 10.12.2010 and 03.02.2011 of Shri A.K. Nazeer Khan, Chief Manager of State bank of Travancore, Jaipur and the documents tendered thereunder including transaction details, copies of A-2 forms and BCCI's request letter in respect of remittances made by BCCI to IMG (UK) Ltd. in respect of IPL, as discussed in Para 2.12 and 2.13 of the complaint.
9. Minutes of the meeting of the Working Committee of BCCI held on 21.08.2007.
10. Letter dated 25.06.2010 of BCCI and the details of remittances made on account of Consultancy to M/s IMG (UK) Ltd. furnished under the said letter.
11. Letter dated 01.07.2010 of IMG (UK) Ltd., and the copies of agreements with BCCI submitted thereunder.
12. List of agreement signed by the BCCI with IMG Group, tendered by Shri N. Srinivasan, Hon. Secretary, BCCI, under his statement dated 08.07.2010.
13. Reserve Bank of India's letter No. FE.CO.EPD/21954/21.52.001/2010-11 dated 17.03.2011