

* IN THE HIGH COURT OF DELHI AT NEW DELHI

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+ W.P.(C) 5989/2022

<u>Reserved on: 20th November, 2024</u> <u>Pronounced on: 07th January, 2025</u>

RAJASTHAN EQUESTRIAN ASSOCIATIONPetitioner

Through:	Mr. Rajiv Dutta, Senior Advocate with Mr. Ashish Kothari, Mr. Devang Gautam, Mr. Balasubramanian R. and Ms. Neha Singh, Advocates. Mr. Vijaya Bhaskar and Mr. Majjari Umesh, Advocates.
versus	
UNION OF INDIA & ORS.	Respondents
Through:	Mr. Varun Pratap, Advocates for EFI.
	Ms. Arti Bansal and Mr. Kamal R.
	Digpaul, Advocate for UOI.
	Mr. Javant Mehta, Senior Advocate

Jayant Mehta, Senior Mr. Kirtiman Singh, with Ms. Manmeet Kaur, Ms. Diva Saigal, Mr. Waize Ali Noor. Mr. Ranjeev Khatana. Maulik Mr. Khurana, Advocates for EFI.

CORAM: HON'BLE MR. JUSTICE SANJEEV NARULA JUDGMENT

SANJEEV NARULA, J.:

1. The present writ petition is part of a series of litigation initiated by State Associations regarding the functioning of Respondent No. 2 – Equestrian Federation of India ("EFI"), the National Sports Federation ("NSF") for the discipline of Equestrian sports in the country. Through the present writ petition, the State Equestrian Association of Rajasthan (the



Petitioner), lays challenge to the notification dated 01^{st} February, 2021^1 issued by Respondent No. 1 - Ministry of Youth Affairs and Sports, Government of India ("*MYAS*"), whereby a 'Relaxation Clause' has been added as Clause No. 16 of the National Sports Development Code, 2011 ("*Sports Code*"); as well as the order dated 09th November, 2021² issued by them in exercise of powers under the said Relaxation Clause, granting Respondent No. 2 - EFI certain exemptions/relaxation of applicability of specific provisions of the Sports Code, 2011.

The Controversy

2. Broadly, the Petitioner contends that such amendment to the Sports Code, 2011, introduced by MYAS through the impugned notification, confers unbridled discretionary powers upon the Minister-in-Charge of the MYAS to exempt any NSF from compliance with any provision of the Sports Code. They argue that vesting of such unchecked authority, without any guiding principles to govern its exercise, effectively undermines the integrity and enforceability of the Sports Code, reducing it to a document lacking any binding value. The Petitioner further argues that the exemptions granted to EFI subverts the very objective of the Sports Code, which is to ensure uniformity and effective regulation in the governance of sports across India; since allowing exemptions to NSFs on such an *ad hoc* basis, on the basis of a newly added 'Relaxation Clause', would lead to varying standards and conditions being applied to different NSFs, thereby eroding the fundamental principles of uniformity and equal treatment enshrined in the Sports Code.

¹ "Impugned notification"

² "Impugned order"



3. The Respondents defend the impugned order, asserting that the exemptions granted to EFI are well-reasoned and grounded on the realities and unique characteristics of Equestrian sports. They highlight two key considerations: first, the peculiar nature of Equestrian sports, which require substantial funding, specialized training, and major infrastructural resources; and second, the historical and global context wherein Equestrian sports have traditionally operated as club-based activities. These factors, according to the Respondents, justify the exemptions granted to EFI under the impugned order.

4. In these circumstances, the Court must determine whether the Relaxation Clause introduced *via* the impugned notification withstands legal scrutiny. Further, the Court must assess whether the exemptions granted to EFI aligns with the principles and objectives of the Sports Code or, whether it undermines the Code's uniform application across National Sports Federations.

THE FACTS:

5. In order to contextualize the present dispute, it is important to first chart out the broad facts as well as the legal provisions involved in the present dispute, which are as follows:

5.1 The Petitioner is the recognized State Equestrian Association for the State of Rajasthan and is a member of EFI. They assert to have made several endeavors to promote Equestrian sports in Rajasthan and are deeply concerned about the governance and conduct of Respondent No. 2 - EFI. Respondent No. 1 – MYAS administers the Department of Youth and Sports in India, and is entrusted with the role and responsibility of developing various sports in India, including but not limited to issuing Guidelines for



grant of recognition to national level federations for representing the country in international events, establishing the necessary infrastructure, promoting capacity building for sports and to take measures for the protection and promotion of athletes and sportspersons in the country.

5.2 Under Entry 33 of List II of the Seventh Schedule of the Constitution, the subject of 'Sports' fall within the scope of the State Governments, however, over the years it has been recognized that, for the true promotion of sports for achieving excellence at the international scale and for representing India as a nation, Sports Federations must be recognized by the Government of India at the National level. Thus, the scope of legislative competence of the Central Government to lay down the procedures and guidelines for the National Sports Federations is derived from Entry 10 and 13 of List I of the Constitution, relating to foreign affairs and participation in international conferences, associations and other bodies³.

5.3 In pursuance of such powers, the National Sports Development Code was introduced by Government of India in the year 2011. This Code is a comprehensive set of guidelines issued by the Central Government to regulate and promote the development of sports, athletes and sports associations in India such as the National Sports Federations who have been granted the exclusive right and authority to regulate their respective sport in the country. It seeks to ensure the adoption of good governance practices by NFSs as well as the Indian Olympic Association ("*IOA*"). The Sports Code embodies the national policy aimed at promoting the overall growth of sports in India, including facilitating participation and recognition in international events. For instance, the Badminton Association of India has



been designated as the NSF for the sport of Badminton, Volleyball Federation of India has been designated as the NSF for Volleyball. Similarly, EFI has been designated as the NSF for Equestrian Sports.

5.4 The Sports Code provides elaborate guidelines regarding, *inter-alia*, the constitution of NSFs, conditions of eligibility of NSFs for financial assistance, sponsorship etc., grants given by the Respondent No. 1 to NSFs, selection of athletes for various national and international level tournaments, the appointment of the selection panel and coaches, procedure for suspension or withdrawal of recognition of NSFs and elections of office bearers of the NSFs. All NSFs are bound to strictly follow and implement the Guidelines and provisions of the Sports Code otherwise their recognition can be suspended or withdrawn by the Respondent No. 1.

5.5 Respondent No. 2 – EFI was constituted in 1967 and is duly registered under the Societies Registration Act, 1860. It was established with the aim to develop Equestrian sports in India by promoting and spreading the influence of the discipline throughout the country by, *inter-alia*, hosting national and international competitions in Dressage, Show-Jumping, Tent Pegging and Endurance under its aegis. EFI has been declared as the NSF for Equestrian sport in India by Respondent No. 1 and its recognition has been renewed over the years. As the NSF, EFI is entrusted with the critical function of governing all aspects related to the development of Equestrian sports in India, including the training and selection of athletes to represent India in major international tournaments, like the Olympics, Common Wealth Games, Asian Games etc. For this purpose, EFI regularly receives grants from Respondent No. 1, facilitated by Sports Authority of India

³ Narinder Batra v. Union of India, 2009 SCC Online Del 480; Para 85 and 86.



("SAI") for its day-to-day functions and conducting various tournaments.

Essential provisions of the Sports Code, 2011:

6. In light of the above, it is pertinent to chart out and highlight some of the essential provisions of the Sports Code, 2011:

Role and responsibilities of NSFs:

6.1 Clause 6.1 (b) of the Sports Code stipulates that an NSF, such as EFI shall be fully responsible and accountable for the overall management, direction, control, regulation, promotion, development and sponsorship of the discipline for which they are recognized. NSFs are required to discharge these responsibilities while being in compliance with, *inter-alia*, all applicable Government guidelines such as the Sports Code, etc.

Recognition of NSFs

6.2 Clause 8 of the Sports Code, *inter-alia*, states that the purpose of granting recognition to NSFs is to ensure that they maintain certain basic standards, norms and procedures with regard to their internal functioning. For this, the NSFs must not only conform to the principles and objectives of the Olympic charter as practiced and laid down by the concerned International Federations but also the constitution of the Indian Olympic Association; all while being compliant with the Central Government Guidelines applicable to NSFs. For the grant and renewal of such recognition, the NSF is required to submit documentation such as annual reports, audited accounts, details of national championships, certificates with respect to Government grants etc.

6.3 Clause 8.3 of the Code provides the parameters that have to be considered by Respondent No. 1 - MYAS at the time of granting recognition or renewal of recognition for NSFs, which are as follows: -



- a) The current legal status of the Organization;
- b) Recognition by the International Federation and the Asian Federation;
- c) Recognition by the IOA in respect of Olympic Sports;
- d) Undisputed status as the Apex Body in India;
- e) All India presence;
- f) The role and contribution of the organization in promoting and developing sports in India;
- g) Conduct of National championships across age groups and gender;
- h) Financial and managerial accountability;
- i) Fair, transparent and democratic elections;
- j) Compliance with age and tenure limit guidelines;
- k) Protection and promotion of Players' interests and welfare;

Conditions of eligibility of NSFs:

6.4 *Inter alia*, the following conditions of eligibility for have been laid down under Clause 9 of the Sports Code: -

- a) The NSF must maintain their recognized status with Respondent No.
 1 and should obtain the annual recognition on year-to-year basis;
- b) The NSF must follow proper, democratic and healthy management practices which provide for greater accountability and transparency at all levels;
- c) The NSF must maintain the recognition of the International Federation, the Asian Federation and IOA wherever applicable;
- d) The NSF must adhere to limits on notified duration and tenure of office bearers;
- e) The NSF must adopt proper accounting procedures at all levels and



produce annual financial statements;

- f) Adopt impartial and transparent selection procedures;
- g) The NSF must hold the elections as per Model Election guidelines provided in Annexure-XXXVII of the Sports Code.

Binding nature of the Sports Code and Consequences of non-compliance:

6.5 Clause 1.5 of the Sports Code refers to the National Sports Policy issued by Respondent No. 1 in August 2001, and states that the said policy is binding on all NSFs. Clause 2.3 of the Sports Code further states that the said Guidelines of 2001 stand subsumed in the Sports Code. All NSFs, including EFI, are, therefore, bound by the Sports Code and have to strictly comply with all the guidelines issued pursuant to the same.

6.6 Clause 3.6 of the Sports Code lays down the consequences for noncompliance with the guidelines issued by Respondent No. 1 or under Sports Code from time to time. These includes *inter-alia*, the following consequences: -

- a) The NSF shall not be able to select the national teams and represent India in any international event or forum;
- b) The NSF shall not be allowed to use the word "India" in its name as per the Emblems and Names (Prevention of Improper Use) Act, 1950, as it may be construed to suggest patronage of the Government of India;
- c) The NSF shall lose its All-India character and may not be able to regulate and control the concerned sport discipline in the country;
- d) The NSF shall not be able to avail itself of either Custom Duty Exemptions for import of sports goods and equipment etc., or Income Tax exemptions under the relevant provisions of the Act;



e) Participation in national or international events organized by the unrecognized NSFs will not make the sportspersons eligible for appointment in government jobs or scholarships under sports quota.

6.7 Further, under Clause 8.5, Respondent No. 1 has the exclusive right to suspend or withdraw the recognition of any NSF in the event of serious irregularities being detected in its internal functioning.

Pyramidical Structure of the recognized sports federations:

6.8 The Sports Code recognizes that generally NSFs have affiliations to corresponding State level bodies, which in turn have affiliations to District level bodies. This requirement has been codified in Clause 3.10 of Annexure II of the Sports Code, which makes it clear that at the National level, only one federation can be recognized for each discipline of sport and only those duly recognized NSFs would be entitled to financial grants from the government. Further, under Clause 3.4 of Annexure II of the Sports Code, the NSF is required to have affiliated units in at least 2/3rd of the total State/UTs in India and there can only be one State/UTs association per State/UT admitted as a member of the NSF, provided they have a minimum of 50% of District level associations affiliated to it.

6.9 Further, under Clause 3.8 of Annexure II it is mandated that the NSF should have held annual National Championships for specified age groups, at the Senior, Junior and Sub-Junior levels for 3 consecutive years preceding the year for which recognition is sought. It is clarified that these competitions should be organized through the Inter-District Competitions in each State/UT. Thus, there is an established pyramidical structure envisaged by the Sports Code, whereby athletes can compete in District and State level competitions organized by associations affiliated with the National



Federation and rise through the merit-based competitions to reach the National Level.

BRIEF FACTS AND CONTENTIONS RAISED BY THE PETITIONER:

7. Keeping the above facts and legal provisions into consideration, Mr. Rajiv Dutta, Senior Counsel for Petitioner, presents the following arguments for challenging the vires of the impugned notification and impugned order:

7.1 One of the primary objectives of the Sports Code is to promote autonomy, democracy and transparency in the functioning of NSFs. EFI is currently being controlled by the Indian Army, contrary to the ethos and objectives of the Sports Code. Even the office of EFI is being operated from the Army cantonment area which is not permissible.

7.2 Over the years, direct memberships have been granted to several individuals, clubs and units of Indian Army like dog units, supply depots, mechanized transport battalions etc., who have nothing to do or contribute to the Equestrian sports. This has been done with the intent to maintain majority votes and control of Indian Army over EFI. Currently, a majority of the members of EFI are officers or clubs of the Indian Army. Pertinently, EFI does not even have its own independent office and is currently functioning from A-1 Defence land in the New Delhi Cantonment Area, which raises serious national security concerns.

7.3 The prevalent practice of reserving posts of Office bearers and Members of Executive Committee of EFI, for serving or retired officers of Indian Army was duly noted by this Court through order dated 20th July, 2020 passed in W.P.(C) 10342/2019. EFI has been reduced to a private club of Indian Army which has established exclusive control over the functioning of the NSF. For this reason, they have no intent to comply with the Sports



Code, which is detrimental to their interest and would give the severally outnumbered State Equestrian Associations, a say in the management of EFI, thereby loosening the Army's control over EFI. Consequently, EFI has been suffering from serious management problems and lack of transparency for several years.

While Respondent No. 1 has been strict over other NSFs, in matters 7.4 relating to compliance of the Sports Code, it has shown unprecedented favors to EFI by over-looking repeated violations of the Sports Code and by granting it extensions after extensions for complying with the Code for the last many years. In 2017, after repeated extensions, Respondent No. 1 directed EFI to positively comply with the provisions of the Sports Code within a maximum period of two years, failing which action would be taken against them as per the relevant guidelines. In response, EFI raised the same arguments raised herein, to request Respondent No. 1 to deliberate on the peculiar nature of the sport and lack of grassroots engagement, in order to reconsider the requirement of strict adherence to the Sports Code. Accordingly, Respondent No. 1 directed EFI to submit a roadmap for transition to be compliant with the Sports Code and held that their recognition as an NSF would continue in the meantime. Thus, after the timeframe for compliance of two years expired, there was no reason for Respondent No. 1 to consider another request by EFI for exemption of applicability of Sports Code on the same grounds on which detailed deliberations were done by the Ministry earlier.

7.5 However, through the letter dated 26th November, 2020, another extension was given by Respondent No. 1 to EFI by renewing their recognition for another 1 year with a direction that EFI must bring its



constitution and governance in conformity with Sports Code, within the said period.

7.6 Pertinently, in the meantime, several writ petitions were initiated by sportspersons and State level organizations against NSFs of various sports in the country who do not comply with the provisions of the Sports Code. Several orders have been passed by the Courts in various writ petitions over the years, whereby Respondent No. 1 was directed to ensure strict compliance the Sports Code by NSFs, however with an intent to avoid compliance with such directions, Respondent No. 1 has amended the Sports Code by introducing the impugned Relaxation Clause *vide* the impugned notification dated 1st February, 2021.

7.7 Subsequently, a few days before the expiry of the additional 1-year period granted to EFI, Respondent No. 1 took a complete U-turn from its earlier decisions and exercised its newly added powers under the Relaxation Clause to arbitrarily and illegally pass the impugned order dated 9th November, 2021, granting an exemption to EFI for compliance with the same provisions of Sports Code whose compliance were being insisted by Respondent No. 1 since last several years. This demonstrates that Respondent No. 1 has given special treatment to EFI by over-looking blatant violations of the Sports Code.

7.8 The Division Bench of this Court in its judgment dated 16th August, 2022 in W.P.(C) 195/2010 titled as *Rahul Mehra v. Union of India*⁴ has held that Sports Code must be followed by all NSFs without any exception. The said judgement was challenged in the Supreme Court by the Respondents and there is an order directing *status quo* relating to charge of



the IOA being handed over to Committee of Administrators, however, there is presently no stay in the operation of the said judgment.

7.9 The impugned decision dated 9^{th} November, 2021 is clearly not in furtherance of Equestrian sports and has been issued only to benefit the Army Service Corps ("*ASC*"), which exerts complete control over EFI.

7.10 The Observer appointed by the Court in a connected writ petition W.P.(C) 10342 of 2019 has also confirmed that EFI is under the control of ASC and has made recommendations for conducting democratic elections for the effective management of the EFI.

7.11 The grounds for exemption to EFI as stated in the impugned order dated 9th November, 2021, are not only absurd but completely false. The reasoning provided by Respondent No. 1 demonstrates that the impugned decision has been issued without application of mind and without examining the correctness of averments made by EFI. This is established by the fact that while EFI emphasizes the need for exemptions citing the unique nature of the Equestrian sport, to be such that the horse and athlete are co-athletes, the Sports Code itself treats horses trained in equine sports as 'equipment'.

7.12 Further, EFI's argument regarding lack of State level infrastructure and prevalence of the sport at the grassroots level, to claim exemption from the pyramidical structure contemplated in the Sports Code, also fails since even EFI itself has no infrastructure of its own for conducting Equestrian sporting events. The Petitioner understands that EFI does not own any ground or horses of their own and rather most of the Equestrian championships organized by them are being done either on privately owned venues/clubs or on Army grounds.

^{4 2022} SCC OnLine Del 2438



7.13 The peculiarity of the sport has been held to be the main ground for granting exemptions to EFI, whereas in other infrastructure intensive sports like yachting, sailing, rowing, golf etc., no such exemption has been granted to those NSFs by Respondent No. 1.

BRIEF FACTS AND CONTENTIONS RAISED BY THE RESPONDENTS:

8. Mr. Jayant Mehta, Senior Counsel for the Respondents, on the other hand, argues as follows:

8.1 The Sports Code is part of the government's policy for the governance of sports in the country and thus, is a matter of executive decision making. In light of the prevailing needs of the hour and entailing circumstances of specific sports and sportspersons, the Central Government issued the impugned notification dated 1st February, 2021, adding the impugned Relaxation Clause in Sports Code. Through the said amendment, Respondent No. 1 - MYAS has been bestowed with *inter alia*, the power to relax the operation of the provisions of the Sports Code wherever it is considered necessary and expedient to do so in order to *inter alia* promote any sports or a sport person or to remove difficulties in giving true effect to the spirit of Sports Code.

8.2 In exercise of powers conferred by the Relaxation Clause, the impugned order was issued exempting EFI from abiding by certain provisions of Sports Code, owing to *inter alia* the peculiar nature of the Equestrian sports and the requirement of availability of the requisite sports infrastructure, horses, training etc. Specifically, EFI has been granted exemption from adhering to Para 3.4 and 3.9 of Annexure-II to the Sports Code and Paras 4(1), 4(2) and 4(4) of Annexure XXXVII to the Sports Code.



8.3 The present model of administration of the EFI is compliant with the Sports Code, after factoring in the exemptions. It is the most viable and feasible model for the development of Equestrian sports in the country since the Equestrian discipline has unique characteristics which cannot be equated with other sports. The 'one size fits all' approach suggested by the Petitioner is not a practical solution, given the nature of the sport. Equestrianism is a sport which fundamentally requires two athletes to come together in a combination i.e., horse-rider combination. This is the basic requirement for conducting any Equestrian sport either in the District, State or National level. Thus, inherently, the sport requires substantial investment in training grounds, horses and their upkeep, stables etc. This is why historically the sport has been majorly a club-based sport with infrastructure established by such clubs and therefore, Equestrian sports has limited percolation to the District and State levels.

8.4 The current system of EFI allows for a human athlete to choose any horse from any club in the country. However, if the relaxation granted to EFI *vide* the impugned order is not upheld, there will be rigidity in the availability of resources and a human athlete will be allowed to compete only with the horses available within his/her own district. This will not only lead to a possible increase in expenditure in transportation of horses, but also reduce flexibility to effectively choose the best horse for a championship, which, in turn, will be detrimental to the sport.

8.5 Thus, in other words, operation of the Relaxation Clause and the current model of administering and conducting Equestrian sports in the country is the most conducive for the development of the sports as it adds certain flexibility, which may get lost if the relaxation is not upheld.



8.6 Recognizing the unique nature of the sport, Respondent No. 1 issued the impugned order dated 9th November, 2021, removing the difficulties faced by EFI in implementing the true spirit of the Sports Code. The exemptions granted to EFI is in furtherance of Article 14 of the Constitution since it has been upheld that dissimilarly situated sports should not be treated in a similar way.

Analysis and Findings

The Impugned Relaxation Clause and Exemptions:

9. The impugned notification dated 1st February, 2021, issued by MYAS, Government of India, incorporates a Relaxation Clause into the National Sports Code which vests authority with the Minister-in-Charge of the MYAS to relax the applicability of provisions of the Sports Code by giving exemptions to NSFs. The said impugned Clause reads as follows:

"Relaxation Clause: <u>Government shall have the power to relax any of the provisions of the</u> <u>National Sports Development Code of India, 2011</u> and other instructions issued with regard to recognition of National Sports Federations (NSFs), renewal of recognition of NSF's on annual basis and governance and management of Indian Olympic Association (IOA) and NSFs, <u>as a special</u> <u>exemption where considered necessary and expedient for the promotion</u> <u>of sports, sportspersons or to remove difficulties in giving true effect to</u> <u>that particular provisions of the Sports Code, always being guided by and</u> <u>not inconsistent with the overarching spirit of good governance and</u> <u>ethical conduct enshrined in the Sports Code 2011.</u> <u>The reasons for such</u> <u>relaxation shall be recorded in writing. Power to relax the provisions will</u> <u>vest with Minister In-charge of the Ministry of Youth Affairs & Sports</u>"

[Emphasis added]

10. The Petitioner has argued that the introduction of the Relaxation Clause is arbitrary and unreasonable. However, the Court finds no infirmity in the executive authority to introduce such a provision. It is wellestablished that the executive, in the absence of legislative prohibition, has



the power to frame policies and guidelines to achieve the objectives of national development. The Courts refrain from interfering with policy decisions unless they are arbitrary, manifestly unreasonable, or violate statutory or constitutional mandates⁵. The Supreme Court in various judgments has held that policy decisions are within the domain of the executive and are not ordinarily subject to judicial review unless they are shown to be in violation of constitutional or legal provisions⁶.

11. The Clause, is a policy decision aimed at addressing practical difficulties in the implementation of the Sports Code. It provides a framework for granting exemptions in exceptional circumstances where it is deemed "necessary and expedient" for the promotion of sports, sportspersons, or for resolving specific challenges faced by NSFs. This exercise must be guided by the spirit of good governance enshrined in the Sports Code. The Relaxation Clause serves as a mechanism to address unforeseen difficulties, contingencies or operational challenges that may arise in the implementation of the Sports Code. It enables MYAS to exercise discretion only in limited, exceptional and justified cases. Pertinently, the clause itself incorporates safeguards by requiring that such exemptions be consistent with the overarching principles of the Sports Code, thereby preventing misuse.

12. Indeed, the Relaxation Clause vests the power to grant exemptions in the Minister-in-Charge of the MYAS, as highlighted and stressed by the Petitioner. However, this does not imply unfettered discretion with the Minister. The Clause itself stipulates that the reasons for granting relaxation,

⁵ Transport & Dock Workers Union v. Mumbai Port Trust, (2011) 2 SCC 575 and Bajaj Hindustan Limited v. Sir Shadi Lal Enterprises Ltd. & Anr. (2011) 1 SCC 640



by exercise of powers under the said Clause, has to be recorded in writing, thereby making it mandatory that it must be a reasoned decision. Furthermore, even though the power to relax provisions is vested only with the Minister-in-Charge, it must be noted that the Minister is only the highest Office-bearer of the MYAS who is to be guided by the aid and advice of the ministry and its officers, thus ensuring that such a power to relax is exercised judiciously and not arbitrarily. In Shiv Sagar Tiwari v. Union of *India*⁷, the Supreme Court in the opening lines observed that "the administrative law has of late seen vast increase in discretionary powers. But then, the discretion conferred has to be exercised to advance the purpose to subserve which the power exists. Even the minister, if he/she be the repository of discretionary power, cannot claim that either there is no discretion in the matter or unfettered discretion". Therefore, while the power is conferred on the Minister-in-Charge, its exercise is not unregulated but rather, is bound by the principles of accountability, transparency, and adherence to the objectives of the Sports Code.

13. In light of the above, Relaxation Clause itself is neither arbitrary nor unreasonable. Accordingly, the challenge to the validity of the said Relaxation Clause is found to be unsustainable and is rejected. However, the question of whether the exemptions granted to EFI under this Clause meets the criteria of being "necessary and expedient" and is supported by cogent reasons remains open to scrutiny.

14. The impugned order dated 9th November, 2021, issued by RespondentNo. 1 granting exemption to EFI, reads as follows:

⁶ State of Maharashtra & Ors. v. Prakash Prahlad Patil & Ors. (2009) 12 SCC 159

⁷ (1997) 1 SCC 444



"Subject: Grant of exemption to Equestrian Federation of India (EFI)from certain clauses of National Sports Development Code, 2011 – regarding

Sir,

I am directed to refer to EFT's letter No. 035/MYAS/EFI/2021 dated 13 October 2021 and other letters mentioned in its letter dated 13 October 2021 requesting for exemption from certain clauses of the National Sports Development Code,2011 ('The Code') and to say that the request has been examined in terms of the provisions of the Code as well as the Ministry's letter No. 12-2/2021-SP-III dated 1.2.2021 regarding relaxation provision.

2. EFT has brought out in its above-mentioned letters to the Ministry that equestrian sport is a club-based sport the world over and it is of peculiar nature wherein two athletes, one human and the other an equine, participate as one combination in all gender-neutral competitions. It has also been brought by EFI that equines are integral part of the sport and maintenance of horses requires special expertise and its quite expensive in terms of their feed, veterinary expenses, grooms for looking after horses on daily basis, lodging of horses, logistics involved in transportation, boarding and lodging of horses, requirements of holding discipline specific competitions like Show Jumping, Eventing, Tent Pegging, Dressage, Endurance with large size grounds, requirement of Equine Disease Free Zone facility to enable horses to be quarantined and examined beforehand to travel abroad as per international rules etc.

3. The Ministry has taken note of the special requirements for the sport of Equestrian and that the requisite expertise, sport infrastructure and horses for training and competitions are not available in all States and Districts of the country.

4. Accordingly, it has been decided to grant exemption to EFI from the requirement under the Code, as a special dispensation to EFI and by taking into consideration the peculiar nature of the sport and the requirement of availability of the requisite sports infrastructure and horses, by relaxing the following provisions of the Code:

(i) Para 3.4 of Annexure-II of the Code requiring the Federation/Association to have affiliated units in at least 2/3rd of total States/UT's of India.

(ii) Para 3.9 of Annexure-II of the Code requiring the Federation to confine the membership to corresponding State/UT and other special units affiliated like (Sports Control Boards etc.) and where Federation grant membership to individual clubs or individual persons, such membership does not confer on such members the right to vote in any of the Federation's meetings.

(iii) Para 4 (I) of the Annexure XXXVII of the Code requiring that each Permanent Member State/ Union Territory duly affiliated by the



<u>Federation as its Permanent member shall have two votes at the</u> elections of the officer bearers and Managing Committee bearers.

(iv) Para (2) of the Annexure XXXVII of the Code requiring that for the purposes of sub-clause (I) each Permanent member State /Union Territory shall be represented by two members authorized by the president of Secretary General/Secretary of the affiliated permanent member state/ Union territory: however, in case. president/ Secretary General / Secretary nominates different person (s) the persons (s) authorized by the president shall be deemed to be the authorized person (s) irrespective of the date.

(v) Para 4 (4) of the Annexure XXXVII of the code requiring that 'each permanent member state/. Union Territory and each permanent member Board/ Institution shall intimate the name (s) of their representative (s) mentioned in sub clauses (2) and (3) latest by ...; and such intimation shall be addressed to the president/ Secretary General/ Secretary of on their letter head duly signed by president / Secretary General/ Secretary of that member unit, so as to reach him on or before the aforesaid date: any change in the name of any authorized representative after.. or any other intimation received thereafter shall be permitted with the approval of the president of'.

5. The exemption will be available to EFI only till such time requisite number of State/ UT Association in 2/3rd of States and UTs with 50% District units come into existence, as required under para 3.4 of annexure II and para 3.10 of Annexures II of code. EFI is impressed upon to take steps for development of requisite sports infrastructure so that State/UT Associations come into existence in at least 2/3rd of State/ UTs with 50% District units.

6. Above exemption are granted with the approval of Minister of Youth Affairs & Sports by invoking the relaxation clause as a special dispensation to EFI and by taking into consideration the special requirements of horses and related sports infrastructure for the sport of equestrian."

[Emphasis added]

15. The aforenoted impugned order gives special dispensation to EFI and exempts them from with the following provisions of the Sports Code:

15.1 **Para 3.4 of Annexure II**: This provision requires federations or associations to have affiliated units in at least two-thirds of the total States/Union Territories of India, which provision is as follows:

"3.4 At the time of applying for recognition, the Federation/Association should have affiliated Units in atleast 2/3rd of total States/UTs of India."



15.2 **Para 3.9 of Annexure II**: This provision mandates federations to restrict membership to corresponding State/Union Territory units or other special units, such as Sports Control Boards, which provision is as follows:

"3.9 The membership of the Federation should be confined to the corresponding State/UT and other special units affiliated (like Sports Control Boards etc.) and where Federation grant membership to individual clubs or individual persons, such membership does not confer on such members the right to vote in any of the Federation's meetings."

15.3 **Exemptions related to Model Election guidelines enumerated in Annexure XXXVII of the Sports Code**: these relate to exemptions regarding the formulation of the Electoral College for elections to the various office bearing posts within the EFI as an NSF.

16. The exemptions granted to EFI are ostensibly based on the purported peculiarity and unique characteristics of the sport, as stated in the impugned order. Therefore, to assess the validity of the exemption, it is essential to critically examine the ground of peculiarity raised by the Respondents.

Whether the Exemptions Granted to EFI are Justified Owing to the Peculiarities of Equestrian Sports

17. EFI as well as Respondent No. 1 justify the exemptions, contending that Equestrian sports possess unique characteristics that distinguish it from other organized sports in India and internationally. They argue that this sports uniquely involves a combination of two "athletes"—a human and an equine—competing in a gender-neutral environment. They point out that the sport encompasses three Olympic disciplines—Dressage, Jumping, and Eventing—and two non-Olympic disciplines, namely Tent Pegging and Endurance. For this purpose, the maintenance and training horses requires



specialized expertise and is prohibitively expensive, involving costs for feed, veterinary care, grooms, transportation, boarding, and large grounds for hosting events like Show Jumping, Dressage, and Tent Pegging. EFI further submits that the necessary infrastructure for Equestrian sports, including equine disease-free zones and quarantine facilities, is not available in most States or Districts, making it impossible to establish compliant State or District associations in line with the pyramidical structure of the Sports Code.

18. EFI also emphasises the cost-intensive nature of the sport, attributing it primarily to the high expenses associated with maintaining and managing horses. They assert that novice horses with reasonable bloodlines cost no less than $\gtrless20$ lakhs in India, while foreign horses, due to additional expenses such as import duties, may range from $\gtrless40-50$ lakhs. Beyond acquisition costs, the maintenance of horses, including feed, veterinary care, and daily upkeep, requires recurring expenditure throughout the year. The logistical demands of transporting horses for competitions, coupled with their boarding and lodging, add to the financial burden. EFI contends that these unique challenges and financial implications inherent to Equestrian sports justify the differential treatment and exemptions granted to it under the Sports Code.

19. EFI also strongly emphasizes on the role of the Clubs. They argue that Equestrian sport, much like Yachting and Polo, is primarily an individual and club-based sport which is a feature observed globally. Elaborating on their contentions, EFI points to the limited percolation and participation in sport which currently comprising of only 4,260 equine athletes and 4,837 human athletes registered with EFI. They argue that the pyramidical



structure of the Sports Code are impossible to be complied with, in the context of EFI, given that no State in India has more than 50% of its districts equipped with Equestrian facilities or District associations. This lack of infrastructure, they claim, renders State associations non-representative of the sport in their respective States. In India, with the exception of Madhya Pradesh, no State government has invested in Equestrian infrastructure. Instead, the necessary facilities have been developed by private clubs and institutions, which, according to EFI, are the true representatives of the sport.

20. Respondent No. 1, the MYAS, also acknowledges the position of the EFI and justifies the exemptions granted to EFI by citing the sport's unique challenges and infrastructure requirements. It acknowledges that Equestrian sports have historically been club-based, both globally and in India, and the absence of adequate State associations reflects the sport's limited reach. Thus, MYAS argues that the exemptions are necessary to ensure the development of the sports, given its resource-intensive nature and limited athlete base.

21. The Court has carefully considered the afore-noted contentions but remains unconvinced by the arguments advanced by the Respondents. While it is acknowledged that Equestrian sports are capital-intensive and require specialized infrastructure and medical facilities for equines, these considerations have no direct bearing on the specific exemptions granted. As noted earlier, the effect of the exemptions majorly pertains to the formulation of the Electoral College for elections, which is a governance issue unrelated to the peculiarities of the sport per se. Consequently, the rationale advanced—that the unique nature of Equestrian sports justifies the



exemptions—is misconceived and extraneous to the question of compliance with the Sports Code.

22. The argument that Equestrian sports are unique because both horses and riders are considered athletes, is directly contradicted by the provisions of the Sports Code. The Sports Code explicitly classifies horses as "equipment" for equine sports, a classification further reinforced by the imposition of customs duties on horse imports and GST on their sale and purchase. Therefore, to equate horses with athletes is neither practical nor consistent with the regulatory framework governing sports in India.

23. Regarding infrastructure requirements, the Petitioner has highlighted that EFI itself lacks the basic facilities necessary to conduct equestrian events, as it currently owns neither grounds nor horses. Furthermore, most Equestrian championships in India are hosted at privately-owned venues without any support from EFI. Athletes receive no financial or logistical assistance from EFI and must independently bear all expenses related to the purchase, maintenance, boarding, lodging, and transportation of their horses. 24. At this juncture, it must also be noted that as per the Sports Code, the Sports Authority of India ("SAI") is entrusted with the task of providing the necessary support to NSFs for provisions of infrastructure, equipment and other assistance as per the agreed terms of the Long-Term Development Plans made by the NSF. Therefore, being the NSF for Equestrian sports the EFI is required to formulate Long-Term Development Plans and seek SAI's assistance to address the issues of infrastructure and equipment.

25. The justification sought to be advanced by the Respondents fails to address the core issue: whether the exemptions align with the principles and objects of transparency, accountability, and representation mandated by the



Sports Code. Even though the impugned order mentions that the exemptions have been granted only till such time the requirement of having State affiliation of 2/3rd States with 50% of District units is fulfilled, the effect of the exemptions itself circumvents the pyramidical structure envisaged under the Code, further entrenching inequities in its administrative structure, instead of resolving the governance challenges faced by EFI.

26. Every sport has its unique characteristics, including distinct rules, parameters, and infrastructure challenges; however these differences do not warrant a departure from the principles of good governance enshrined in the Code. The need for compliance with the Sports Code remains paramount to ensure uniformity, accountability, and inclusivity in sports governance. Diluting these principles based on subjective notions of peculiarity would undermine the integrity and purpose of the Sports Code, which has been formulated to promote the interests of all sports and sportspersons in the country.

27. In sum, the justification for the exemptions, based on the purported peculiarities of Equestrian sports, is unconvincing and lacks substantive merit.

Factoring in the Historical Conspectus of Bona Fide Contributors to the Sport

28. Building on the peculiarities of Equestrian sports, EFI contends that the sport is not practiced in every district or even every State across the country, which makes it impractical to rely solely on State Associations as stakeholders as they are not the true representatives of the sport. EFI argues that even in States where Equestrian activities are present, there are often no



district associations, and the sport is primarily promoted by privately owned clubs. It further highlights that several States have only one or two clubs, while others have a single club with minimal or no Equestrian activity, rendering claims for equal voting rights untenable. In its submissions, EFI asserts that although 12 State Associations are registered and affiliated with them, the contribution of such State Associations in promoting the sport has been negligible since these associations, lack the requisite infrastructure and equine athletes—both fundamental to the sport. On the basis of this claim, EFI emphasizes that historically, clubs have been the forerunners of the Equestrian discipline and have thus, always been members of EFI. In fact, EFI points out that its erstwhile statutes explicitly provide for club memberships directly to the National Federation and even grants club memberships voting rights at General Assembly and Extraordinary General Assembly Meetings of EFI. If representative State Associations are given the sole right to vote, that would mean that the sport is being administered not by those who are interested in the sport, but by outsiders. Therefore, they argue that the exemptions granted to EFI recognizes the need for these clubs to have a say in the sports administration by having a right to vote.

29. The Court has carefully considered the submissions advanced by EFI. In contemporary times, many sports, including Equestrian, operate within a club-based model. Disciplines such as swimming and shooting similarly rely on specialized facilities provided by clubs across the country. Equestrian sports, therefore, are not fundamentally different in this regard. Pertinently, the exemptions must be scrutinized against the backdrop of the unequivocal judicial dicta emphasizing strict adherence to the Sports Code. This Court in *Rahul Mehra v. Union of India & Ors.* has reiterated the non-negotiable



nature of compliance with the Sports Code by National Sports Federations (NSFs) without exceptions. A similar view was endorsed in *Aslam Sher Khan v. Union of India*⁸, wherein it was held that non-compliance with the Sports Code undermines its fundamental objectives.

30. The essence of the Sports Code lies in promoting good governance, ensuring transparency, and safeguarding the democratic functioning of NSFs. Adherence to the Code reinforces uniformity across sports bodies, ensuring a level playing field while holding NSFs accountable for the public resources they utilize. In *Rahul Mehra*, the Court stressed that NSFs availing themselves of government benefits and recognition are bound to comply with the Sports Code as a *quid pro quo* for the privileges accorded to them.

31. The principles enshrined in the Sports Code are not merely administrative, but are founded in public trust, ensuring that the resources and opportunities facilitated by the Government are utilized in the larger interest of sports and sportspersons. As emphasized in *Rahul Mehra*, allowing selective exemptions undermines the foundational objectives of the Sports Code and compromises the legitimacy of the sports governance framework. The Code serves as a comprehensive regulatory framework to curb arbitrariness, promote professionalism in sports administration and emphasizes transparency in the election process, representation of athletes, and compliance with international norms to align India's sports code is essential for ensuring accountability of sports bodies to the public at large and for promoting confidence in the administrative mechanisms governing sports in

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India.

32. The impugned exemptions which have the effect of allowing direct club memberships and voting rights on the National level which undermines the representative pyramidical structure mandated by the Sports Code. The Code, as discussed above, explicitly stipulates that membership and voting rights in NSFs must be restricted to State or Union Territory associations, who in turn are required to have minimum 50% affiliation of district level associations. This ensures that the governance of sports remains inclusive, equitable, and representative of the broader sporting community. Deviating from this structure to accommodate the purported 'peculiarities' of a sport dilutes the democratic ethos the Sports Code seeks to uphold.

33. By bypassing State and District associations, the exemptions have the effect of consolidating governance within a narrow group of stakeholders, the club representatives. This creates a system where resources and opportunities are concentrated in a few hands, leaving aspiring athletes and under-served regions without access to facilities and support. Such a structure is antithetical to the long-term development of the sport, which requires broader participation and inclusivity. In light of the above, the impugned exemptions granted to EFI contradict the very objectives of the Sports Code.

34. While it may be true that clubs have traditionally played a role in promoting Equestrian sports, their role is ancillary to that of the State and District associations. Therefore, history may provide context, but it cannot be the basis for perpetuating non-compliance and override the principles of inclusivity enshrined in the Sports Code.

35. Furthermore, the Court notes the Petitioner's contention that the



exemptions granted to EFI under the impugned order has been misused rather than serving the development of Equestrian sports. This submission warrants serious consideration. The Petitioner argues that the Sports Code explicitly prohibits NSFs from granting direct memberships with voting rights to individuals or clubs, however, EFI has granted memberships with voting rights to Army-affiliated entities, such as Mule Units and Mechanized Transport Battalions, which have no connection to Equestrian sports, thus creating a concentrated "vote bank" that enables the Army Service Corps to maintain control over EFI's governance. Further, they submit that key posts such as President, Vice-President, and Secretary are invariably occupied by senior Army officers, further entrenching this control.

36. A serious concern raised by the Petitioner is the assertion that EFI has actively reduced the number of State Associations from 12 in 2020 to just 5 in 2022. According to the Petitioner, there are, in reality, 29 State Equestrian Associations across the country. EFI has allegedly revoked the memberships of several State Associations to consolidate control within the Army. It is claimed that EFI has replaced these associations by granting memberships to clubs situated in Army areas, which are effectively under the Army's influence. This deliberate restructuring, the Petitioner argues, undermines the representative governance structure envisioned by the Sports Code and further entrenches inequities in the administration of Equestrian sports. In this regard, reliance is placed on the report of the Observer submitted in W.P.(C) 10342 of 2019.

37. Although the aforenoted contentions are vehemently denied by the EFI, there is clear evidence of a reduction in State association membership and increase in direct memberships of clubs. This reduction contradicts the



Sports Code's objective of strengthening State-level representation and promoting the sport at the grassroots level. By prioritizing direct club memberships over State Associations, EFI appears to have sidelined entities that are representative of regional interests and athletes. Thus, the Court finds merit in the Petitioner's submission.

38. At this juncture, it must be mentioned that the Respondents also critiqued the Petitioner for failing to provide evidence of its activities or contributions to the sport. This may reflect on the Petitioner's standing as a State association, however, this argument does not absolve EFI of its responsibility to adhere to the Sports Code as a National Sports Federation. The focus of the Court must remain on whether EFI has demonstrated sufficient efforts to develop the sport at all levels. The exemptions do not provide any measurable mechanism to improve the sport's reach or address infrastructural gaps, rather, this essential task is left to the EFI to undertake. Granting voting rights to private clubs and institutions without adequate checks undermines the representative structure envisaged by the Sports Code. Therefore, without any accountability mechanisms tied to the exemptions by MYAS, the exemptions are unlikely to serve the purported purpose of expanding Equestrian sports across the country. This is manifest from the facts noted above.

39. The Respondents' argument that State Associations are ineffective due to inadequate district-level representation misses the point. Instead of bypassing State Associations, efforts should focus on strengthening their capacity to represent the sport effectively. This requires a concerted effort by EFI, State governments, and other stakeholders to address infrastructural gaps and promote grassroots participation.



Need for integration of clubs in the paramedical structure envisaged under the Sports Code.

40. Mr. Rahul Mehra, Senior Counsel appearing for the Observer appointed in the connected W.P.(C) 10342 of 2019, strongly emphasizes the importance of EFI's adherence to the Sports Code. Mr. Mehra points out that despite EFI's 57-year history, it has failed to meet the requirement of having 50% district associations—a mandate that has been in place since at least 2001. Mr. Mehra also highlights that both EFI and its affiliated State associations have neglected their responsibility to promote and develop Equestrian sports at the grassroots level in India. Instead of fulfilling this obligation, they have sought exemptions to excuse their own failures. He further contends that the lack of facilities cannot justify doing away with the requirement for widespread and equal representation. Such a deviation, he suggests, should not even be considered without a thorough and independent study to assess the reality of the situation. To this end, Mr. Mehra proposes the undertaking a fact-finding exercise to determine the availability and distribution of Equestrian facilities across the country, for providing a clearer picture of the ground realities.

41. On the other hand, Mr. Mehta, Senior Counsel for the Respondents, counters the observations of the Observer, emphasizing that the claim of a lack of empirical evidence is unsupported by the record. He points to detailed maps, updated as of 2022 and annexed to the pleadings, which illustrate that Equestrian sports have a presence in only 101 out of 751 districts nationwide. He further reiterates that the unique characteristics of Equestrian sports, coupled with the significant contributions of the Army to its development, demonstrate that the sport is inherently limited in its reach



and may not permeate to the grassroots level in the same manner as sports like football.

42. Mr. Mehta also argues that the exemptions are based on peculiarities and the admitted fact that Equestrian sports are absent in most districts across the country. He highlights that the exemptions are temporary and remain operational only until 2/3rd of the States or Union Territories, with 50% district-level associations, become affiliated with EFI. Referring to Entry 33 of List II of the Constitution, Mr. Mehta emphasizes that the promotion of sports falls within the domain of the States, and EFI's role is complementary, not substitutive, to the States' responsibility to promote sports within their jurisdictions. He asserts that until grassroots-level promotion of Equestrian sports is achieved, the exemptions ensure that all stakeholders—Clubs, Institutions, and State Associations—can participate in EFI's decision-making. Accordingly, he argues that the claim that the exemptions diminish the voices of athletes or exclude them from governance is unfounded.

43. Addressing the contention that EFI has failed to promote Equestrian sports, Mr. Mehta dismisses it as misplaced and factually unsupported. He cites the numerous medals won by Equestrian athletes in various competitions as evidence of the sport's growth and success under EFI's aegis. Additionally, he highlights EFI's achievements since its inception in 1967, arguing that these milestones reflect its dedication to the development of Equestrian sports.

44. Without prejudice to these submissions, Mr. Mehta points out that the Observer, in several instances, has tacitly acknowledged the necessity of the exemptions. Lastly, he submits that Respondent No. 1 granted the



exemptions only after a thorough evaluation of the relevant facts and circumstances, as reflected in the impugned communication dated 9th November, 2021.

45. The Court has carefully considered the contentions advanced by the parties. The Sports Code, particularly Para 6, clearly delineates the roles and responsibilities of Respondent No. 1 – MYAS and NSFs. It is not disputed that NSFs bear responsibility for the overall management, promotion, and development of their respective disciplines, as recognized by the relevant International Federations. For this purpose, to avail government assistance, NSFs are required to formulate Long-Term Development Plans ("LTDPs") based on a four (4) year cycle. These plans are required to cover all aspects of the development of the sport, including facilities and equipment, coaching, development of sportspersons and clubs, Domestic tournament schedules, etc. Thus, the Sports Code is designed for overall development of the sport which includes the development of State and District level associations for ensuring merit-based opportunities to sportspersons. This is the essence of the pyramidical structure envisaged by the Sports Code. The importance of such State and District level associations is further highlighted by Para 3.8 of Annexure II of the Sports Code, which mandates that annual national championships be held at Senior, Junior, and Sub-Junior levels through inter-district competitions. This requirement, which remains unexempted, serves as a critical driver for grassroots-level participation and growth. By organizing inter-district competitions, NSFs can ensure that more sportspersons from diverse districts engage in the sport, promoting inclusivity and expansion. The responsibility for implementing this mandate falls squarely on the NSF, not on the States or Districts, who merely



facilitate the requirement, drawing funds and support from the NSF where necessary. Thus, the intent behind the 50% district affiliation requirement, as enumerated in the Sports Code, is twofold: a) Widespread Representation: Ensuring the voices of sportspersons across districts are heard and their aspirations addressed; b) Prevention of Power Concentration: Avoiding governance being dominated by a select few, thereby ensuring fairness and democratic decision-making.

46. If, as EFI suggests, clubs are made direct members of the National Federation, it risks creating a centralized structure, ignoring the diverse needs and interests of sportspersons from various States and the merit-based pyramidical structure envisaged by the Sports Code. Similarly, if clubs alone are members of State associations, representation at the State level would be skewed, rendering district-level aspirations of sportspersons meaningless. The Court thus concurs with the Observer's submission that proper representation can be achieved if clubs are integrated into district associations, which can then contribute to the larger representative framework. This approach would ensure that district-level associations are promoted and developed, creating an equitable system for sportspersons across all States and districts.

Conclusion

47. The MYAS has failed to record any substantive rationale for granting the exemptions in the impugned order. Its justification that the peculiarities of Equestrian sports necessitate the exemptions is based on generalized observations rather than empirical evidence. In the impugned order, Respondent No. 1 has merely noted the lack of infrastructure, expertise, and



horses but has not explained why these factors render compliance with the Sports Code impractical or riddled with practical difficulty for its implementation. Furthermore, there is no evidence placed on record to suggest that Respondent No. 1 undertook any fact-finding exercise to verify the averments of EFI before they granted the impugned exemptions. As is clear from the documents placed on record and the report of the Observer in W.P.(C) 10342 of 2019, there are glaring discrepancies in the membership of State associations over club associations in the EFI, which is an aspect which ought to have been carefully studied before the exemptions were granted under the impugned order.

48. The exemptions have been granted with undue emphasis on the perceived peculiarity of the sport, particularly the argument that "horses are athletes" rather than equipment. This argument contradicts the Code itself, which under Clause 10.4.4. categorizes 'horses' along with their diet for Equestrian events as 'equipment' for reimbursement of hiring/transportation by the Government. Moreover, under the Sports Code, it is the mandate of the SAI to not only facilitate the release of government grants and finds, but also help in acquiring of the necessary equipment for Sports. The argument regarding the financial and logistical burdens associated with maintaining horses, while significant, does not justify an exemption that compromises the principles of governance and representation enshrined in the Sports Code. The Court notes that even under the current exemptions, the broader objectives of the Sports Code, i.e., representation, inclusivity, and grassroots development—remain unmet. The exemptions have merely institutionalized an unequal system where clubs dominate governance, sidelining State and District associations. Thus, in absence of a detailed fact-finding exercise



before the exemptions were granted, the decision appears to have been a mere endorsement of EFI's request, without independently verifying the actual state of facilities or participation. In light of the foregoing discussion, the Court holds that the exemptions granted to EFI under the impugned order are arbitrary and lack substantive factual foundation.

Directions: Constitution of Fact-Finding Committee

49. The issue of elections to the Executive Committee of EFI is inextricably linked to the exemptions granted under the Sports Code. The composition of the electoral college, as per the orders of the Division Bench orders dated 30th May, 2023, in LPA 36/2023, hinges on the decision regarding the validity of the exemptions. Elections to the Executive Committee, which became due in September 2023, have not yet been conducted, leaving the EFI governed by an *ad hoc* Executive Committee reinstated by this Court's order dated 29th May, 2024. The absence of a duly elected body till now has caused significant challenges in the administration of Equestrian sports in the country and could potentially expose EFI to repercussions at the international level.

50. At the same time, the Court recognizes the limited percolation and participation in Equestrian sports. However, the data furnished by EFI lacks sufficient depth and does not demonstrate any concrete or sustained efforts to promote the sport or expand its reach. Furthermore, the submissions of the Petitioner and the report of the Observer in W.P.(C) 10342 of 2019 indicate a significant reduction in the membership of State Associations, alongside an increase in the membership of individual clubs within EFI. The exemptions have allowed EFI to remain in non-compliance with the requirement of having membership from $2/3^{rd}$ of the States and to permit



clubs as voting members of the national federation, while also granting relaxations from compliance with the Model Election Guidelines of the Code. The exemptions, rather than addressing governance challenges, have perpetuated a structure that does not align with the principles of transparency, accountability, and representation mandated by the Sports Code.

51. The continuation of the exemptions cannot be permitted indefinitely without addressing the systemic deficiencies identified in this judgment. However, the Court recognizes that an abrupt cessation of the exemptions, without a clear roadmap for reform, risks creating a governance vacuum, detrimental to the sport and its athletes. To balance these concerns, the Court directs that the exemptions remain operational as a strictly interim measure, pending the completion of the fact-finding exercise and the implementation of concrete steps to bring EFI into compliance with the principles of the Sports Code. Any further decision regarding the extension, modification, or withdrawal of the exemptions shall be based on the findings of the Committee.

52. To address the issues identified, the Court constitutes a five-member Fact-Finding Committee under the chairmanship of a retired judge of the Delhi High Court. The Committee shall be chaired by Mr. Justice Najmi Waziri, Retired Judge of the Delhi High Court, and shall include the following members:

(a) A representative from the Ministry of Youth Affairs and Sports(MYAS) to be nominated by Minister in-Charge of MYAS.

(b) A representative of the Sports Authority of India (SAI) to be nominated by head of SAI.



(c) A nominee from the Indian Olympic Association (IOA) with expertise in sports governance to be nominated by President of IOA.

(d) Two prominent sportspersons from Equestrian sports, namely Ms. Divyakriti Singh and Ms. Shruti Vora, who have represented India at national and international championships.

53. The Committee shall conduct a detailed investigation into the ground level realities of Equestrian sports in India, focusing on the following objectives:

a) **Assessment of Infrastructure**: Identify and evaluate the facilities available for Equestrian sports, including their geographic distribution and accessibility. Specifically, the Committee shall determine:

i. The availability of Equestrian infrastructure in each district and State.

ii. Ownership, maintenance, and accessibility of facilities provided by government bodies, SAI, EFI, State associations, or private clubs.

iii. The feasibility of athletes from districts lacking infrastructure, utilizing the facilities available in adjoining districts or regions.

b) **Participation and Representation**: Examine the level of athlete participation and representation, including:

i. The number and distribution of registered equestrian athletes across Districts and States.

ii. The role of clubs, State associations, and District associations in promoting grassroots participation.

iii. The extent to which State and District associations fulfil their mandate under the Sports Code.

c) Functionality of State Associations: Assess the effectiveness and



contributions of State Associations in the development of Equestrian sports and their compliance with the Sports Code.

d) **Role of Clubs**: Evaluate the contributions of clubs to the governance, infrastructure, and development of Equestrian sports and their compatibility with the representative framework of the Sports Code.

54. The Committee shall submit its findings in a comprehensive report to Respondent No. 1 - MYAS within a period of three months of its constitution. This report must specifically ascertain the number of districts with functioning clubs and analyse their potential integration into the pyramid structure envisaged by the Sports Code. The Committee should examine the feasibility of organizing clubs under District Associations, which will then form part of State Associations, ultimately culminating in their membership in EFI. The findings must include recommendations on steps required to align EFI's governance structure with the principles of the Sports Code, ensuring inclusivity, grassroots development, and equitable representation.

55. Respondent No. 1 - MYAS shall evaluate the Fact-Finding Committee's report and take a reasoned decision on continuation, modification or withdrawal of the exemptions thereon within a period of four weeks of receiving the report. The Petitioner shall be at liberty to challenge the said decision, in case need so arises.

56. The Chairman of the Committee shall intimate the fees of the Committee members as well as his own fees to EFI, which payment shall be made by EFI in advance. EFI will also organise and bear all expenses for travel, boarding and lodging of the Committee, as and when required by them. It is made clear that EFI and the respective State Associations will



fully cooperate with the Fact-Finding Committee, including giving access to all necessary information, documents and materials, as available with them, to the Committee.

57. Pending the conclusion of the fact-finding exercise and review by MYAS, the exemptions granted to EFI shall remain operational. It is made clear that the continuation of exemptions is purely an interim measure and shall not prejudice the findings or recommendations of the Fact-Finding Committee. Any decision regarding its extension, modification, or withdrawal shall depend entirely on the Committee's findings and recommendations. It is clarified that allowing the continuation of the exemptions temporarily does not validate or legitimize the exemptions as they currently stand. Instead, it reflects the practical necessity of avoiding disruption to the administration of the sport.

58. Disposed of in above terms.

SANJEEV NARULA, J

JANUARY 07, 2025/as