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COMMONWEALTH GAMES SCAM

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ABSTRACT

The 2010 Commonwealth Games in Delhi were clouded by allegations of mismanagement and corruption. There was extensive media coverage of building delays, subpar amenities, and claims of financial problems. Inflated expenses, dubious contracts, and instances of procurement favouritism were also reported. The controversy prompted inquiries from India's major law enforcement organisations, such as the CBI, and led to lawsuits being brought against the implicated officials and contractors. The controversy surrounding the 2010 Commonwealth Games brought attention to the problem of corruption and the lack of openness surrounding the planning and execution of large sporting events, even if there were no overt frauds recorded in the traditional sense.

Introduction

Allegations of pervasive corruption and poor administration dogged the 2010 Commonwealth Games, which were held in Delhi, India. The success of the event, which was meant to demonstrate India's skills on a global scale, was overshadowed by a number of issues. There were several problems leading up to the Games, including poor construction quality, delays, and financial issues. Just a few days before the opening ceremony, some venues were still unfinished, which made many wonder if the organisers would be able to pull off a good event. There were allegations of partiality in contract awards and bad living conditions during the development of the Commonwealth Games Village. The venues were given a budget of Rs. 2460 crore instead of Rs. 1000 crore. The construction of the Jawaharlal Nehru Stadium cost 961 crores. The Indira Gandhi stadium cost 669 crores, the Dhyan Chand hockey stadium cost 262 crores, and the Ferozeshah Kotla stadium cost 85 crores. Furthermore, M.P established an Organising Committee. President of the IOC Suresh Kalmadi in the role of Head. A budget of Rs. 1620 crores was initially set, but Rs. 11500 crores was subsequently overspent.

Furthermore, the estimated expense is a staggering Rs. 70000 crores.

Accusations of financial mismanagement and corruption intensified as the Games progressed. In India, the Central Bureau of Investigation (CBI) began looking into reported irregularities and found connections between organisers, contractors, and government employees. These investigations turned out a number of anomalies, such as financial inconsistencies, embezzlement, and inflated contracts. The controversies that surrounded the Commonwealth Games damaged the event's reputation and called into doubt the effectiveness of the organising body. The ramifications of the scandals led to demands for increased responsibility and openness in the planning of major athletic events. Even though the Games finally happened, the alleged scandals continued to cast a shadow, harming India's reputation in the global sports world. The aftermath of the 2010 Commonwealth Games underscored the importance of addressing corruption and ensuring proper oversight in the planning and execution of major sporting events.



Literature review

A study of the literature on Commonwealth scams would entail looking at previous studies and academic publications about scams that target the Commonwealth, which is made up of different member nations. In this context, the review would probably look at the frequency, strategies, and effects of frauds. Scholars might examine the techniques used by con artists, technical features, and socioeconomic elements that increase susceptibility. The material may include address public awareness programmes, law enforcement initiatives, and legislative structures designed to lessen Commonwealth frauds. This thorough analysis would offer a basis for comprehending the complex nature of these frauds and pointing up information gaps that require more investigation.

Research Objectives

- Why Having a thorough understanding of the CWG fraud contributes to the management of major international events being conducted with greater accountability and openness.
- Improving preventative measures can be aided by identifying the gaps and flaws in the system that permitted corruption to happen.
- It's critical to comprehend the political underpinnings of the CWG fraud in order to hold influential people responsible.
- Why Investigating the CWG scandal can help with initiatives to improve sporting event integrity worldwide.
- Policies and processes may be strengthened by governments and organisations by applying the lessons learned from the CWG fraud.

Hypothesis

The investigation into the Commonwealth Games scam is expected to uncover a systemic breakdown in financial management, governance, and oversight, indicating collusion between important players, public servants, and

private contractors that led to extensive corruption and money misappropriation.

Research question

To verify the hypothesis, I adopted the following research question:

1. Make a Comparison analysis of this scam with other scandals.

Brief overview of the case

• Facts of the case

- The 2010 Commonwealth Games Scam (CGW Scam), one of India's worst scams, saw around Rs. 70,000 crore stolen. Upon closer examination, it was discovered that the Indian athlete had only been given half of the whole amount. Rumour has it that the sportsmen were told to move to run-down flats instead of the luxurious ones the government had previously offered them.
- A report submitted to the Central Vigilance Commission states that Swiss timings received an exaggerated offer of Rs. 141 crores from Suresh Kalmadi, the head of the organising committee for the games, for their timing equipment, which was valued at Rs. 95 crore. Kalmadi was one of the defendants charged with criminal conspiracy, cheating, and forgery with the purpose to deceive under certain sections of the Prevention of Corruption Act.

• Charges and Legal Framework:

- The Indian Penal Code's several sections, including those pertaining to criminal conspiracy, document forgery, and passing off phoney papers as authentic, were invoked against the defendants.
- The Prevention of Corruption Act's Section 13(d) was also used.



- **Right to Information (RTI) Act:**

- At the outset, there was some doubt as to whether the national Right to Information (RTI) Act would apply to the Organising Committee because it was not initially considered to be a "state."
- The Delhi High Court's January 2010 ruling placed Commonwealth Games-related events inside the purview of the RTI. The court determined that because the Organising Committee got significant money from the government, the RTI regulations were applicable.

- **Investigative Committees:**

- The government established the Shunglu commission, a special commission headed by V. K. Shunglu, in October 2010 to look into the organisations behind the Commonwealth Games in response to accusations of corruption and poor administration.

- A number of investigative organisations examined financial anomalies, including the Enforcement Directorate, the Central Vigilance Commission, the Directorate General of Income Tax Investigation, and the Central Bureau of Investigation (CBI).

- **Arrests and Charges:**

- On April 25, 2011, Suresh Kalmadi, the head of the organising committee, and many other people were taken into custody in relation to purported irregularities in contract awarding.

- Under the Prevention of Corruption Act, charges included forgery, criminal conspiracy, criminal intimidation, cheating, and destroying evidence.

- **Contract Cancellations and Bans:**

- The NDMC (New Delhi Municipal Council) cancelled contracts and banned organizations due to violations.
- The Shunglu Committee presented its report, leading to the creation of a ministerial committee to investigate its findings and suggestions.

- **Legal Proceedings and Lack of Action:**

- Lawsuits were filed against individuals for suspected irregularities.
- As of July 2013, there were no further actions on the Shunglu Committee's recommendations, and no evidence suggests progress in recovering advancements from certain organizations, like CRSGC.

Impacts of commonwealth games scam

Racism allegations

- African nations have expressed dissatisfaction about the Games organisers treating them like second-class citizens.
- The lodging that they were granted was not as good as what the teams from Australia and New Zealand received.

Safety and security issues

A failing security barrier at the games' village injured three Ugandan officials, and a top official from that country accused Indian officials of discrimination. Suresh Kalmadi, the chairman of the Games' Organising Committee, apologised to Uganda's High Commissioner for the bizarre car collision.

Infrastructure Compromise

A footbridge close to Jawaharlal Nehru Stadium was being built for the Games as of September 21, 2010. When Nehru Stadium collapsed, labourers made up the majority of the injured at least 23.

The Delhi government later placed P&R Infraprojects on a blacklist, preventing them from bidding on government projects, including the construction of the footbridge. Reportedly, work is still progressing slowly, and four or five of the housing buildings constructed at the Games Village are still under construction. These towers lack basic facilities like plumbing, wireless internet, and equipped bathrooms.

An athlete from South Africa said on September 27, 2010, that there was a snake in his



accommodation when he was at the Games Village.

Widespread volunteerism

Less than a week before a large event, around half of the 22,000 volunteers who were chosen for it pulled out. The notable employee walkout was ascribed to problems including inadequate staff training and discontent with duties allocated. Tens of thousands of volunteers decided to resign, causing questions about the organisation and planning of the volunteer programme.

Social-economic impact

- The Commonwealth Scandal uncovered extensive workforce abuse as a result of the OC's 1948 Minimum Wages Act breach. Skilled labourers were paid between Rs. 120 and Rs. 130 per day for an 8-hour shift in poor circumstances, while unskilled labourers were paid between Rs. 80 and Rs. 100.
- Nearly 70 worker deaths have reportedly occurred at the site, and children were made to labour in hazardous conditions.
- As part of the project to transform 20 towns into tourist sites, 4,000 000 people were evacuated with no intention of resettlement. Families forced to move were forced into shantytowns.
- The nation received harsh criticism for allocating ₹70,000 crores on a sports event rather than using the funds for social and economic advancement. It was criticised by many campaigners as shameful to have a big sporting event in a nation where the majority of people live in poverty.

Political impact

The head of the federal government, Suresh Kalmadi, of the Indian National Congress, refused to be included in the IOA. The Indian government's choice of Suresh Kalmadi tarnished the nation's image as a corrupt one and brought shame to it.

Terror Threats

- During the games, a few players and their representatives brought up security-related issues.
- In April 2010, two low-intensity bombs went off outside the Bangalore stadium during the Indian Premier League. After the event, international cricket players like Kevin Pietersen voiced worries about their safety, and questions were raised over athlete safety during the Commonwealth Games.

Comparative Analysis:

A comparative analysis of the Commonwealth Games (CWG) scam of 2010 involves examining similarities and differences with other instances of corruption or financial mismanagement in large-scale international events. While there are unique aspects to each scandal, common themes may emerge.

Similarities with Other Scandals

1. Financial Irregularities- Like many other corruption scandals, the CWG scam involved significant financial irregularities, including inflated costs, kickbacks, and embezzlement of funds.
2. Contractual Mismanagement- Similar to other cases, the CWG scandal highlighted issues related to the mismanagement of contracts, favouritism in awarding contracts, and lack of transparency in the procurement process.
3. Impact on Infrastructure- Scandals in various international events often share a common theme of infrastructure projects being overpriced, delayed, or poorly executed. The CWG scandal saw similar problems with the construction of stadiums and other facilities.
4. Lack of Oversight- Many corruption scandals involve a lack of proper oversight and accountability mechanisms. The CWG scam, too, reflected inadequate monitoring and oversight, allowing corruption to thrive.



5. Public Outcry- Scandals in the management of international events often lead to public outrage due to the misuse of public funds. The CWG scam resulted in significant public backlash and damage to the reputation of the organizing committee.

Differences from Other Scandals:

1. Scale and Magnitude- The scale of the CWG scam was significant, with allegations of widespread corruption and mismanagement. However, the specific details and magnitude can differ from other scandals.

2. Political Fallout- The political fallout from the CWG scam had specific implications for the Indian government and the organizing committee. The political consequences of corruption scandals can vary based on the political context of each country.

3. Timing and Context- The circumstances and timing of the CWG scam were unique to the 2010 Commonwealth Games in Delhi. Other scandals may have occurred in different contexts with distinct contributing factors.

4. Cultural and Regional Factors- Each scandal may be influenced by cultural and regional factors unique to the host country. The CWG scam had elements that were specific to the political and cultural context of India.

5. Post-Scandal Reforms- The responses and reforms implemented in the aftermath of the CWG scam, including legal actions, policy changes, and increased scrutiny, may differ from how other countries address similar issues.

Future Directions:

- **National Sports Development Bill:**

- Aim: To promote sports, provide welfare for sportspersons, and uphold ethical practices.
- Specifics: Addresses issues like doping, age fraud, and sexual harassment. Establishes bodies for Sports Disputes, Ethics, Elections, and Athlete representation.

- **Transparency & Accountability:**

- Purpose: The National Sports Development Bill aims to bring transparency and accountability to Sports Federations by making them public bodies.
- Mechanism: The bill proposes inclusion of sports bodies under the RTI Act to prevent malpractices.

- **Infrastructure:**

- Commonwealth Games Budget: India allocated a significant budget for the Commonwealth Games, mainly due to poor existing infrastructure.
- Lesson Learned: Emphasizes the need to avoid last-minute preparations, work on connectivity, and invest in infrastructure well in advance.

- **Enacting Laws:**

- Child Labour and Labour Rights: Violations were documented during the Commonwealth Games construction.
- Issues: Child labour, accidents leading to worker deaths, and underpayment against minimum wage laws were reported.
- Media Coverage: CNN broadcasted evidence of children as young as seven involved in construction.

- **Child Care Facilities for Women Workers:**

- Lack of Facilities: Hazardous construction sites had instances of young children due to the absence of child care facilities for women workers.
- Safety Concerns: Highlighted the importance of providing child care facilities as a worker's right to prevent hazardous accidents.

In summary, the National Sports Development Bill aims to address ethical concerns in sports,



the need for transparency in sports federations, and the importance of infrastructure planning. Additionally, the lessons learned from the Commonwealth Games underscore the importance of enacting and enforcing laws to protect labour rights and ensuring child care facilities for women workers in construction sites.

Case laws similar to CWG scam

Adarsh Housing Society Scam (India, 2010):

The Adarsh Housing Society scam in Mumbai involved irregularities and corruption in the allocation of apartments meant for war widows and defence personnel. The scandal revealed collusion between politicians, bureaucrats, and military officers.

Satyam Scandal (India, 2009):

The Satyam scandal was a corporate fraud involving the manipulation of financial statements by the top management of Satyam Computer Services, one of India's largest IT companies. The scandal had significant implications for corporate governance and transparency.

3G Spectrum Scam (India, 2010):

The 3G spectrum allocation scandal in India involved irregularities in the allocation of 2G spectrum licenses, leading to huge financial losses for the government. It exposed corruption in the telecom sector and led to legal and regulatory changes.

Conclusion

The conclusion of a research paper on the Commonwealth Games (CWG) scam could highlight the broader implications of the scandal. The CWG scam exposed a web of corruption and mismanagement in the planning and execution of a major international sporting event. It underscored the need for robust oversight mechanisms, transparent procurement processes, and accountability in the handling of public funds. The fallout from the CWG scam led to increased scrutiny of similar events globally and prompted

discussions on reforms in governance structures to prevent such malpractices. Additionally, the legal proceedings and convictions resulting from the CWG scam served as a deterrent, emphasizing the importance of holding individuals accountable for financial irregularities and corruption in high-profile projects. Ultimately, the CWG scandal serves as a cautionary tale, prompting a reevaluation of practices and policies to ensure the integrity and effectiveness of large-scale public initiatives.

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