

# Sport Integrity – Racing as the Frontrunner

Speaker:

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# **INTEGRITY IN SPORTS**

# by Justice Mukul Mudgal

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IPL Probe, Findings and Recommendations

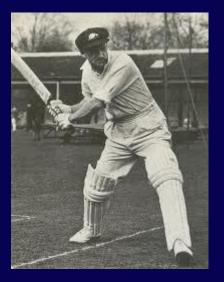




Betting on Horse Racing in India



# **Sporting Spirit**



"The finest of athletes have, along with skill, a few more essential qualities: to conduct their life with dignity, with integrity, with courage and modesty. All these, are totally compatible with pride, ambition, determination and competitiveness"

- Sir Don Bradman

• Principle of sporting spirit imbibed in Olympic Charter

• Sports stand on a higher pedestal of moral standards, contrary to the maxim 'All is fair in love and war'

# **Commercialization of Sports**

- 3% of total global G.D.P emanates from sports
- Bill Shankly on Football: "It wasn't a matter of life and death, it was far more important"
- Financial benefits are changing the status of sports from a mere hobby to a full time vocation
- The vices of greed and corruption slowly creeping into all facets of sports due to economic possibilities



- Betting by stakeholders on matches
- Alleged involvement of players in sporting fraud
- Lack of effective disciplinary action by BCCI
- PIL in Bombay High Court
- Supreme Court appointment



Chalking out the plan of action:

- Coordinating calendars of fellow members
- Consulting wide range of stakeholders across IPL
- Appointment of Administrative Staff
- Creating a secure forum for suggestions
- Fixing a quorum of two
- Press Releases



# **Supreme Court Mandate**

The mandate given to the Committee by the Supreme Court was also confined to the following terms:

- (a) the allegations of betting and spot fixing in the IPL matches against Gurunath Meiyappan, allegedly the team principal of Chennai Superkings, 3<sup>rd</sup> respondent (India Cements Limited) and the players and the 4<sup>th</sup> respondent/team owner of IPL franchisee Rajasthan Royals(Jaipur IPL Cricket Private Limited).
- (b) the allegations against Gurunath Meiyappan, the respondents 3 (India Cements Limited) and 4 (Jaipur IPL Cricket Private Limited) with regard to their involvement in spot-fixing and betting.



In summary the probe found that:

- Mr. Gurunath Meiyappan was the team official of Chennai Super Kings and was betting and passing on information
- Further investigations were needed to determine whether he was indulging in spot fixing or match fixing
- Further investigations were needed to prove whether Mr. Raj Kundra a part team owner of Rajasthan Royals, was betting
- The BCCI disciplinary tribunal was right in punishing the cricketers for violation of the BCCI/IPL Anti-Corruption Code



# **Probe Recommendations**

- Senior iconic players with unimpeachable integrity should advise and caution the various teams about the pitfalls of sporting fraud
- Instructions should be in the local languages understood by concerned players
- Leads and information that are received from players and other personnel must necessarily be investigated confidentially
- Betting on sports should be legalized in India as an essential tool for detection
- A new approach wherein different law enforcement agencies can share intelligence and conduct effective investigation



# **Probe Recommendations (Cont.)**

- The investigative wing of the BCCI should be clearly defined and independent of persons holding office in the BCCI
- IPL should be a stand-alone commercial entity with representatives from franchises, BCCI, broadcasters and independent professional directors forming a part of the governing body of the IPL
- BCCI should have a system of registering player agents. Before registering player agents there should be examination of the agents
- Player agents should not be allowed to travel with the team or stay in the same hotel as the team
- Players should not be allowed to own any stakes or interests in player agencies or companies involved with cricket



# **Supreme Court Interim Order**

The Supreme Court while hearing arguments on the IPL probe report passed an interim order on 28.3.2014 directing:

- Mr. Srinivasan to step aside from his role as the President of BCCI
- Mr. Sunil Gavaskar to act as the president for the purposes of duties pertaining to IPL and Mr. Shivlal Yadav to act as the president for the purposes of activities of BCCI
- India Cements employees not to have any role in the BCCI except as a commentator or as a player
- Fixing the next date of hearing on 16.4.2014



#### A special legislation to deal with sport related fraud:

- Manipulation or attempts to manipulate a result of a sport event(s)
- Willfully failing to perform up to one's true potential (Exception for tactical/sporting reasons)
- Un-authorized disclosure of team information for financial gain
- Omission to inform team management of unauthorized approaches within reasonable time



# **Prevention of Sporting Fraud Bill 2013**

- Punishments:
  - Punishment upto 5 years
  - Fine Upto Rs. 10 lakhs
  - Five times the economic benefit derived



# **Relevance of the Sporting Fraud Bill**

Some of the interesting discussions that took place while considering the provisions of the Bill were:

- In order to avoid unsubstantiated complaints of match fixing, a process of screening the complaints has been put in place wherein all complaints have to be made to the appropriate authority or the NSF
- Another discussion that took place was on how a penalty of five times the benefit would be levied, if the benefit obtained by a person was due to honey trapping



## **National Sports Development Bill 2013**

The draft of the National Sports Development Bill, 2013 was submitted to the sports minister on the 10<sup>th</sup> July 2013 and was put in the public forum.

- The key tenet of the draft Sports Bill is the development of sports in the country whilst making the sportspersons the focus of the development.
- Taking this into account the Government of India has been enjoined with the duty of not only framing measures to develop Olympic, Paralympic and Special Olympics but also of developing sports for the hearing and visually impaired.
- The Bill also seeks to put the sportspersons in forefront and make them an essential part of the development of sport in the country.



### **National Sports Development Bill 2013**

- The Bill also proposes that sportspersons should have atleast 25% representation on the executive body and representation on the subcommittees constituted by the federations or the IOA
- An Appellate Sports Tribunal has been sought to be established which would have a good understanding of the sporting matters and would be able to address sport disputes expeditiously
- Questions have also been raised regarding the dilution of provisions pertaining to the Right to Information Act
- The provisions of the Bill need to be considered in its totality and should be considered in light of the fact that cricket though an important sport, is one sport.



# Betting on Horse Racing in India

- Betting on horse races and horse racing is legal in some cities namely Mumbai, Kolkata, Madras, Bangalore, Hyderabad, Delhi and Mysore.
- Each state's Entertainment and Betting Tax Act regulates the betting on horse races and the rate of taxes applicable to them.
- While licenses are issued by the Entertainment Tax department, there is no outside/independent authority or commission to monitor the activities of the race courses, the kinds of bets they are offering and to void bets in the event of fraud or cheating.
- The only checks and balances to avoid corruption in horse racing are within the rules of racing of the Race clubs.



# **Betting on Horse Racing in India**

- The question of legality of horse betting had come before the Supreme Court of India in the Dr. K.R.Lakshmanan vs State of Tamil Nadu.
- The Supreme Court held that games of chance are where the element of chance dominates and that games of skill are where the element of skill dominates.
- It held that horse racing, betting on horse racing, rummy, golf and chess were game of skills.
- Government of India is recognizing the threat posed by punters and bookies and is seeking to enact the Prevention of Sporting Fraud Bill, 2013 which punishes manipulation of sporting events.



## Conclusions

- The incidents across sports have highlighted that the disciplinary hearing and sanctions that are and should be imposed for sporting fraud needs to be harsher in order to deter any one from indulging in it.
- The sports and the interest of participants needs to be protected with greater punishments as lesser punishments spur participants to risk sporting fraud.
- Greater self regulation and harsher disciplinary sanctions clubbed with criminal proceedings in graver circumstances are required in order to protect the integrity of sports.



# Thank You !