



2024:DHC:9391-DB



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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 8691/2020

RAHUL MEHRA

...Petitioner

Through: Mr. Rahul Mehra, Petitioner-in-person with Mr. Chaitanya Gosain, Advocate.

versus

UNION OF INDIA

...Respondent

Through: Mr. Chetan Sharma, ASG, Mr. Anil Soni, Senior Advocate, Mr. Jayant Mehta, Senior Advocate, Mr. Deurat Yadav, GP, Mr. Amit Gupta, Mr. Vikramaditya Singh, Mr. Shubham Sharma, Mr. Udit Dedhiya, Ms. Diva Saigal and Mr. Vinayak Sharma, Advocates for Respondent/UOI. Mr. Ankur Goel, Advocate for Applicant (AISCD).

**Date of Decision: 3<sup>rd</sup> December, 2024**

**CORAM:**

**HON'BLE THE CHIEF JUSTICE**

**HON'BLE MR. JUSTICE TUSHAR RAO GEDELA**

**JUDGEMENT**

**MANMOHAN, CJ: (ORAL)**

**C.M. APPL. Nos. 70533/2024 & 70588/2024 (For Directions)**

1. Present applications have been filed on behalf of the respondent-Union of India seeking disbursement of the funds to the National Sports



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Federations (NSFs) through the Committee constituted *vide* order dated 25<sup>th</sup> April, 2023 (hereinafter referred to as the “Committee”) for a period of two years or enactment of National Sports Governance Bill, whichever is earlier.

2. Mr. Chetan Sharma, learned ASG for the applicant/UOI states that the inability to release funds directly to NSFs, due to the restraint imposed by this Court *vide* order dated 3<sup>rd</sup> June, 2022, has caused significant disruption to the development and progression of sports in the country. He states that the NSFs require funds for all activities associated with training, preparation and participation of athletes in the international events and national championships. He refers to the Minutes of Meeting dated 15<sup>th</sup> May, 2023 of the Committee constituted to oversee release of funds to NSFs held in the chamber of Secretary (Sports), Shastri Bhawan, New Delhi. In particular, he invites attention to para nos. 8 to 12 of the said Minutes of Meeting dated 15<sup>th</sup> May, 2023, which are reproduced hereunder:-

*“8. Shri Abhinav Bindra pointed out that in certain sports such as Shooting, shooters from the Junior category also may go on to represent the country in the Asian Games. Similar is the case with games such as Archery, Hockey etc. Therefore, it is important to fund training and competition participation of Junior and Sub Junior categories also, as there are possibilities of them finding a place in the teams for representing the country in the Asian Games and further, they are the ones who will graduate to senior levels. Hence their training and competitive exposure should be taken care of, and this will not be against the spirit of the Court Order.*

*9. The issue of conducting National Championships and International Competitions in India was raised by Sh. M.M Somaya. It was noted that National Championships are very much part of the selection pathway towards selection in the Indian Team. It was also pointed out that participation in the International Competition serves as natural training of*



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*the sportspersons whether held in India or abroad. The Committee members agreed the conduct of National championships and the hosting of international tournaments is justifiable and needs to be supported by the Scheme.*

*10. It was also brought to the notice of the Committee, that due to restrictions on flow of funds to NSFs, an amount of Rs. 36 crore, stands pending as outstanding dues to be disbursed to the NSFs for expenditure already incurred by them towards training and participation in the competition during the previous financial year 2022-23. The Committee found that the disbursement of funds to NSFs to clear their outstanding payments of the previous financial year was justified and is in the spirit of the Court Order.*

*11. Shri M.M. Somaya further expressed the desire to visit a few ongoing coaching camps and interact with the athletes and coaches to understand their points of view and issues being faced amidst the deadlock on the release of funds. This would be organised by the TOPS team as per convenience...*

*12. On the basis of the above discussion, it was decided to initiate the process of release of funds for the events which are scheduled. Further, the Committee decided to have meetings in a hybrid format in the future for convenience..."*

3. He further states that the present applications have been necessitated as India has declared its intention for hosting the 2036 Summer Olympics. He emphasizes that the Organisers of the International Competitions/International Federations only accept the requisite fees/payment towards registration, boarding and lodging only from the duly affiliated Member National Federations. In this regard, he has handed over a letter dated 1<sup>st</sup> October, 2024 communicated by the President, Indian Olympic Association (IOA) to the Chairperson, Future Host Commission, International Olympic Committee, Lausanne, Switzerland, *inter alia*, formally expressing India's interest to host the Olympic and Paralympic



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Games in 2036. He states that hosting Olympic Games in India would greatly enhance the stature of India in the world so far as sports is concerned.

4. He states that it is therefore essential that NSFs are adequately supported to undertake their mandatory sporting activities. He points out that *vide* order dated 25<sup>th</sup> April, 2023, this Court allowed release of funds for preparation and training of Indian teams for representing the country in Asian Games. He states that *vide* order dated 9<sup>th</sup> April, 2024, this Court allowed funds to NSFs through a mechanism similar to mechanism in orders dated 25<sup>th</sup> April, 2023 and 2<sup>nd</sup> June, 2023.

5. *Per contra*, Mr. Rahul Mehra states that the reliefs sought in the applications are not in the nature of clarification or modification but in contravention of the directions passed by this Court in the previous orders. He states that though this Court had in 4-5 instances allowed release of funds however with a caveat that such funds were to be used only for the training, travel of the sports persons and for arrangement of other necessary equipments and services like physiotherapists, trainers etc. According to him, this Court had specifically barred spending of such funds upon the office bearers of the Sports Federations.

6. He, however, vehemently submits that the relief of release of funds, sought by the Ministry of Sports in the garb of holding Olympic and Paralympic Games in 2036 is only a bogey and a ruse to divert the funds for purposes other than sports and is likely to be misused by the office bearers



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of the NSFs. He also invites attention to the order dated 25<sup>th</sup> April, 2023 of this Court, particularly to para nos.5 and 7, in support of his submissions.

7. Mr. Mehra copiously referred to and read the orders dated 22<sup>nd</sup> January, 2021 (para nos. to 5), 26<sup>th</sup> May, 2022 (para nos.4 to 7), 2<sup>nd</sup> June, 2022 (para nos.3, 6 and 8), 3<sup>rd</sup> June, 2022 (para nos.7 & 8), 19<sup>th</sup> January, 2023 (para no.7), 25<sup>th</sup> April, 2023 (para nos.7 & 8), 2<sup>nd</sup> June, 2023 (para nos.8 to 10), 1<sup>st</sup> September, 2023, 1<sup>st</sup> February, 2024 (para nos.4 to 8) and 9<sup>th</sup> April, 2024 (para nos.5 to 9) in support of his afore-noted submissions. According to him, this Court in all the said orders had pertinently noted that NSFs have not complied with its directions to fall in line with the Sports Code, nor has the Union of India brought in a legislation, in compliance of the judgement dated 16<sup>th</sup> August, 2022 delivered by this Court in W.P.(C) 195/2010. He states that unless this Court is satisfied that the respondent/Union of India has complied with the directions passed by the Court, no funds/amounts should be released to the NSFs, lest the same is misused.

8. Issue notice.

9. Notice is accepted by non-applicant/petitioner-in-person. Reply, if any, be filed within two (2) weeks with an advance copy to learned counsel for the applicant/respondent.

10. Having heard learned ASG for the applicant/respondent and Mr. Rahul Mehra, petitioner-in-person, this Court is of the opinion that in the interregnum, some interim directions/arrangement has to be made keeping in view the ultimate objective of ensuring that India gets to hold the



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Olympic and Paralympic Games in the year 2036. Holding of Olympics and Paralympic Games cannot be underscored. It cannot be doubted that holding the International Sports events would bring great laurels not only to the country but also to each of the participating sports persons and sports in general.

11. Having perused the previous orders as pointed by Mr. Rahul Mehra, this Court is of the view that in order to ensure that neither sports nor the sports persons in India suffer, certain relevant directions have been passed from time to time. Suffice to state that suitable directions were passed on 25<sup>th</sup> April, 2023 keeping in view the exigencies of disbursement of funds in respect of the Asian Games which were held in Hangzhou, China.

12. From a cumulative and holistic reading of the Minutes of the Meeting dated 15<sup>th</sup> May, 2023 of the Committee and the communication dated 1<sup>st</sup> October, 2024 issued by the President, IOA, it appears that a fine balance has to be struck between the aspirations of this country to hold the world's prestigious Olympic and Paralympic Games in 2036 with the aspirations of the domestic sports persons who vie to participate in such international sports events and gain recognition worldwide. It is apparent that for such endeavour, the ground work of selection, training of the sports persons and the expenditure on purchase of sports equipments etc. have to commence at the earliest. It is to be kept in mind that the international sports bodies recognize only Sports Federations of the country and not the Government of India. Having regard thereto, it may be of some importance to ensure that



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funds are released in the interregnum so as to ensure that neither the sports persons nor the sporting events itself suffers.

13. This Court is aware that the Committee consists of eminent sports persons also. That apart, the emphasis laid by the President, IOA in offering to host the Olympic and Paralympic Games in India in 2036 in the letter dated 1<sup>st</sup> October, 2024 reflects the anxiety and the zeal with which India seeks to be a host to such prestigious international sports events. This zeal cannot be delayed.

14. As observed above, the order dated 25<sup>th</sup> April, 2023 and 2<sup>nd</sup> June, 2023 were passed on similar lines as sought today. The relevant paragraphs of the said orders are extracted hereunder:-

Order dated 25<sup>th</sup> April, 2023:-

*“6. The Writ Petition has been taken up for hearing on various dates to ensure that the Sports Federations comply with the Sports Code and the judgments passed by this Court. On 13.04.2023, during the arguments, Mr. Mehra was requested to suggest some ways to deal with the various Sports Federations and to ensure that the Sports Code is complied by the Federations. An affidavit has been handed over in Court by Mr. Mehra on 20.04.2023. Question has also arisen regarding disbursement of funds to ensure proper participation of the Indian team in various disciplines in Asian Games which are to be held between 23.09.2023 to 08.10.2023 in Hangzhou, China. A copy of the affidavit filed by Ms. Mehra was given to the Union of India on 20.04.2023. The Union of India has also filed an affidavit dated 25.04.2023. Relevant portions of the said affidavit dealing with the present mechanism of disbursement of funds reads as under:*

*“28. That with regard to the release of funds to NSFs, it is submitted that all instructions and financial probity relating to the release of government funds are followed, which are required to be followed for the release of government money to any entity. There is a prescribed procedure for the release of funds to NSFs 21415/2020 and*



*prescribed norms of assistance for various activities relating to training and competitions. Proposals of the NSFs for training and competitions are considered and deliberated upon in the meetings of the Annual Calendar of Training & Competitions (ACTCS), in which representatives of NSFs, Sports Authority of India and the Department of Sports take part and finalize the proposals. Meetings of ACTC are chaired by the Secretary of the Department of Sports. Funds are released in respect of only those proposals which have been approved under ACTC. If for some reason, some proposal is submitted subsequent to the finalization of ACTC; the same is examined on merits.*

*29. That the funds released to NSFs are duly audited and certified by the CAG-empanelled Chartered Accountants. There are adequate checks and balances in place, including disbursement of funds through the Public Finance Management System (PFMS). So there is no chance of misappropriation and mis-utilization of Government funds. If there are specific instances of mis-utilization, then the same should be specifically pointed out with supporting documents. It is not fair to doubt the integrity of the institution of Chartered Accountants/Auditors. They are well respected, qualified professionals regulated by the Institute of Chartered Accountants of India (ICAI), which is a statutory body set up under an Act of the Parliament of India. The Chartered Accountants Act, 1949 provides for addressing any misdemeanour on the part of the members of the ICAI. It is not proper and fair to paint and brand everybody as corrupt and dishonest and thus cast doubt on the very foundation of such a vast edifice of statutory accounts management.*

*30. That the agencies exist to investigate any complaint of misuse of public funds, and NSFs are no exceptions, and the petitioner, with special knowledge of wrongdoings, can always approach the concerned agencies to address his concerns.*

*31. That the Government is not giving any largesse to any NSF. Funds are provided for the training and competitions of sportspersons as per the norms prescribed. Participation in competitions, both domestic and*





*international, are equally important for a sportsperson as training. It is also important to FUBLI 2220 host important international events as hosting international sporting events can have a significant positive impact on the NDIA host country, from promoting sports and physical activity to preparing a cadre of sports officials, support staff, and physical infrastructure, boosting the economy and tourism. The norms for assistance for various activities such as the conduct of national championships, the conduct of international tournaments, diet and supplement charges, boarding & lodging charges, out-of-pocket allowance, air travel, journey by train, remuneration for coaches, sports doctors, physiotherapists, masseurs, sports psychologists and mentors etc. are prescribed under the Scheme of Assistance to NSFs and grants are released strictly in accordance with these norms. In the first instalment, 75% of the grant is released, and the balance is released on submission of the utilization certificate for the previous grant. Utilization certificates and audited statements are duly certified by CAG-empanelled Chartered Accountants.*

*32. That separately and more importantly, the CAG carries out the audit of the Ministry and SAI also, and all files and matters of financial grants handled in the Ministry and SAI are subjected to audit by CAG and if any violations are found audit objections are raised and further examined and acted upon as per procedure established by law. When there is an elaborate procedure for the release of grants and norms of assistance are fixed, there is no need or requirement for any third party to monitor the release of funds to NSFs”*

*7. At present, the Committee which is overseeing the disbursement of funds to the various sports federations consists of Secretary, Department of Sports; Director General of Sports Authority of India and the Joint Secretary, Department of Sports. To ensure that sports personnel are also included in the process of disbursement of funds so that the funds released by the Government goes only for the purpose of betterment of sportsmen, their training and to ensure that a good team is sent to represent the country for the Asian Games, this Court deems it expedient to modify the Order dated 03.06.2022 by which this Court had directed that the Government monies should not be spent on any*



*National Sports Federation. This Court also appoints Mr. Abhinav Bindra and Mr. M. M. Somaya as members of the Committee which is overseeing the disbursement of amounts, which, at present is being administered by Secretary, Department of Sports; Director General of Sports Authority of India and the Joint Secretary, Department of Sports. The Committee will, therefore, have five members and shall oversee the disbursement of funds to the various Sports Federations for the purpose of selecting Indian Teams for various disciplines to represent the country in Asian Games which are to be held in Hangzhou, China from 23.09.2023 to 08.10.2023.*

*8. The Committee shall ensure that the money is spent only on the sportsmen, their training, etc. It is made clear that the Government money should be spent only on training and travel of sportsmen for their selection in Indian team, on arranging coaches for them and on other necessary equipments and services like on physiotherapists, trainers, etc. The Government money will not be spent on office bearers of the Sports Federations who are not concerned with the sports person... ”*

(Emphasis supplied)

Order dated 2<sup>nd</sup> June, 2023:-

*“8. On earlier occasions when requests were made by the Union of India and other federations for release of funds to ensure proper participation of Indian teams in world sporting events, this Court has permitted the Union of India to release money to ensure participation of Indian teams in various sports.*

*9. In view of the above, this Court is inclined to permit the Union of India to release money for travel expenses, accommodation, etc. for the participation of Indian team in Special Olympics World Games, 2023.*

*10. However, the Committee which has been appointed by this Court vide Order dated 25.04.2023 shall ensure that the money is spent only on the sportsmen, their training, etc. It is made clear that the Government money should be spent only on training and travel of sportsmen, on arranging coaches for them, other necessary equipment and services like on physiotherapists, trainers, etc. for their participation in Special Olympics World Games, 2023. As the sportsmen are intellectually challenged and a large contingent of so many athletes are participating, they require assistance, for which*



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***purpose support staff for these sportsmen be permitted to go with the team. It is made clear that the Government money will not be spent on office bearers of Special Olympics Bharat and office bearers and members of the various Sports Federations who are not concerned with the sports person...”***

(Emphasis supplied)

15. This Court finds that *vide* order dated 25<sup>th</sup> April, 2023, Mr. Abhinav Bindra and Mr. M. M. Somaya were appointed as members of the Committee. To allay the apprehensions of the petitioner and other similarly situated sports lovers, this Court deems it appropriate to appoint Mr. Injeti Srinivas and Mr. Ashish Wadhawan, Chartered Accountant (Mobile No.9818293666) as Members of the Committee. Mr. Ashish Wadhawan shall be paid a fees of Rs.2,00,000/- per month as honorarium by Indian Olympic Association. With the addition of these two members, the Committee would consist of seven (7) members who shall oversee the disbursement of funds to the various NSFs.

16. Apart from the aforesaid addition of members in the Committee, this Court allows disbursement of funds to the National Sports Federations (NSFs) for preparation and participation of Indian sportspersons in the international events, conduct of national championships, conduct of international events in India, conduct of coaching camps, engagement of coaches and other support staff, and for all activities associated with training and preparation and participation of athletes permissible under the Scheme of Assistance to NSFs through the said Committee. However, the safeguards contained in para 8 of the order dated 25<sup>th</sup> April, 2023 and para 10 of the order dated 2<sup>nd</sup> June, 2023 shall apply *mutatis mutandis* to the



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present order. It is made clear that there shall be no infraction from the said safeguards by any of the NSFs. Such infraction, if committed, would be taken note of and dealt with appropriately by this Court.

17. This Court directs the respondent to file quarterly financial statements before this Court so as to ensure transparency in accounts and disbursement of funds. This Court records and accepts the Union of India undertaking to bring in legislation in respect of the subject matter covered in the judgment dated 16<sup>th</sup> August, 2022 passed in W.P.(C) 195/2010.

18. It is made clear that the present interim directions are subject to modification/variation after the pleadings are complete in respect of the applications.

19. At joint request, list on 10<sup>th</sup> January, 2025 before the Roster Bench hearing public interest petitions.

**MANMOHAN, CJ**

**TUSHAR RAO GEDELA, J**

**DECEMBER 3, 2024/*rl***