

SPORTS CONTRACTS AND DISPUTE RESOLUTION IN INDIA: THE NECESSITY FOR SPECIALISED LEGISLATION

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Abstract

India has a long history of sports and the rapid growth of it particularly through professional leagues such as the Indian Premiere league (IPL) and Indian Super league (ISL), has underscored the increasing complexity of sports contracts and the rising number of disputes involving athletes, teams, sponsors and broadcasters. However the absence of specialised legislation governing sports contracts and dispute resolution in India has resulted in a fragmented legal framework, often relying on general laws like the Indian Contract Act 1872, and the Arbitration and Conciliation Act 1996, These general provisions are insufficient to address the unique challenges posed by the sports industry, including player transfers, endorsement agreements and representation disputes.

This research paper examines the current legal framework governing sports contracts in India, identifies the limitations of relying on general laws and explores common types of dispute that arise in the Indian sports ecosystem. The paper argues for the establishment of specialized sports tribunal and proposes the creation of comprehensive legislation tailored to the intricacies of sports contracts and dispute resolution. Such reforms are essential to protect the rights of athletes and stakeholders, ensure swift and fair adjudication, and promote the growth and integrity of sports in India.

Keywords- Arbitration, Athlete rights, Conciliation, Dispute resolution, Sports contracts, Sports law specialized legislation

Introduction**Sports in India**

Sports in India have been an integral part of the country's cultural fabric, with a rich history that dates back to ancient times. Traditional games such as Kabaddi, Kho- kho and Wrestling have deep roots in Indian society, reflecting the country's diverse heritage. However the modern era of sports in India has seen a transformation, marked by the rise of professional leagues, international participation, and government efforts to develop sports infrastructure.

The National Obsession Cricket remains the dominant sports in India. The introduction of Indian Premiere League in 2008 revolutionized Cricket in India, turning it into a multibillion- dollar industry. The IPL not only popularised cricket but also introduced new standards in sports marketing, broadcasting and athlete management. There is rise of other sports in recent years like Football, Badminton, wrestling and boxing with Indian athletes achieving success on the global stage. The development of professional leagues in Kabaddi and hockey has also contributed to the diversification of sports interest in India. The Pro Kabaddi League revived interest in a traditional sport, while the hockey Indian League helped boost the sport's visibility, with India being historically a powerhouse in field Hockey.

Significance of Contracts in Sports

Contracts in sports play a vital role in ensuring the smooth functioning and governance of various relationships within the sports industry. Basically the contracts are very important as it defines the terms and conditions under which athletes are employed by teams or clubs. These contracts typically cover salary, duration of employment, performance obligation and provisions for transfer or termination. Contracts offer legal protection to all parties involved like athletes, teams, sponsors and organisers by clearly outlining the duties and responsibilities arising out of contract of each party. Sponsorship and endorsement contracts are crucial in the commercial aspect of sports. These agreements outline the use of an athlete's image, the scope of promotional activities, and the financial compensation involved. In professional sports transfers and trade between the teams are common. Transfer agreements specify the terms of player movement, including fees, condition and

the role of the player. Contracts are essential in protecting intellectual property rights, such as broadcasting and media rights which are significant revenue source in sports. Contracts often contain clauses related to the behaviour and performance expectations of athletes. Contracts set the standard for professional behaviour ensuring that athletes maintain certain ethical and performance levels.

Without formal contracts, disputes related to player rights and team obligations would be more frequent and harder to resolve. Without such contracts there would be a risk of misuse of an athlete's image or disputes over the terms of the deal. Contracts typically include provisions for dispute resolution, specifying whether disputes will be resolved through arbitration, mediation or litigation. These mechanisms are critical for resolving conflicts swiftly and efficiently, which is particularly important in the fast paced sports industry.

Sport disputes and challenges in resolution

In India sports law is not well codified, and there is no specialized legislation governing sports contracts. This leads to the application of general contract and civil law principles, which may not adequately address the specific needs and nuances of sports dispute.

Though the arbitration is often preferred in sports dispute due to its faster and more flexible nature, it still poses challenges like losing party may refuse to comply with the award or arbitration proceedings are generally confidential, which may hinder transparency and fairness in high stakes cases. Also sometimes arbitrators may apply legal principles inconsistently, leading to unpredictable outcomes.

Sports dispute can involve multiple parties from different jurisdictions, such as athletes, clubs, sponsors and governing bodies each of which is subjected to their own local laws and regulations.

Legal framework for regulating sports contracts in India

In India sports contracts are primarily governed by general legal provisions, as there is no specialised legislation dedicated solely to sports. The existing legal framework for sports contract relies on various statutes, case laws and principles that apply to contractual relationships.

Indian Contract act 1872: This is the principle law governing contracts in India, Including sports contracts. It defines the essential elements of a valid contract such as offer, acceptance, consideration, free consent and capacity of parties. It also covers issues such as breach of contract, damages, specific performance, and enforceability of agreements, all of which apply to contracts between players, coaches, teams and sponsors.

Specific Relief Act 1963: This Act is relevant in cases of breach of sports contracts, allowing for remedies such as specific performance or injunctions. In sports it could involve compelling a party to fulfil their contractual obligations, like playing for a team as agreed.

Arbitration and Conciliation Act 1996: Dispute resolution in sports is often handled through arbitration. The Arbitration and Conciliation Act provides the legal framework for resolving disputes through arbitration rather than litigation, making it common choice in resolving sports related contract disputes, particularly for international sports or when parties agree to arbitration clauses in their contracts.

Industrial Disputes Act 1947: provisions of this Act may apply if there is a dispute related to termination or working conditions, although most top tier sports contracts include dispute resolution mechanisms such as arbitration and mediation.

Copyright Act 1957 and trademark Act 1999: Intellectual property laws are relevant in sports contracts, particularly with regard to image rights, endorsements, broadcasting rights, and merchandising. Players often negotiate contracts for the use of their name, image or likeness in commercial activities. Licensing agreements with sports teams and brands also rely heavily on trademark and copyright law.

Limitations in Existing legal provisions regulating sports contracts in India

India does not have a comprehensive sports law to govern sports contracts. The reliance on general laws like the Indian Contract act and Employment laws often fails to address the unique issues arising in sports industry, such as player's transfers, image rights, anti doping rules and protection of athlete's rights.

Various sports governing bodies like Board of Control for Cricket in India (BCCI), All India football federation (AIFF) and other national associations have their own contractual rules and dispute resolution mechanisms. This leads to a lack of consistency and uniformity across different sports. While arbitration is widely used to resolve disputes in sports contracts under the Arbitration and Conciliation Act, 1996, it may not always be the best approach for all disputes as arbitration proceedings can be expensive and time consuming, particularly for lower level athletes or teams with limited financial resources.

Indian law does not provide sufficient protection for athletes, particularly in terms of safeguarding their rights in contractual negotiations. Issues such as minimum wage standards, retirement benefits, health insurance and post career support are not adequately addressed under existing labour and contract laws, leaving athletes vulnerable to exploitation.

Sports contracts in India often straddle the line between contractual agreements and employment contracts. The distinction is unclear in law, leading to dispute regarding player rights, injury compensation, and retirement benefits.

Conclusion

The existing legal provisions regulating sports contracts in India are inadequate to fully address the complexities and unique challenges of the sports industry. The absence of specialized sports legislation, inconsistent enforcement across sports bodies, and lack of athlete protections are significant limitations. This highlights the need for dedicated legislation that provides clarity, fairness and uniformity in regulating sports contracts, dispute resolution and the rights of all stakeholders involved.

The various challenges underscore the need for a more streamlined and specialized dispute resolution framework, particularly in countries like India, where sports law is still developing.

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