

Sports Governance and the Indian Judiciary:

Delhi High Court revokes relaxation granted to Equestrian Federation of India in complying with National Sports Development Code, 2011

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Introduction

In the judiciary's latest tryst with governance of National Sports Federations (NSFs) in India, a Single Judge of the Delhi High Court (HC), by judgment dated 7 January 2025 in *Rajasthan Equestrian Association v Union of India & Ors*, unreported judgment in W.P.(C) 5989/2022 (judgment), set aside an order dated 9 November 2021 (impugned order) issued by the Ministry of Youth Affairs and Sports (MYAS) relaxing the application of certain provisions of the National Sports Development Code, 2011 (Code) to the Equestrian Federation of India (EFI).

Background

The Indian sports governance framework is contained in the Code which is framed as a consolidation of government diktats issued over time. The constitutional validity and binding nature of the Code were upheld by the Delhi High Court in *Narinder Batra v Union of India*, 2009 SCC OnLine Delhi 480 and *Indian Olympic Association v Union of India*, 2014 SCC OnLine Del 2967. The Code seeks to ensure good governance of Sports Governing Bodies (SGB) and inter alia lays down the criteria for recognition of a SGB as an NSF for a particular sport by the MYAS. It seeks to achieve a pyramidal structure of governance, where SGBs are constituted at the district, state and national level (i.e., NSFs) with each deriving its authority from the others through a process of vertical and horizontal recognition. This is aligned with the general international practice. The structure has been designed to ensure wide representation and inclusivity in the NSFs. Failure to abide by the Code would inter alia entail derecognition of a governing body as the NSF for the particular sport, foregoing the right to select national teams for international competitions and ineligibility to receive benefits accruing to it.

Pertinently, on 1 February 2021, the MYAS issued a notification (notification) adding a "Relaxation Clause" to the Code empowering the Central Government to relax application of any part of the Code to an NSF where found to be "just and expedient".

Facts

In the instant case, the Rajasthan Equestrian Association (REA) challenged the validity of the Relaxation Clause contained in the Code as well as the exemption granted to the EFI pursuant to said clause as arbitrary and without any factual basis. REA was aggrieved by the inaction on the part of EFI in promoting equestrian sports in States and Union Territories (UT) and creating a pyramid structure below it. Instead, the status quo was being perpetuated, whereby its constituent members were restricted to a coterie of clubs, which according to the EFI, was owing to the "peculiar" characteristics of the sport. It was contended that EFI sought repeated extensions to comply with the Code based on said alleged peculiar features of the sport even prior to the introduction of the Relaxation Clause and such extensions were inevitably granted by the MYAS. After issuance of the notification, the MYAS passed the impugned order granting relaxation to the EFI from complying with certain provisions of the Code, including having affiliated units in at least two-third of States and UTs. REA contended that the impugned order was arbitrary and unreasoned and invited the HC to set it aside.

EFI, on its part, refuted the allegations and asserted that the disciplines governed by it were indeed peculiar, being cost and resource intensive and involving two athletes - the human and the horse. Expenses required for maintenance, training and logistics of the horses as well as upkeep of infrastructure were prohibitive. As such, it was not possible to scale the sport to the level of the districts as contemplated by the Code. It was contended that the expensive nature of the sport was the reason why membership of EFI was restricted to clubs which had the requisite resources and infrastructure. EFI further argued that due to its peculiar characteristics, equestrian sport operated on a club-based model worldwide.

MYAS supported EFI's contentions.

Judgment

While the HC found the "Relaxation Clause" to be valid, it held the impugned order to be arbitrary and without any basis. It rejected EFI's assertion regarding the peculiar nature of equine sports making it necessary to relax the application of certain provisions of the Code to it. EFI's contention that it governs a two-athlete sport was also found to be in the face of an express provision in the Code treating horses as "equipment" and not "athletes". It was found that the features of equine sport were not peculiar enough to warrant departure from the Code and by extension, departure from the principles of uniformity, accountability and inclusivity enshrined in it. The MYAS was also found not to have conducted any examination into the alleged peculiarity of equine sports before passing the impugned order. In the circumstances, the EFI was given a perpetual go-by from complying with its obligations under the Code. Hence, the impugned order was set aside. The Learned Single Judge set up a fact-finding committee to assess the alleged peculiarities of equine sport and prepare a report for the MYAS. The MYAS was directed to consider the report and pass a reasoned decision on whether or not the Code's application to EFI should be relaxed.

Takeaways

The instant case is the latest in a line of judicial interventions into the affairs of NSFs in India, after previous encounters with inter alia football, archery, wrestling, hockey and volleyball. These cases highlight the glaring gaps in governance of sports in India, the tendency of NSFs to escape accountability and the judiciary's commitment to holding NSFs accountable and fostering a culture of good governance in them. Good governance in NSFs and other SGBs is essential because they are tasked with an important public function of promotion and development of sports in India. Their decisions affect the livelihood of sportspersons governed by them as well as the future prospects of a sport in India.

Further, with increasing commercialisation of sports, the NSFs are positioned to play a key regulatory role as well. Also, the state of governance of a given sport influences its attractiveness to investors and by extension, enhancement of the prospects of sports persons. Finally, with India contemplating bidding for the 2036 Olympics, the affairs of its NSFs and constituent SGBs would necessarily have to be put in order.

The draft National Sports Governance Bill, 2024 (Bill), which was recently published for public comments, seeks to address the teething governance issues in Indian sports. Incidentally, the Bill also empowers the Government to relax the rules framed under the Bill. The judgment would provide guidance on exercise of the powers which ought to be circumscribed.

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