

**BEFORE THE DISCIPLINARY COMMITTEE, AT TAJ PALACE,**  
**NEW DELHI**

Date: 26<sup>th</sup> September, 2010

**BCCI WITNESS NO.2**

**Mr. JOHN LOFFHAGEN**

The witness statement dated 7<sup>th</sup> September, 2010 is signed and affirmed by me and I affirm the contents of the same.

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**Cross Examination of Mr. John Loffhagen by Mr. Kotwal**

1. I joined IMG in the year 1998. Before joining IMG, I practiced as Solicitor for about 6 years. My specialization was is in relation to Corporate and Commercial Law. I have not surrendered my license for practice as Solicitor and I continue to be a practicing Solicitor. I do not recall how many days I have spent in a year in India. My passport is in my Hotel room.
2. **Q. Will you give us the dates of your arrival and departure in India during the period December, 2009 to September, 2010?**  
  
A. I will send the dates.
3. IMG has an office in Mumbai. There is a Solicitor in the Mumbai Office. The current solicitor joined in the year 2007 to the best of my memory. There was an earlier Solicitor also. The current solicitor is Ms. Vandana Gupte. She is still working with IMG. Law practice is not the main activity. It is an ancillary activity to our main activity which is Sports and Media. We work for IMG as lawyers. IMG does not provide legal advice. We provide legal support service to our main activity.
4. I work with Mr. Andrew Wildblood but he is not a lawyer to my knowledge. IMG has built a reputation in the sports event management business. It is a valuable reputation for us in IMG. Mr. Lalit Modi and Mr. Wildblood conceived and conceptualized the IPL tournament.
5. **Q. Is it true that BCCI's permission was taken to run the IPL?**  
  
A. I am not aware. I would suggest you ask the BCCI.
6. IMG is dealing with BCCI in connection with IPL.

7. **Q. Are you aware that requisite permission from the concerned sports body must be taken to organize such an event?**

A. I am not aware. I will have to read the particular constitution of that body to comment.

8. **After the statement of Mr. Giles Clarke was published in the media, IMG felt offended and considered it defamatory. I do not know whether BCCI WI/1 is the correct copy of the claim that IMG has filed. However, it is a matter of record that IMG has filed a claim. I do not have a copy of the same.**

9. **Q. Do you have a soft copy on the computer?**

A. I do not believe I have a soft copy on the computer.

10. IMG has filed a reply to the defense filed by Mr. Clarke. Without double checking every word I cannot confirm whether BCCI WI/1 is the authentic copy of the reply. It appears to be my signature. It appears to be the IMG reply. I do not wish to check it any further. The contents of the reply filed by the IMG are correct as per the case of IMG. On perusal of the reply at length I can confirm that it is our reply. No statement made therein is inaccurate.

11. The claim was filed on 20th May 2010 and the reply was filed on 4th August 2010.

12. Prior to the claim we wrote to Mr. Clarke objecting to the email sent by him to the BCCI. I believe his lawyers did reply to the email. The claim was made thereafter.

13. If I recall correctly, I was informed by Mr. Sundar Raman towards the end of August, 2010 that I was to give evidence in this matter. To my knowledge, the ECB has not instituted any proceedings against any county in relation to the meeting with Mr. Modi on 31st March 2010. This is true prior to 2nd May 2010 and thereafter. There was no written request made by Mr. Sundar Raman to me that I have to give evidence. He informed me that I might be required to be a witness in these proceedings. He told me the subject matter which I was required to give evidence. He told me that this was in relation to the enquiry against Mr. Modi. I understood it to mean in relation to the current proceedings. I had read about the allegations in the show cause notice in the media. I did not ask for a copy of the show cause notice. As far as I recall, the entire show cause notice was published in the media. I had read two show cause notices and both I think were in the media. I did not ask Mr. Sundar Raman who had asked him to call me as witness.

14. I had a telecon in early September, 2010 with Mr. Sundar Raman and Mr. P.R Raman during which I was asked various questions about these proceedings. I was then sent a draft statement which I commented upon and once finalized, I signed it. My statement related to two matters regarding the show cause notice. The two subjects covered in my witness statement were discussed in the telecon. I may have a copy of the draft statement sent to me in my office and I may have it in my computer I can check that up.

15. **Q. Please produce the document?**

A. I choose not to.

16. **Q. I put it to you that you have signed on the dotted line on whatever was presented to you by the BCCI?**

A. That is incorrect.

17. **Q. I put it to you that the production of the document would be adverse to your statement. And you want to suppress the same.**

A. That is not correct. The reason I am not disclosing it is that I do not believe that it is right and proper for the drafts of the witness statements to be disclosed to the other side.

18. I did not ask Mr. Sundar Raman as to who else was going to depose in the matter. I know now that Mr. Peter Griffith, Mr. Paul Manning and Mr. Sundar Raman are witnesses. I do not remember the exact dates on which the drafts were exchanged but it was over a period of three or four days ending with 7th September 2010. Roughly three drafts were exchanged in this process with Mr. P.R. Raman, Advocate. I do not recall speaking with anyone else but I believe Mrs. Akhila who represents the BCCI was on the call though I do not remember her saying anything. No other office bearer of BCCI conversed with me regarding my statement to the best of my recollection.

19. Between April 2010 and August 2010, I have met on 18th of May with a number of office bearers of the BCCI. I am not sure of the date but it was about that time. It could be on the 17th of May 2010. It was a Monday. The persons I met included Mr. Manohar. He was the principal person I spoke with. The people I remember whom also I met are Mr. Shukla, Mr. Amin, Mr. N.Srinivasan, Mr. Sunil Gavaskar and there were number of others. This was a joint meeting of all persons together. It was a well attended meeting at Cricket Center at Mumbai. Mr. Peter Griffith and Mr. Andrew Wildblood were present with me. All three of us have been asked to attend this meeting probably by email, I cannot recall specifically.

20. **Q. Will you produce the email?**

- A. If I have it and it contains nothing else confidential then I will produce it.
21. (At this stage Mr. Kotwal calls upon the BCCI to produce the mail. Mr. P.R. Raman for the BCCI says he will take instructions)
22. To the best of my memory the contents of the mail required us to attend the meeting at the Cricket Centre on a specified date. I do not recollect any other content.
23. **Q. What was discussed at this meeting?**
- A. This was a private meeting between BCCI and the IMG. I would require the client's consent to disclose the contents of the meeting.
24. I do not recall notes of the meeting being exchanged between IMG and BCCI. We may have summarized the contents of the meeting to our seniors. I do not think I did it but may be Mr. Andrew did it. I do not remember seeing any formal summary of this meeting. I do not recall BCCI sending IMG any summary of this meeting.
25. **Q. Was the show cause notice discussed in the meeting?**
- A. As I have stated earlier I am not in the habit of disclosing what transpired at meetings with clients. I have no problem disclosing it if my client allows me to do so.
26. At this stage Mr. Kotwal requests Mr. P.R. Raman to find out if his client will agree to let the witness disclose the contents of the meeting. Mr. Raman says he will take instructions.
27. I do not recall any other meeting after 17th of May until August, 2010. I met Mr. Amin in London somewhere around the 10th of May, 2010. Mr. Andrew Wildblood and Griffith were present. I do not recall who arranged this meeting, but it was probably by Mr. Andrew Wildblood. I cannot disclose without client's instructions what transpired in this meeting. I do not recall anything specific about the show cause notice. It was more about the new season coming.
28. There was occasional correspondence between myself and Mr. Manohar and I cannot comment on others. We wrote to Mr. Manohar clarifying IMG's view on the lunch with Mr. Modi on 31st March 2010, which was the subject of Mr. Giles Clarke's email of 2nd of May. This correspondence took place shortly after 2nd May 2010. I will not produce these documents without client's consent. This correspondence was a day or two after we received knowledge of the 2nd May 2010 letter of Mr. Clarke. I do not remember the approximate

date. I can't remember from which source but probably from the papers. I will revert with the exact date of the letter. I do not believe in disclosing the contents of meetings between IMG and its client unless permitted by the client. This is a matter of confidence between IMG and its client, and it cannot be shared with a third party unless permitted by the client.

29. I am aware that this proceeding is an internal enquiry of some kind. This is an enquiry against Mr. Lalit K. Modi. I do not know the internal working of the BCCI. I do not know whether Mr. Modi is still a member of the BCCI or not.

30. **Q. Are you aware that this is an internal enquiry against the Administrator of BCCI and there are no third parties involved?**

A. I do not know the current status of Mr. Modi.

31. The first tender process was held in January, 2008. I was present in the tender process and bid opening. I drafted the ITT in conjunction with others. I discussed the ITT with Mr. Peter Griffith and Mr. Andrew Wildblood and also with the BCCI. In the BCCI, I discussed with Mr. Lalit K. Modi. I do not recall discussing with anyone else in the BCCI. After the bids were invited, queries were raised by various people. I didn't know how many people purchased the bid papers. The bid document enabled the BCCI to issue clarifications and following this, certain clarifications were issued to the bidders. I received a copy of these clarifications. I had some input in issuing these clarifications. I possibly gave some input regarding the clarifications framed in item 58 and 60 of the clarification. I tried to check the supporting document behind the bids in the time allowed. I don't recall there being enough time to check them as thoroughly as I would have liked. The BCCI allowed the bidders to form new companies subject to the clarifications made and the tender process. I do not know if I was the only lawyer present at the time of the bids. It could possibly be so. There was a workshop after the opening of the bids. I attended one of the workshops. I think it was the first one. I probably met Mr. Manoj Badale at the workshop. I do not remember if I met Mr. Badale at the time of opening of the bid.

32. I don't remember when I first met Mr. Fraser Castellino. I do not remember if I had met him at the workshop. I am not sure that I have ever spoken to Ms. Preity Zinta. I was present at a meeting post the awarding of the franchisees at the Oberoi Hotel attended by Ms. Zinta but I do not recall speaking with her. I think I recall her being present at the opening of the bids. I do not remember if Mr. Mallya was present at the opening of the bids since I didn't know who he was. I now recognize him. I suspect Mr. Shahrukh Khan was there but I don't remember seeing him. I don't recall being introduced to Mr. Mallya, Ms. Preity Zinta or Mr. Shahrukh Khan at the workshop.

33. As one of the bids was delivered late, the BCCI exercised its discretion not to open the bid. I advised Mr. Modi that he had a discretion under the tender document whether to open bid or not and he exercised his discretion by not opening the bid.
34. Mr. Srinivasan I think was present. I knew him also. He was bidding for a franchise. I do not remember whether he objected to the bid being late. On being shown the minutes of the GC dated 24th January 2008, specifically mentioning that Mr. John Loffhagen said that the bid should not be opened, the witness states that he didn't say any such thing. He merely advised Mr. Modi of his rights under the tender rules and Mr. Modi took that decision.
35. I do not recall meeting with Mr. Mallya, Ms. Zinta or Mr. Shahrukh Khan as I was ignorant as to whom they were but that by no means impacts my clear recollection of what transpired in the paragraph mentioned above. That I am very sure. By then I had met Mr. Srinivasan.
36. **Q. Mr. Loffhagen just now you disclosed what advice you gave to your client?**
- A. My client is BCCI. I have disclosed what advice I gave to your client to Mr. Modi since you asked that question.
37. At that time Mr. Modi was representing BCCI. The franchise agreement was amended and franchisees were asked if they were incorporating new companies and if so, to provide details of new companies. A new amended franchise agreement was drawn up and subsequently signed. IMG helped the BCCI in the process. I did not draw up the final amended version of the franchise agreement. My colleague in Mumbai Ms. Vandana Gupte, to the best of my recollection, did it. I assisted her in the process of finalization. I do not remember whether she consulted me specifically. Vandana included the names of the franchisees in the document as far as I recall. I do not know if Ms. Vandana Gupte interacted with the representatives of the franchisees. I presume she must have been doing it either through meetings or emails. Vandana filled up the names of the franchisees so far as I know. There must have been some discussion between me and Vandana but I do not recall anything specific.
38. In the context of the signature I don't remember specific meeting between her and me with the franchisees. She attended the first franchisee workshop and we may have met some franchisees there. I recall sending franchisees an email en masse. This was in regard to asking them to provide the details of their company. I probably would have a copy of the email, I can provide the same. I don't remember the specific persons whom I have addressed. I do not remember to whom I addressed the same in respect of the Emerging Media. I believe I must have sent it to the owners or those representing them. I may have

met Fraser Castellino at the workshop, I now know who he is. Vandana went through the document subsequent to the bids. I do not recall going through the documents. Vandana was reporting to me. I was informed of the execution of the document probably in writing. In preparation of the witness statement, I was not shown any document. I was shown a document at the meeting of 17th of May, but I am not willing to disclose the contents of the same. Without consent of the BCCI I shall not disclose the details of the documents that were shown to me. I cannot recall if only one document was shown to me.

39. **Q. Did you ask for any other document?**

A. I am not willing to disclose my discussion regarding those documents without the consent of the BCCI.

40. I have seen a version of Mr. Modi's reply. I cannot disclose whether the reply was shown to me on the 17th May, 2010. I regard my relationship with BCCI, as relationship of a professional and client and treat the communications confidential.

41. **Q.I put it to you that the relationship of BCCI and IMG is not of a client and a lawyer?**

A. I agree but I still don't think it proper to disclose the client's secret.

42. **Q. Do you consider the document shown to you as the client's secret?**

A. I shall not discuss the meeting and its contents.

43. **Q. You have referred to this document in your witness statement?**

A. Yes, I have.

44. **Q. Do you still consider it as secret?**

A. It is not a secret but I will still not discuss what happened in the meeting.

45. I do not recall any correspondence between me and the BCCI officials with regard to this document. There is no correspondence with any officers in relation to this document. If I had been aware, that there was no connection between Emerging Media and Jaipur IPL Private Limited, then, as I say in my statement, in the absence of a proper explanation, I would not have advised Mr. Modi to sign the document. If I had been given a satisfactory explanation that there was a connection between Emerging Media and Jaipur IPL Private Limited, then I would not have advised him not to sign the document. This is all a conjecture as IMG relied on what it was told by the Jaipur Bidder about

the name of the franchisee. I do not know what else Ms. Vandana Gupte may have been told about in this connection.

46. The last but one sentence of paragraph 2 of my witness statement is based on the premise that no connection between the two companies was known to me.

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**Note:** The cross examination of Mr. John Loffhagen started at 3:30 p.m. and continued till 8:00 p.m. It remained inconclusive and shall continue tomorrow i.e., 27<sup>th</sup> September 2010 at 10.00 am.

The aforesaid statement has been read by me and I accept it to be accurate.

**(John Loffhagen)**

Date: 26<sup>th</sup> September, 2010

**ARUN JAITLEY            JYOTIRADITYA M SCINDIA            CHIRAYU AMIN**  
**BEFORE THE DISCIPLINARY COMMITTEE, AT TAJ PALACE,**  
**NEW DELHI**

Date: 27<sup>th</sup> September, 2010

**BCCI WITNESS NO.2**

**Mr. JOHN LOFFHAGEN**

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**Continuation of Cross Examination of Mr. John Loffhagen by Mr. Kotwal on**  
**27<sup>th</sup> September 2010 at 10:00 A.M.**

1. I remember only one email sent to Mr. Manohar where I have made a specific query in relation to the circumstances surrounding the show cause notice. However, I do not remember the details. I can get the email and send it to the Committee.
2. Mr. Manohar had replied to the email. I shall send to the Committee a copy of the reply. I am producing my original passport to the Counsel for Mr. Modi for perusal.

3. Witness volunteers “when I went back to the Hotel, I remembered one more meeting with the BCCI, in the middle of June, where Mr. Amin, Mr. Gavaskar and Mr. Ravi Shastri were present where we did not discuss the show cause notice”.
4. Sometimes I make notes of what transpired in the meeting. At times, I don't. I did not make notes of meeting of 17<sup>th</sup> May 2010. Mr. John Loffhagen submitted a copy of the email of the invitation. The same is marked as **BCCI-W2/2**. I had brought all documents referred to in that email but in the meeting we were not asked to produce any of them. We discussed the tender process of 2008; the issues surrounding Jaipur IPL and the contract between BCCI and IMG. We also discussed briefly the claim made by IMG against Mr. Giles Clarke.
5. I have touched on the tender process of 2008 in my witness statement in relation to the Jaipur IPL. I have mentioned about the Jaipur IPL in the said statement. However, the contract between BCCI and IMG and IMG's claim against Mr. Giles Clarke are not relevant to this enquiry and hence doesn't find a mention in my witness statement.

6. **Q. Is not the falsity of the claim made by Mr. Giles Clarke in his email a subject matter of the second show-cause-notice?**

A. I am aware that the second show cause notice related to the email sent by Mr. Giles Clarke to the BCCI on 2<sup>nd</sup> May 2010. In my witness statement I didn't consider it necessary and the same was not relevant. It is correct that the second show cause notice is based on the email sent by Mr. Giles Clarke.

7. **Q. Is it correct that the draft statement and final statement did not refer to the incident of Mr. Giles Clarke?**

A. Correct.

8. **Q. Is it correct that the draft statement which you received was restricted only to two issues mentioned therein?**

A. Yes.

9. **Q. I put it to you that the BCCI wanted you to depose only on two issues?**

A. I do not know what the BCCI desired. I discussed only two issues with Mr. P.R. Raman.

10. The email containing IMG's response to the second show cause notice was sent on 6<sup>th</sup> May 2010 to Mr. Manohar. This email was sent by Mr. Andrew Wildblood. (Production of the copy of the email is objected to by Mr. Raman)
11. I cannot disclose the contents of the email and therefore cannot tell you that the contents of this email could not be different from the reply filed by IMG on 17<sup>th</sup> August 2010 marked as BCCI W1/2.
12. A bidder in 2008 was expected to submit a letter of eligibility. I believe that Emerging Media submitted a letter of eligibility dated 22<sup>nd</sup> January 2008 as a part of the bid.
13. Witness is shown the eligibility letter dated 22<sup>nd</sup> January 2008. This letter shows the proposed corporate structure of the franchisees. The diagram shows that there would be an Indian Operating company controlled by a Mauritius company. The diagram shows that Emerging Media and Australian shareholder and SI shareholder would be the shareholders in the Mauritius Company. The diagram shows that there would be three set of shareholders.
14. I attended the first workshop of the franchisee owners. I attended two franchise workshops in Bangkok. I also attended the players' auction in Goa in 2009. I recall Mr. Manoj Badale attending the player auction in 2008. I do not remember who else was present for Rajasthan. I believe I have met Mr. Suresh Chellaram but I do not remember meeting with Mr. Aditya Chellaram. I met Mr. Suresh Chellaram probably in London. If I am sure, it is the same person that I have in mind.
15. In the bid document Mr. Fraser Castellino is mentioned as the CEO of Emerging Media. I believe Mr. Manoj Badale was both in Bangkok conferences representing the Rajasthan Royals. These conferences were around the month of October, 2008 and October, 2009. I don't recall whether Mr. Fraser Castellino attended these conferences. He may have attended them. I recall, Mr. Shantanu Chari attending the 2009 conference.
16. I remember that one of the persons we dealt with for Rajasthan IPL in 2008 prior to the agreement was Mr. Fraser Castellino. I do not remember dealing with Mr. Manoj Bithal. I may have dealt with him. I don't recall any email exchange between myself, Ms. Vandana Gupte and Mr. Manoj Bithal. There could have been a Telecon between Mr. Manoj Badale and myself. I cannot recall any specific conversation. The first player auction took place in mid February, 2008 as far as I recall. I attended this auction. I remember Mr. Manoj Badale attending the auction. I spoke to him about the player purse issue. The issue was whether the full purse had to be spent or a franchise could spend a part of it. Rajasthan did not spend its full purse. I don't remember whether it was the only team which did not spend its full purse. I only attended one third of the auction.

17. I cannot say anything about the state of mind of those representing the Rajasthan Royals. They believed that they did not have to spend the maximum purse. There was a confusion because the rule did not oblige the teams to exhaust the entire purse but to the best of my memory in a pre-auction meeting with the teams, Mr. Modi had said that it was mandatory to spend the entire purse. This is as far as I can remember.
18. Ms. Vandana Gupte was involved in executing the franchise agreement with the successful bidders. I don't know or recall if she was in touch with Mr. Manoj Bithal or Mr. Fraser Castellino in relation to the Jaipur IPL. I believe that Mr. Fraser Castellino may have supplied the name of Jaipur IPL to Ms. Vandana Gupte.
19. It is correct that Mr. Modi sent an e-mail to all successful bidders that if they wanted to form a new company, they should co-ordinate with me.
20. I have no opinion on the matter that if you spend more you get better players/team. I am not able to comment since this is not my area of specialization that more you spend or a better purse gets you a better team.
21. In the 2009 auction the amount available with the teams was far less than in 2008. I don't remember the exact details. I did not attend the auction itself but I did speak with the franchisees before the auction regarding the ECB player release issue for the 2009 auction.

**Per Disciplinary Committee** - (Counsel has put a question whether Chennai Superkings tried to increase their purse in 2009 by dropping one player. The question is disallowed since this question does not relate to any charges against Mr. Modi though the counsel tried to justify the question as relating to his general defense).

22. IMG is not involved in the organization of the Champions League T-20. In 2008 IPL, most English players did not participate. I cannot recall why, but it may be a part of some public record. I am led to believe that the ECB wanted a share in the Champions League T-20 which Mr. Modi and the BCCI declined.
23. When Mr. Modi e-mailed the successful bidders to contact me in case they wish to form a new company, I sent an e-mail to bidders to contact Ms. Vandana Gupte. **BCCI W2/3** is a copy of Mr. Modi's e-mail to successful bidders and me.
24. Counsel presents an e-mail from Ms. Vandana Gupte to all successful bidders asking for details of the names and registered office of the entities. The same is marked as **BCCI W2/4**. I don't recall this e-mail but it must have been sent.

25. The counsel presents e-mail from Mr. Shantanu Chari giving details of names and registered offices. Witness - "It looks like e-mail from Chari to Ms. Vandana Gupte". It is marked **BCCI W 2/5**.
26. I assume this is the same Mr. Shantanu Chari present in the Workshop on behalf of Rajasthan Royals. Ms. Vandana Gupte's e-mail was responded to by Rajasthan Royals. I am not aware if any further requisitions were sent by Ms. Vandana Gupte. There may have been some.
27. I had sent an e-mail to all successful bidders asking them to send details of their proposed corporate structure and Director. I do not remember receiving a reply from Rajasthan Royals. This was to be sent to Ms. Vandana Gupte. I don't recall this being sent to her.
28. It is correct that I did not refer to the non-compliance of my requests to send corporate details in my witness statement.
29. At the time of issuance of the parent company guarantee, the issue of corporate structure figured in the discussion as to who should provide the guarantee for the bidder.
30. I recall the Rajasthan Royals representative stating that the Indian Company is owned by Mauritius Company and not by Emerging Media. It was the point of view of Rajasthan Royals that the Mauritius Company should be the provider of the guarantee.
31. **Q. Are you aware that at the time of the discussion regarding issuance of parent company guarantee, the entire corporate structure mentioned in the eligibility letter was explained as having been formed and therefore the guarantee was to be given by the Mauritius Company?**
- A. I do not recall the entire discussion in this regard since it was with Ms. Vandana Gupte. However, I recall that there were other companies which in turn controlled the Mauritius Company and the suggestion was that the parent company guarantee be provided by the Mauritius Company.
32. The eligibility letter given with the bid of Rajasthan stated that three companies would control the Mauritius Company.
33. **BCCI W2/6** are a series of e-mails between Mr. Manoj Bithal and Ms. Vandana Gupte in regard to the corporate structure of Jaipur IPL. The e-mail states that the initial investment of 5 million dollars was made by Emerging Media on behalf of the shareholders of the Marutitius Company.
34. It was on the basis of explanation as contained in the e-mail that IMG on behalf of the BCCI permitted the Mauritanian holding company to give the parent

company guarantee on behalf of Jaipur IPL. This permission was granted by e-mail dated the 10<sup>th</sup> June 2008 which was marked to me. I do not recall thereafter asking for any further detail on the corporate structure of Jaipur IPL.

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**Note:** Today, the cross examination of Mr. John Loffhagen started at 10:00 a.m. and continued beyond 1:00 p.m. The cross examination remained inconclusive and shall continue from 6:00 p.m. Counsel for Mr. Modi says that immediately after concluding this cross examination, the balance cross examination of Mr. Peter Griffiths would also be concluded.

The aforesaid statement has been read by me and I accept it to be accurate.

**(John Loffhagen)**

Date: 27<sup>th</sup> September, 2010

**ARUN JAITLEY                      JYOTIRADITYA M SCINDIA                      CHIRAYU AMIN**

**BEFORE THE DISCIPLINARY COMMITTEE, AT TAJ PALACE,  
NEW DELHI**

Date: 28<sup>th</sup> September, 2010

**BCCI WITNESS NO.2**

**Mr. JOHN LOFFHAGEN**

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**Continuation of Cross Examination of Mr. John Loffhagen by Mr. Kotwal and  
Mr. Swadeep Hora on 28<sup>th</sup> September 2010 at 10:00 A.M.**

1. Witness volunteered at the commencement of the proceedings – “I have checked the record relating to Mumbai Indians. The franchise agreement was signed by Rathipriya which subsequently changed its name to IndiaWin.

2. I have not given any advice to Mr. Modi on whether he should or should not sign the franchise agreement.
3. I remember hearing about Mr. Kundra setting up meeting in connection with the organization of the Arab League.
4. My opinion was sought in this connection by the BCCI. I do not remember whether it was Mr. Sundar Raman or Mr. Modi or could be both.
5. I was aware that Mr. Modi was opposed to ICL and the organization of other unofficial leagues. I had therefore, included a paragraph to that effect in the franchise agreement.
6. In my e-mail dated 8<sup>th</sup> April 2010, I had quoted the definition of an 'unofficial league'. This definition was based on what I had drafted in the franchise agreement.
7. It is correct Mr. Modi had warned Rajasthan Royals if they participated in any unofficial league they would be penalized. An e-mail to this effect is marked **BCCI W2/10**.
8. I prepared the first ITT in the year 2007-2008. I had also prepared the franchise agreement. For the year 2010, I made changes under instructions from Mr. Modi in the franchise agreement based on our experience of the first two years.
9. I agree that the franchise agreement forms part of the ITT as Schedule-II.
10. I would guess that the first version of the franchise agreement for 2010 was prepared sometime in November, 2009.
11. All drafts of the franchise agreement and the tender document were sent by me to Mr. Modi and he would have a copy of it. Even I have a copy of it.
12. I do not have the copy right now but I will have access to the draft.
13. The process of finalization of the tender document would be roughly the same as the earlier one. I would make a draft and send it to Mr. Modi, Mr. Peter Griffith and Mr. Andrew Wildblood. They would respond with their suggested changes. I would mark up the draft and send them iteration. After this process was completed, the final draft would be sent to all these three gentlemen.
14. The February, 2010 franchise agreement which was subsequently cancelled was finalized at a date which I cannot recall. I will have to check up.

15. The franchise agreement forms a part of the tender document. Until the franchise agreement is finally settled, the tender document cannot be finalized. Theoretically, the rest of the document could be ready and completed.
16. There were certainly changes prior to the finalization of the tender document. 19<sup>th</sup> February 2010 was a Friday. Prior to this, one change that I remember was in relation to the revenue sharing model of 2008 franchise agreement. Another change was with regard to the bids being submitted earlier and being opened on a subsequent date. In 2008 they were submitted and opened simultaneously on the same day.
17. I don't recollect the time and the date when these changes were made.
18. I shall check up the same and inform the Committee.
19. I will not be able to remember all the changes that took place.
20. The two changes that I have mentioned were significant among the changes. There were other changes also.
21. (Counsel states that he would be cross examining on basis of the next document referred to without admitting to its veracity or its submission to the Governing Council). The document dated 17<sup>th</sup> December 2009 does not contain a copy of the franchise agreement.
22. I cannot state what is missing in this document compared to the February, 2010 document without checking.
23. In March, 2010 one of the winning franchise pertained to Kochi.
24. The December, 2009 document does not mention Kochi as a qualifying franchise stadia.
25. There were various qualifying stadia that were different in the 2010 version of the document compared to December 2009.
26. I do not recall when these changes in stadia were made.
27. I will have to check whether these changes were on record in the 19<sup>th</sup> or 20<sup>th</sup> February 2010 version. In addition, Schedule-VI also appears to be different in both these versions of December, 2009 and February, 2010.
28. I cannot recall when these changes were made.
29. **Q. Would you agree there are various changes in the February, 2010 version and the alleged December, 2009 version in Schedule-I, Clauses**

**11.9, 10.6, 10.3, 10.2, 9.9, 9.6, 9.3, 9.2, 9.1, 8.4, 7.2, 7.1(b), 7.1(c), 4.1, 4.2, 4.3, 3.10, 3.3(1), 3.2.? When were each of these changes made?**

A. In order to agree, I will have to check each of those clauses and I cannot recall when these changes were made.

30. There were various changes between the 2007 published version and the December, 2009 document.

31. **Q. I put it to you, that you sent the franchise agreement for the second ITT for the first time on 22<sup>nd</sup> January 2010 to Mr. Modi, Mr. Peter Griffith and Mr. Andrew Wildblood?**

A. I cannot recall the date on which I first sent the document.

32. On being shown a document dated 22<sup>nd</sup> January 2010, the witness confirms that this is an e-mail sent by him to Mr. Modi, Mr. Peter Griffith and Mr. Wildblood. The document is marked as **BCCI W2/11**.

33. On being shown a document dated 9<sup>th</sup> February 2010, the witness confirms that it is an e-mail sent by him and it is marked as **BCCI W2/12**.

34. The draft of December, 2009 was not a document which was ready to be published and issued since it lacked the franchise agreement and was therefore incomplete.

35. As Kochi was not mentioned as a qualifying stadia in the draft of December, 2009, it would be correct to assume that Kochi would not have been a qualifying stadia if the December, 2009 draft had been issued and published.

36. When I responded by e-mail dated 29<sup>th</sup> May 2010 listing the changes in the ITT, I do not remember whether I was replying to an e-mail from the President or from someone else. It may even been an oral request.

37. I do not remember as to who had made the request.

38. (When confronted with his witness statement, witness added - "this request could have been in the meeting of 17<sup>th</sup> May 2010."

39. The e-mail dated 29<sup>th</sup> May 2010 does not make a distinction between the changes made on 20<sup>th</sup> February 2010 and on other dates.

40. **Q. The e-mail dated 29<sup>th</sup> May 2010 does not indicate changes having been made on 20<sup>th</sup> February 2010?**

A. The attachment does not indicate the dates on which changes were made.

41. **Q. In the email dated 29<sup>th</sup> May 2010 you did not indicate the Clauses to which changes were made on 20<sup>th</sup> February 2010?**

A. I answered the request made to me by President BCCI in which I was specifically asked to send certain documents which I did. I, therefore, had not been asked to indicate the clauses to which changes were made on 20<sup>th</sup> February 2010 and therefore I did not do so.

42. I was involved in the bid process when the bids were opened in March 2010.

43. I don't remember the exact name of the bidder of Kochi franchise but I recall it was some sort of consortium.

44. I don't remember whether the franchise bid was signed by one member or by all members of the consortium.

45. The version now presented to me appears to be signed by one person.

46. I was also one of the lawyers in the bid opening process in 2010.

47. I don't know whether I advised Mr. Modi that all members of the consortium should sign the franchise agreement or else IPL would be entitled to treat their bid as non-compliant. On being shown an e-mail dated 8<sup>th</sup> April 2010 marked as **BCCI W2/13** I confirm that I had in fact given such advice to Mr. Modi.

48. On being shown the bid document of the Kochi bidder I can confirm that there appeared to be six members of the Kochi consortium.

49. I do not recall if any structure of the bidders was stated in the bid document.

50. I don't remember if the six members of the Kochi consortium had supplied their inter se joint venture or relationship agreement/details on submission of their bid.

51. **Q. I put it to you that along with the bid on 21<sup>st</sup> March 2010 no unincorporated joint venture agreement was submitted by the Kochi bidder?**

A. I do not recall.

52. **Q. I put it to you that the UJV agreement was submitted to you after your e-mail dated 8<sup>th</sup> April 2010 ?**

A. I don't know. I do not recall

53. In the Kochi UJV agreement that I have now seen, there are seven investors. In that document one party Rendezvous Sports World Pvt. Ltd. is named twice as investor 1 and 2.
54. There is a second UJV agreement. The first one bears a seal and the second one does not. Both these documents bear the same date. There are differences in the text of both these documents. I do not know which document supersedes the other since I have not considered the matter.
55. I am not sure how to distinguish between the stake holder of Investor-1 and Investor-2.
56. I do not recall whether Investor-1 of Kochi bidder was to make a Zero Investment in the franchise and get 25% shares in the UJV.
57. I have no idea about the internal arrangement of Kochi bidder and that the investment of 75% shareholders would run the entire franchise.
58. If 25% equity was awarded for no consideration on day one unconditional. I would not consider it as sweat equity.
59. **Q. What would you call this 25% stake if not sweat equity – a gift, commission or kick back?**
- A. Since I do not know the entire circumstances behind this alleged allotment, I don't have any comment.
60. **Q. If a particular bidder had paid a bribe or a kick back to obtain a franchise, would that conduct entitle the IPL to debar that bidder?**
- A. I suppose it may. It would depend on the circumstances.
61. IPL would be entitled to make an enquiry as to the circumstances in which such payment/allotment of shares was made.
62. I would need to know the circumstances before I can answer the question whether a political interference in the matter of award of a franchise could be enquired into and action taken by the IPL.
63. I have heard the name of Dr. Shashi Tharoor, a former Minister in the present Government, who had resigned on this issue.
64. I am not aware whether the above named Minister interfered in the inquiry of the circumstances of 25% alleged free equity.

65. If a Minister interfered in an inquiry, at the instance of a bidder, it would depend on the circumstances whether IPL could take action or not. It possibly could.

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**Note:** Today, the cross examination of Mr. John Loffhagen started at 10:00 a.m. and continued till 1:30 p.m. The cross examination remained inconclusive and shall continue from 4:30 p.m today i.e. 28<sup>th</sup> September 2010.

The aforesaid statement has been read by me and I accept it to be accurate.

**(John Loffhagen)**

Date: 28<sup>th</sup> September, 2010

**ARUN JAITLEY**

**JYOTIRADITYA M SCINDIA**

**CHIRAYU AMIN**

**BEFORE THE DISCIPLINARY COMMITTEE, AT TAJ PALACE, NEW  
DELHI**

Dated: 28<sup>th</sup> September, 2010

**BCCI WITNESS NO.2**

X X X

**Continuation of Cross Examination of Mr. John Loffhagen by Mr. Kotwal and  
Mr. Swadeep Hora on 28<sup>th</sup> September 2010 at 4.30 PM**

1. **Q. For how much was the Kochi bid won?**
2. A. It was about US\$ 330 million.
3. I don't recollect that the Kochi bidders put a cap of US\$ 15 million on their contribution.
4. **Per Disciplinary Committee** - (Counsel asks the witness to read the UJV and depose as to its contents). Question disallowed as it relates to the contents of the document. Counsel says that it may be recorded that he wants to ask on the contents of the document in order to build the sequitur).
5. I did not hear anyone on behalf of the Kochi bidders who said that their investment liability was limited.
6. I can't recall who were present in the meeting. I cannot specifically state whether Mr. Amin or Mr. Jaitley were present.
7. **Q. Would the ability of the bidder to fulfill his obligation be restricted if the investment liability was limited given the volume of bid amount?**  
  
A. That would depend upon a number of circumstances. The bidder may have access to bank borrowings.
8. **Per Disciplinary Committee** - (Counsel asked a question whether witness has been associated drafting of franchise agreement. This has already been asked and answered. Even earlier we have pointed out to Counsel questioning the witness that questions that have already been answered may not be repeated. Counsel is once again requested not to ask questions already answered).
9. To my mind there is no provision in the franchise agreement where compensation could be claimed or paid for the cancelled CLT-20 matches.
10. I am aware compensation was paid to two teams for cancellation of 2008 CLT-20.

11. Chennai Superkings was one of the two teams. I do not recollect the amount of compensation paid.

12. I don't recollect that my opinion was sought before paying the compensation.

13. **Q. Was this a bonanza paid to the Chennai Superkings by the IPL?**

14. **Per Disciplinary Committee** - The question is disallowed. Counsel says it relates to his general defense of malice. The question does not relate to any charge against Mr. Modi. The witness has stated that he was not consulted in the matter therefore the question is not relevant.

15. **Q. I put it to you that the contract between the BCCI and franchisees is governed by a contract and this was a non-contractual payment and a non-tortious payment?**

**Per Disciplinary Committee** - Question disallowed for the reasons stated above.

16. I am aware that BCCI terminated its contract with Sony in first quarter of 2009.

17. I am aware that IMG assisted BCCI in preparing notices issued to Sony with respect to alleged violations by Sony.

18. **Q. I put it to you Mr. Loffhagen that you were advising Mr. Modi on how to deal with Sony breaches and negotiate with Sony based on legal analysis?**

I was involved in giving legal advice on this issue and I visited India in February 2009 with regard to this. The primary reason for my involvement was that Mr. Paul Manning's visa had not been renewed and once it was renewed in a month my involvement in this issue became tertiary.

19. I was involved in advising Mr. Modi on this issue during the month of February, 2009 in India and the UK.

20. I do not recall giving advice to Mr. Modi that Sony had not committed any material breach and their termination may not be sustainable in court.

21. I may have advised Mr. Modi that Sony may obtain injunctive relief in court and this will disable BCCI to grant rights to anyone else, but I cannot recall in detail.

22. I may have advised Mr. Modi that IPL may be liable for damages. But I cannot recall exactly since I had not read all my paper before coming for testimony.

23. I remember a meeting in 2009 where in view of certain significant breaches by Sony Mr. Modi felt that he was entitled to terminate the agreement. BCCI did in effect terminate the agreement.
24. It is correct that post termination, in the second Sony contract the value of the media rights had significantly increased.
25. Counsel shows the e-mails to the witness marked as **BCCI W2/14**. Witness agrees that these are e-mails between the witness and Mr. Modi.
26. Before coming to give this testimony I had studied some of the papers relating to the Rajasthan Royals but not the ones relating to Sony. No one in the BCCI asked me to read these papers.
27. **Q. Who informed you that Mr. Modi is facing a charge about inserting a clause?**
- A. I came to know from the Show cause notice as also from the conference call I had in early September 2010.
28. **Q. On 26<sup>th</sup> September 2009 you had mentioned that you had not read the show cause notice and that you derived the knowledge from the media?**
- Per Disciplinary Committee** - (Question disallowed since witness has already stated that he derived the knowledge of the show cause notice in the media).
29. I recollect reading it online. I don't recollect on which site. I do not know whether the actual show cause notice was published or a gist of it.
30. My statement in the witness statement that two clauses were inserted in ITT 2010 was not solely based on media reports.
31. I have read the show cause notice. I have never said that I have not read it.
32. It was Mr. P.R. Raman who informed me that the charge was of inserting two clauses. I had no reason to disbelieve Mr. Raman.
33. It was Mr. P.R. Raman who told me that draft ITT was approved in Governing Council meeting in December 2009.
34. The December 2009 draft did not contain the franchise agreement and therefore could not have been approved for publication.
35. **Q. Therefore when Mr. P.R. Raman told you that on 17<sup>th</sup> December 2009 that a draft had been approved, he was not correct?**

A. We had a conversation where I was told that the document was placed before the Governing Council and the document was sent to me.

36. The understanding was incorrect to the extent that it was approved for final publication.

37. I have no personal knowledge on this part of the statement.

38. I did not read the show cause notice shortly before making this witness statement. I believe I have read it once earlier when I received it.

39. **Q. Who provided you a copy of the show cause notice?**

A. A copy of the show cause notice was sent to me by Mr. Modi. I had not asked for it.

40. **Q. You had on the 26<sup>th</sup> September 2010 made a statement before the Committee – “I did not ask for a copy of the show cause notice. As far as I recall the entire show cause notice was published in the media. I had read two show cause notices and both I think were in the media.” Are you now contradicting your earlier stand?**

A. No. I may be wrong but I do recall there was large publicity and I have read the show cause notices in the media.

41. **Q. Please see the show cause notice. Where does it say that after draft was placed before the Governing Counsel on 17<sup>th</sup> December 2009, Mr. Modi, inserted two clauses?**

**Per Disciplinary Committee** - Disallowed as it relates to contents of draft.

42. **Q. I suggest to you that there was no such allegation in the show cause notice?**

A. I would need to read the show cause notice again.

43. **Per Disciplinary Committee** - Counsel is again requested not to put questions which relate to the documents.

44. If the show cause notice does not contain the charges which I was informed and are referred to in my witness statement then to that extent my witness statement may be inaccurate.

45. **Q. If the above is correct you have been misled?**

**Per Disciplinary Committee** - The question is hypothetical and not allowed.

46. It is correct that on the 6<sup>th</sup> March 2010 I received a phone call from Mr. Lalit Modi asking me to bring certain changes in the ITT. I do not recollect whether all changes were mentioned in this call or previously.
47. I was aware that the new franchisees were to be awarded on the 7<sup>th</sup> March 2010.
48. On the 6<sup>th</sup> March, 2010 Mr. Modi had asked me to do certain corrections to the ITT which I did.
49. The e-mail dated 6<sup>th</sup> March 2010 marked as **BCCI W2/15** was sent by me. I do recollect that I came to the meeting of the Governing Council on 7<sup>th</sup> March 2010 with the document containing the changes. Thereafter, I spoke to the President, who asked me to make some other changes particularly with regard to submission of the bid in the meeting on the date of award, on 21<sup>st</sup> March 2010 at Chennai.
50. I do not know who all were circulated a copy of the tender published on 22<sup>nd</sup> February 2010. On being shown **BCCI W2/16** is an e-mail from Mr. Peter Griffith to various persons to whom this draft appears to have been circulated.
51. My e-mail to the President dated 29<sup>th</sup> May 2010 does not specify as to who made what changes and when.
52. I recollect clearly that on the 20<sup>th</sup> February 2010 I prepared the draft changes on instructions after being told by Mr. Peter Griffith and sent it back to him. He was in a meeting with Mr. Modi and Mr. Sundar Raman. Mr. Griffith spoke to me telephonically.
53. **Q. I put it to you that you are not showing me the intervening mails since they would indicate as to when the document was changed?**  
  
A. I am prepared to disclose the relevant e-mail.
54. I don't recall receiving e-mail from Mr. Modi in relation to compliance of the purse cap of each Franchise.
55. It is possible that in relation to Rajasthan Royals all the mails addressed to the franchisees were marked to Mr. Manoj Badale, Mr. Suresh Chellaram and Mr. Murdoch.

X X X

**Note:** The cross examination of Mr. John Loffhagen in the evening session started at 4:30 p.m. and continued till 7:30 p.m. The cross examination remained inconclusive and shall continue from 3:00 p.m. on 28<sup>th</sup> September 2010 at Cricket Centre, Mumbai. The witness Mr. John Loffhagen states that he has to appear before the Enforcement Directorate, Mumbai in the morning and would thereafter appear before the Disciplinary Committee. Mr. Peter Griffif would also be in Mumbai along with Mr. Paul Manning and they would be available for cross examination.

The aforesaid statement has been read by me and I accept it to be accurate.

**(John Loffhagen)**

Date: 28<sup>th</sup> September, 2010

**ARUN JAITLEY                      JYOTIRADITYA M SCINDIA                      CHIRAYU AMIN**

**BEFORE THE DISCIPLINARY COMMITTEE, AT CRICKET CENTRE,  
MUMBAI**

Dated: 29<sup>th</sup> September, 2010

**BCCI WITNESS NO.2**

**Mr. JOHN LOFFHAGEN**

X X X

**Continuation of Cross Examination of Mr. John Loffhagen by Mr. Kotwal and  
Mr. Swadeep Hora on 29<sup>th</sup> September 2010 at 3:00 p.m.**

1. **Per Disciplinary Committee** – The cross examination had to commence at 3.00 p.m. It is now 3.30 p.m. Counsel are requested to begin the cross examination of the witness.

2. **Witness volunteers** – Yesterday, when I had made a reference with regard to disclosure of e-mail communication, I was only referring to an internal communication in IMG from Mr. Peter Griffiths to me on 20<sup>th</sup> February 2010. Since that was an internal communication of IMG, I was making an exception in that regard. I understood a possible confusion in my statement on the basis of the discussion that I had with Mr. P.R. Raman today morning.
3. This morning's discussion was at my instance when I brought the e-mail written from Mr. Peter Griffiths to me. I discussed with Mr. P.R. Raman about this e-mail which I thought I had to produce. He told me that he understood that I was making a general disclosure of all e-mails to which I clarified that I had only this e-mail in mind. I met him at 9.30 a.m. today morning.
4. We had discussion relating to the case which I am not willing to disclose. I do not think it was improper for me to discuss the case with Mr. P.R. Raman while my testimony is on.
5. By affirming my affidavit, I meant that I was speaking the truth. I do not believe that any concealment of material fact would contradict what I have affirmed. I have answered the question that I was asked. I do not understand the question that I can only affirm what is personally known to be true. I find the distinction difficult to understand that I cannot affirm what is told to me or believed to be or made to understand to be true.
6. **Q. Can there be an affirmation to a conjecture?**  
  
**Per Disciplinary Committee** – Question disallowed since it relates to interpretation of law.
7. One cannot affirm to a false statement.
8. **Q. Did you have discussion with Mr. P.R. Raman as to what to disclose and what not to disclose before the Disciplinary Committee?**  
  
A. The only discussion I had with Mr. P.R. Raman is what I have already disclosed; that it was about disclosure.
9. I also discussed with Mr. P.R. Raman on the first day of my testimony as to what the BCCI was permitting to disclose or otherwise. With regard to disclosure he (Mr. P.R. Raman) has already stated before the Disciplinary Committee what the BCCI's position is.
10. **Witness volunteers** – This was on account of requirement of confidentiality.
11. All contracts that IPL had entered had not been discussed.

12. I think Mr. Chirayu Amin was present on the 17<sup>th</sup> May 2010. I cannot recall exactly. I don't recall that theatrical rights were discussed in that meeting. The main issue that I responded to was a question by the President relating to the Rajasthan Royal tender document. Mr. Andrew Wildblood, Mr. Peter Griffiths and I were all present together in the meeting. I do not think, they answered any question. We also discussed our case with Mr. Giles Clarke and our contract with BCCI, both briefly. I did not record any minutes of the discussion. I am not aware if anyone else did.
13. The President did not inform me that he was chairing the Disciplinary Committee, as far as I recall. In preparation to the meeting, I thought that we would be discussing the points detailed in the e-mail request. Due to the press reports, I also thought that we will be discussing our contract with BCCI. I spent 45 minutes in the questioning. I did not prepare specifically to discuss the Rajasthan Royals issue in the meeting.
14. I remember that there was some press report with a view that our contract with BCCI would be discussed in the ensuing meeting and they were reports of it being terminated.
15. IMG and its affiliate have roughly four contracts with BCCI. Services contract, TV production contract, Addendum to production contract and second services contract are the contracts that we have with BCCI. I do not understand what you mean by a vendor contract. If you clarify what the word 'vendor contract' means, I will tell you if one of the earlier four is a vendor contract.
16. **Q. You tell us which one of the four is the vendor contract?**  
  
**Per Disciplinary Committee – Question disallowed.**
17. I understand the word 'vendor' means a 'seller'. All the four contracts relate to services provided to the BCCI for the IPL. We do not sell goods to the BCCI. Three of these contracts were entered in the year 2009. The second services contract is one that I cannot recall the date. I do not know whether the BCCI recorded the meeting of 17<sup>th</sup> May 2010. There were contracts between BCCI and IMG in relation to IPL 2009 in South Africa. I recall one or two of them but I am not sure.
18. I am not prepared to disclose the revenue earned by the IMG from the IPL. BCCI has not prohibited me from disclosing how much we earn from the BCCI. IMG started providing services to IPL roughly from September, 2007 onwards. MoU with BCCI was signed by IMG sometime in September/October, 2007.

19. I believe IMG played a significant role in success of IPL. It is correct that Mr. Modi was always supportive of the role of IMG. I believe that the IPL was a successful league.
20. Through press reports, I gathered that BCCI was contemplating terminating our contract but when I met with Mr. Manohar he clarified that this was indeed not the case and that the BCCI was happy with the quality of services we were providing. If our contracts were terminated, we would be very disappointed and there would be loss of revenue, whether that would be considerable would vary by opinion.
21. In 2009, the MoU I referred to above was terminated. Following consultation, two new contracts were drawn up in October, 2009. This was widely reported in the press and based on well known circumstances. I am not prepared to go into the issues between the IMG and BCCI. But if any one search from the Internet, it would be clear.
22. **Q. Was there an issue between the IMG and BCCI with regard to quantum of fee payable to IMG?**
- A. The quantum payable to the IMG was one of the issues speculated in the media. I am not prepared to discuss the IMG and BCCI discussion in this regard.
23. I do not know whether Mr. Manohar met IMG representatives at London and discussed the issue. However, one or two BCCI representatives had met Mr. Andrew Wildblood at London in June or July, 2009. I didn't attend that meeting. I was told that Mr. Srinivasan attended that meeting. No, I am not saying that there have not been press reports subsequent to 17<sup>th</sup> May 2010 regarding termination of contract.
24. I didn't attend the franchisee meeting though I believe one did occur after the suspension of Mr. Modi. I believe it was in June, 2010. No one from IMG attended that meeting. I don't know that this is the first franchise meeting unattended by IMG. At least six or seven franchisees meets including workshops have been held. IMG was present in all these meetings.
25. I am aware that IMG personnel traveled from London to attend the franchise meeting in Mumbai in June, 2010. I was not present in the meeting. Therefore, I don't know whether Mr. Amin attended. Mr. Peter Griffiths came to the Cricket Centre but did not attend. That was because IMG was not invited to attend the meeting and was asked to sit out. It was not explained as to why we were asked to sit out.

26. I didn't find out and I don't know whether IMG did either. Yes, there was a Governing Council meeting on 5<sup>th</sup> September 2010. I don't recall reading any press reports about IMG being in trouble about IPL mess.
27. On being shown the press article, the witness does not recall seeing it. It is marked **BCCI W2/17**.
28. **Q. I put it to you that threats of IMG termination has resulted in you signing a witness statement?**
- A. It is entirely untrue.
29. **Q. I put it to you that you are giving evidence against Mr. Modi in order to save your contract with the BCCI?**
- A. It is entirely untrue.
30. I was presenting at the Governing Council meeting on 7<sup>th</sup> March 2010. Before the meeting started, I had already made most of the changes to the original published ITT. I had a document with me in the Governing Council meeting of 7<sup>th</sup> March 2010. But perhaps the date of bid submission was not mentioned. It was not ready to be published document. I do not remember Mr. Manohar informing the meeting that he had a telephonic conversation with Mr. Jaitley. I do not recall Mr. Modi mentioning that he had included these conditions after discussing with the President. I joined the meeting after it had commenced. I only attended a part of the meeting. He may have said this earlier. I attended meeting for the latter half right till the end.
31. I do not recall whether Mr. Manohar confirmed that Mr. Modi had spoken to him about this condition. I attended when they were talking about expenses and Mr. Prasanna was present. They discussed the cancellation of the tender document and other matters. I don't remember what Mr. Amin said regarding cancellation of tender document.
32. I spoke to Mr. Peter Griffiths at least two to three times at least on 20<sup>th</sup> February 2010. I spoke to him on my home telephone number.
33. On the Bank guarantee, Mr. Peter Griffiths sought an opinion from external Indian lawyer during the week end. I don't know whether it was Khaitan & Co. I discussed with Mr. Wildblood the changes that IMG had been asked to make during that week end.
34. Counsel produces an e-mail from Mr. Andrew Wildblood and shows it to the witness, which is marked **BCCI W2/18**. The witness agrees that it relates to some of the discussions they had.

35. Mr. Andrew Wildblood is the over all in-charge of our relationship with the BCCI. I don't recall Mr. Modi being told by Mr. Andrew Wildblood to take an opinion from Ambit. I don't recall whether the draft went to Mrs. Akhila or to Mr. Prasanna Kannan and Mr. P.B. Srinivasan.
36. The President did not inform me on the 17<sup>th</sup> May 2010 that he had given approval to Mr. Modi for the inclusion of these two conditions in the tender document.
37. I do not recall the President saying that he had told Mr. Modi on 6<sup>th</sup> March, 2010 to tell IMG to remove those two conditions. I do not know whether the President and Mr. Modi discussed this issue between themselves prior to Mr. Modi calling me on 6<sup>th</sup> March 2010. I am not aware.
38. I do not remember specifically how many bids came in prior to 7<sup>th</sup> March, 2010. I recall herein that there were two. It is correct that the bids were supposed to be received until 5<sup>th</sup> March 2010 at the IPL. I have heard that a bid for Kochi came in late on 6<sup>th</sup> March 2010.
39. I am aware that in late January, 2008, IPL exercised its discretion not to accept late bid.
40. **Per Disciplinary Committee** - At this stage the time that was indicated to Counsel for conclusion of cross examination of the witness is over. Counsel says he will take one more hour till 6.45 p.m. Counsel is requested to complete the cross examination within this time. It may be mentioned that the witness statement of this witness is of two and half typed pages and the witness has already been here for seven days from England. Two other witnesses from England have been waiting outside for their cross examination. Counsel is requested to commence the cross examination. Counsel made a statement that he would complete the cross examination within one hour. He now says that he would be handicapped if a time limit is placed. Counsel is again requested to commence and complete the cross examination.
41. I would need to see the document of the second ITT in order to opine whether it contains a condition that parties could contact the IPL for clarification.

**Per Disciplinary Committee** - Even though we allowed this question to be answered, Counsel is reminded that it refers to the contents of the document which is already on record.

42. I did see some clarification after the publication of the ITT. I do not recall being asked to amend the ITT between 22<sup>nd</sup> February 2010 and 6<sup>th</sup> March, 2010. I do not remember the identity of the clarification seekers. I do not remember if a Kochi bidder sought a clarification.

43. I do not remember the subject matter of clarification and, therefore, cannot confirm whether clarification was sought on net worth and bank guarantee amounts.
44. I am not aware whether the President wanted to help the late Kochi bid and therefore, asked Mr. Modi to prepare a fresh tender. I had read in the newspaper regarding certain share holding in the Kochi bid mentioned in Mr. Modi's tweet. Mr. Tharoor resigned on that issue.
45. I have no idea if the Governing Council was told on 21<sup>st</sup> March 2010 that an intangible effort had been made and services rendered by sweat equity holders in obtaining the franchise.
46. I do not know if the sweat equity holders have rendered any service to the franchisees. I do not believe that those persons who got sweat equity rendered any services to the IMG. I do not know whether they rendered any services to the IPL. I do not know if the sweat equity holders made any efforts before, after, or during the bids with the IPL.
47. IPL is a sub-committee of the BCCI. I do not know if the President is the executive head of the BCCI. I know now that there was an issue about signing the Kochi franchise agreement. I do not recall if I knew it at that time.
48. I have now come to know through rumors that the President had insisted that the franchise of Kochi should be signed as soon as possible. When we met Mr. Amin in London, we discussed the forthcoming season; the number of matches because there were 10 teams and the player auction. I do not recall discussing which stadium is to be given to Kochi team.
49. I do not know if any stadium has been finalized even now. I do not know if there is an approved constitution of the IPL. There are operational rules for the IPL.
50. I have checked and found only two correspondences between myself and the President following the suspension of Mr. Modi of which I have subsequently supplied one. There may have been occasional correspondences with the President prior to the suspension but certainly were not regular. I will have to check and revert if I can produce them. I cannot produce phone record of Mr. Peter Griffith's call to me on 20<sup>th</sup> February 2010. But I can produce the document.
51. I heard that Sony got an injunction against BCCI after BCCI's termination of the contract. The reason for the rejection by the Court of that injunction was because the rights were owned by some other party or so I heard. I was not sufficiently involved and thus I didn't apply my mind whether agreement with a third party reduced the possibility of injunction against BCCI. As I have said

earlier, I was not involved and, therefore, I cannot comment on whether Sony by dropping litigation and coming to BCCI with the same terms, as the other party, safeguarded the BCCI.

52. I cannot specifically remember telling the President that I was not involved in the signing of the Jaipur IPL contract. But I have said earlier that Ms. Vandana Gupte was responsible for this.

53. Mr. Paul Manning was dealing with the media rights issue and he did not attend the meeting on 17<sup>th</sup> May 2010. I did not point out to the President that best clarifications on the issue of media can be given by Mr. Paul Manning. I do not recall us discussing it, as Mr. Paul Manning was not present on that day.

54. Mr. Paul Manning attended a meeting with the BCCI roughly two weeks later. I do not know whom he met. I cannot recall whether he discussed the contents of the meeting with me.

55. Mr. Andrew Wildblood is not a Lawyer. The President did not ask Mr. Andrew Wildblood about the ITT on 17<sup>th</sup> May 2010.

56. **Q. I put it to you that some of your statements in the witness statement are mere conjecture?**

A. At least one is.

57. **Q. I put it to you that your entire witness statement is not based on your personal knowledge?**

A. That is incorrect.

58. **Q. I put it to you that the statements made in your witness statement are incorrect and not truthful?**

A. I disagree.

59. **Q. I put it to you that you have not produced at the end of cross examination most of the documents that you were called upon to produce?**

A. You have asked me to produce certain documents. I have agreed to produce some and disagreed to produce others.

60. **Q. I put it to you that at the instance of BCCI you have deposed selectively in the matter?**

I discussed two issues pertaining to the proceedings and those are the two covered in my witness statement.

61. **Q. I put it to you that even on those two issues your witness statement does not contain all that you personally know on the matter?**

A. I have not detailed every single thing in my witness statement on those two issues. But I believe what I have stated represents the truth on those two issues.

62. **Q. I put it to you that you have suppressed material facts on those two issues in your witness statement?**

A. I disagree.

63. **Q. I put it to you that your witness statement was prepared by Mr. P.R. Raman and you signed on the dotted lines?**

A. I have stated how my witness statement was prepared as detail earlier.

#### **Re-examination by Mr. P.R. Raman**

64. I confirm the document **BCCI W2/19**. It was sent to me shortly before finalization of my witness statement.

**Per Disciplinary Committee** - Counsel for Mr. Modi has objected this question in the re-examination. The objection will be considered when arguments are addressed after the conclusion of the evidence.

65. **BCCI W2/20** is an e-mail sent to me by Mr. Peter Griffiths on 20<sup>th</sup> February 2010.

**Per Disciplinary Committee** - It is objected to by the Counsel for Mr. Modi. It is taken on record subject to the said objection.

X X X

**Note:** The cross examination of Mr. John Loffhagen started at 3:30 p.m. and continued till 7:00 p.m. At 7:00 p.m., Mr. P.R. Raman re-examined the witness on BCCI W2/19 and BCCI W2/20, which concluded on 7:15 p.m. The cross examination of Mr. John Loffhagen on these two documents could not commence today. Counsel for Mr. Modi states that he would require one hour for completion of cross examination of Mr. John Loffhagen. The cross examination is permitted on the documents in re-examination. Counsel is, however, requested to complete and conclude the cross examination of this witness within one hour as indicated by him.

The cross examination of Mr. John Loffhagen and other IMG witnesses shall continue through video conferencing on such dates and time as indicated in our order dated 29<sup>th</sup> September 2010.

The aforesaid statement has been read by me and I accept it to be accurate.

**(John Loffhagen)**

Date: 29<sup>th</sup> September, 2010

**ARUN JAITLEY            JYOTIRADITYA M SCINDIA        CHIRAYU AMIN**  
**BEFORE THE DISCIPLINARY COMMITTEE, AT TAJ PALACE,**  
**NEW DELHI**

Date: 14<sup>th</sup> October 2010

**BCCI WITNESS NO.2**

**Mr. JOHN LOFFHAGEN**

X X X

**Continuation of Cross Examination of Mr. John Loffhagen by Mr. S.S. Horra on**  
**14<sup>th</sup> October 2010 at 2:30 p.m. via video conferencing from IMG office in London**

1. I have heard that there was a meeting of the Governing Council of the IPL on 10<sup>th</sup> October 2010. I am aware that the franchise of Rajasthan Royals has been terminated. The view of IMG was not taken on such termination. I am not aware whether IMG had raised a bill on the purchase of shares by Kuki Investments in the Rajasthan Royals as a part of its share in the revenue earned by the BCCI. I am aware that the BCCI under the franchise agreement is entitled to a share in the sale proceeds of the shares of a franchisee. I am not aware if any such request for payment of the proceeds has been made by the BCCI.

2. The proposal submitted by the IMG for IPL - 4 contemplated 10 teams. I have no idea that the franchise of two teams has been terminated in order to accommodate bidders who came 3<sup>rd</sup> and 4<sup>th</sup> on 21<sup>st</sup> March 2010. I do not think that not consulting IMG on this issue puts the role of IMG in suspended animation. I do not remember the exact wordings of the Tender document whether the franchisees were to give an anticipated structure and not an exact structure.
3. I am aware that a notice has been issued to the Kochi franchisee. I am not aware of the reasons why the notice has been issued to the Kochi franchisee. I am not aware that Mr. Modi did not want to sign the Kochi franchise agreement on account of his apprehension that there was no company incorporated by the franchisee. I am aware that there is a dispute amongst the share holders of Kochi. However, I am not aware whether the dispute is between the share holders and the sweat equity holders of Kochi.
4. I have already stated that BCCI W-2/19 was capable of being approved but could not be issued since it was incomplete.
5. **Q: I put it to you that BCCI W-2/19 could not be approved for publication.**
  - A. The document in itself is approvable; however, the docket is incomplete because it does not include the franchise agreement and performance guarantee.
6. If the above two documents (including financial information) are attached to this docket then it will be complete.
7. I have already commented that there is a difference between Schedule-5 and the final version. I am not aware of any financial models being prepared by the IMG for the ITT. May be Mr. Peter Griffith was responsible for that.
8. We had done some work in 2007 with regard to the revenue sharing model which was to be followed. However, the 2010 model was different. I am not sure whether we did some work in 2010. You may ask Mr. Peter Griffith.
9. I got the document BCCI-W2/19 a couple of days before I submitted my witness statement. The document was e-mailed to me as a scanned copy. I cannot produce the e-mail by which this document was sent. This document, I believe, was sent by Mr. P.R. Raman, Advocate. I did not compare this document with my folder of November 2009 draft. The conference call between me, Mr. Sundar Raman and Mr. P.R. Raman was prior to the receipt of this document. The document that I received did contain the endorsement of Mr. Sundar Raman. I did not discuss with Mr. Sundar Raman the endorsement on this document. The document BCCI W-2/20 does not mention about the US\$1 billion net worth. It does not specify that a bank guarantee equivalent to

the entire amount has to be provided to the IPL. I can't remember who made the changes to Schedule-5. Mr. Peter Griffith made some changes to the document and so did I over the week end. But I cannot remember exactly. If a guarantee is obtained from a bank acceptable to IPL, it provides to the IPL a comfort level with regard to the security of the amount. The document BCCI W-2 /20 is not complete mail trail.

10. I discussed the second tender of 2009 with Mr. Peter Griffith and Mr. Andrew Wildblood within the IMG. I am not aware of anything that was hidden from the IMG. I believe that anybody could have purchased the Tender which was issued in February 2010. There were number of questions relating to the Tender but I can't remember a specific complaint with regard to the net worth or the net worth criteria. I first heard about the net worth criteria to be deleted on 6<sup>th</sup> March 2010, when Mr. Lalit Modi informed me.

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**Note:** The cross examination of Mr. John Loffhagen started at 2:30 p.m. and concluded at 4:15 p.m. The witness is discharged.

The aforesaid statement has been read by me and I accept it to be accurate.

**(John Loffhagen)**

Date: 14<sup>th</sup> October 2010

**ARUN JAITLEY**

**JYOTIRADITYA M SCINDIA**

**CHIRAYU R. AMIN**