

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

Date of decision: 17th NOVEMBER, 2022

IN THE MATTER OF:

+ **LPA 662/2022**

NAVJEET HARJINDER GADHOKE

..... Appellant

Through: Mr. Vikas Singh, Sr. Advocate with
Mr. Mohit Mathur, Sr. Advocate with
Mr. Jayant Mehta, Sr. Advocate with
Mr. Sandeep Sharma, Mr. Amit
Choudhary, Mr. Hunny Veer Singh,
Mr. Sarthak Mannan, Mr. Aman
Dhyani, Mr. Sumit Mishra, Ms.
Konika Mitra, Ms. Kanchan Semwal,
Ms. Shambhavi Pandey, Mr. Kumal
Arora, Mr. Agnivesh, Mr. Shekhar,
Mr. Siddharth, Mr. Harsh Gautam,
Ms. Deepika Kalia, Mr. Kapish Seth
and Mr. Aditya Kaul, Advocates.

versus

UNION OF INDIA & ORS

..... Respondents

Through: Mr. Anil Soni, CGSC with Mr. Sahaj
Garg, G.P. with Mr. Rahul Mourya,
Advocate for UOI.

Mr. Sandeep Sethi, Sr. Advocate with
Mr. S. Santanam Swaminadhan, Mr.
Rahul Sharma, Mr. Kartik Malhotra,
Mr. Daksh Bansal, Ms. Abhilasha
Shrawat and Mr. Srisankar S.
Advocates for R-2.

Mr. Rajiv Nayar, Sr. Advocate with
Mr. Dayan Krishnan, Sr. Advocate
with Mr. Sahil Narang Mr. Dhritiman

Roy and Mr. Ayushman Kacker,
Advocates.

Mr. Abhishek Malhotra, Ms. Aahna
Mehrotra, Ms. Srishti Gupta and Mr.
Rabindra Mitra, Advocates for R-4.

CORAM:
HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

JUDGEMENT

CM APPL. 49431/2022 (Exemption)

Allowed, subject to all just exceptions.

LPA 662/2022 & CM APPLs. 49429/2022, 49430/2022

1. The instant appeal has been filed under Clause X of the Letters Patent Act assailing the Order dated 15.11.2018, passed by the learned Single Judge of this Court, in W.P.(C) No. 15739/2022 wherein the prayer of the Appellant herein seeking, *inter alia*, quashing of the sanction provided for the conduct of the Indian Racing League which is scheduled to be held from 19th November, 2022 to 11th December, 2022, in Hyderabad and Chennai.
2. The facts, in brief, leading to the instant petition are as under:
 - a) It is stated that on 10.11.2018, Xtreme 1 Racing League Sanction and Commercial Rights Agreement was entered into between the Federation of Motor Sports Club of India (FMSCI), i.e. Respondent No. 2 herein, and M/s Racing Promotions Pvt. Ltd. (RPPL), i.e. Respondent No.3.
 - b) It is stated that the Appellant herein, who is one of the Directors and majority shareholder of RPPL, was informed about the dates of the Indian Racing League (IRL) via Instagram posts and was

allegedly kept in the dark about Board Meetings being convened by RPPL.

- c) It is stated that numerous letters were sent by the Appellant herein to FMSCI noting his objections to the Board Meetings being convened by RPPL as well as the lack of adherence to safety norms by both RPPL and FMSCI along with the irregularities in the conduct of the IRL in contravention with the
- d) It is stated the Appellant herein filed a writ petition before this Court alleging that the sanction granted to IRL is replete with infirmities and is not in consonance with the procedural norms of FMSCI, and that the same must be quashed.
- e) The learned Single Judge *vide* Order dated 15.11.2018 in W.P.(C) 15739/2022 has refused to interfere in the IRL. Further, the learned Single Judge, while addressing the concerns raised by the writ petitioners regarding the safety aspects in respect of cars which are to participate in the event, directed Respondent No.2 to duly examine the said issues and take such measures as may be warranted. Aggrieved by the same, the Appellant herein has approached this Court by way of an appeal.

3. The learned Senior Counsel appearing on behalf of the Appellant herein have vehemently argued as to why this Court must intervene in the conduct of the IRL. It has been submitted that the sanction that has been provided by FMSCI to RPPL for the organisation of IRL is an outcome of foul-play as it flouts numerous safety norms, and that the Appellant, who is a majority shareholder, has been kept in the dark with regard to the event. It has been stated that the President of FMSCI, at whose behest the Appellant accepted the proposal to join RPPL, is the father of one of the Directors of

RPPL, and that RPPL has been consistently allowed to bypass various statutory approvals and permissions. It has further been stated that the Appellant has been kept out of the loop with regard to the conduct of the event as he had noticed irregularities in the functioning of RPPL and had attempted to bring the same to light.

4. Mr. Anil Soni, learned CGSC, submits that Union of India has given NOC to the event. He further states that the cars have been imported for the purpose of racing of which the Union of India is aware. Mr. Sandeep Sethi, learned Senior Counsel appearing for Respondent No.2, submits that the calendar for the entire season was prepared in January, 2022 itself and from January itself the Appellant was aware of the event which was to be conducted in November, 2022. He further submits that these events are not decided overnight and preparations for the events commence much prior to the actual date of event. He submits that permissions are taken from the State Governments, Municipal Authorities and other authorities. Mr. Dayan Krishnan, learned Senior Counsel, submits that the dispute arose between the Appellant and Respondent No.4 for the reason that Respondent No.4 was not prepared to purchase racing cars owned by the family of the Appellant.

5. For ease of comprehension, the relevant portion of the impugned Order dated 15.11.2022 has been reproduced as under:

“2. On a perusal of the material which has been placed on the record as well as the various averments and assertions which have been made by the writ petitioner, there appears to be a serious managerial dispute between him and the other constituents of the fourth respondent. This since the petitioner, who is admittedly an investor, shareholder and a Director in the fourth respondent, principally raises a grievance in respect of the manner in which meetings were conducted by the fourth respondent and the various resolutions

passed therein. In that view of the matter, the Court finds no justification to entertain the challenge raised at the behest of the petitioner or intervene in the event which is stated to be held on 19th November 2022.

3. Notwithstanding the same, the Court takes note of certain issues which have been raised in a representation, which has been made by the writ petitioner and stands addressed to the second respondent. That representation refers to certain safety aspects in respect of the cars which are to participate in the upcoming event. All that the Court deems appropriate to observe is to leave it open to the second respondent to duly examine the said issues and take such measures as may be warranted in the facts and circumstances of the case.”

6. At the outset, this Court finds it pertinent to note that despite the agreement having been signed on 10.11.2018, the Appellant has approached the Court belatedly. Further, a perusal of the material on record demonstrates that the litigation arises out of friction between the Appellant and other management personnel at RPPL. As has been observed by the learned Single Judge, there is a serious managerial dispute which persists between the Appellant and the Board of RPPL, and the instant petition is a smokescreen to settle grievances that the Appellant harbours against RPPL. The Union of India has granted NOC for the conduct of the event in question. FMSCI conducts these events in the entire country. Events have been conducted by FMSCI this year as well. The contention of the Appellant that FMSCI has given a complete go-by to the safety norms cannot be accepted more so for the reason that majority of writ petition concentrates on the dispute between the Appellant and RPPL. At this juncture, this Court is not going into the allegations of the dispute between

the Appellant and RPPL. Taking this into consideration, this Court is of the opinion that no pertinent issue has been raised by Appellant that would justify this Court's exercise of writ jurisdiction in the instant matter.

7. On the aspect of territorial jurisdiction, this Court notes that the sole reason the issue has been agitated before this Court is because Sports Authority of India, i.e. Respondent No.3, is a party to the case, and a prayer has been made to direct Respondent No.3 to *"take steps laying down model framework for organisation of sports event/championship within the country"*. However, the Sports Authority of India is not concerned with the matter, and the effective parties in the instant case are FMSCI and RPPL, which are located in Chennai. Further, IRL is to be held in Chennai and Hyderabad, and the cars which are to be a part of the event, have been imported. Under these facts and circumstances, and as per settled law, it would not be prudent for this Court to render directions to authorities situated outside its territorial jurisdiction [Refer to Lt. Col. Khajoor Singh v. Union of India and Anr., 1961 SCR (2) 828].

8. With regard to the alleged ignorance of safety norms pertaining to the racing cars which are participating in the event, this Court is inclined to agree with the direction of the learned Single Judge whereby FMSCI has been requested to duly examine the representation of the Appellant on the safety issues and take appropriate measures to combat the same. In our considered opinion, racing being a sport that requires utmost precaution and safety measures on the part of the organisers, we believe FMSCI will ensure that anxieties pertaining to the safety of the conduct of the race are addressed appropriately.

9. Accordingly, this Court finds no infirmity in the impugned Order dated 15.11.2022 warranting the interference of this Court, and therefore, the appeal is dismissed, along with the pending application(s), if any.

SATISH CHANDRA SHARMA, C. J.

SUBRAMONIUM PRASAD, J

NOVEMBER17, 2022

S. Zakir/RR



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