CENTRE FOR ALTERNATIVE DISPUTE RESOLUTION

RAJIV GANDHI NATIONAL UNIVERSITY OF LAW **PUNJAB**

> 3RD RGNUL SPORTS & ENTERTAINMENT LAW MEDIATION COMPETITION

> > **PROBLEM** QUARTER FINALS



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BACKGROUND INFORMATION

RST Mystic Bagan (RSTMB) is an Indian professional football club based in Kolkata, West Bengal that competes in the Indian Super League which is a professional football league that is conducted under the aegis of the All-India Football Federation ("AIFF"). The club was launched on 17th February 2000 and represents Kolkata. RSTMB have never won the Indian Super League but have made the finals of the tournament two times. RSTMB have a reputation of being one of the most attack-oriented teams in the League which has also proved to be the ultimate downfall of the team in their two finals appearances. Kevin Bhatia is a footballer with RSTMB who plays primarily as an attacker and was the top scorer for RSTMB in the 2018-19 edition of the ISL.

Goa Blasters FC (GBFC) is another Indian professional football club based in Goa that competes in the Indian Super League which is a professional football league that is conducted under the aegis of the All-India Football Federation ("AIFF"). The club was launched on 17th November 2004 and represents Goa, which is the only state or union territory to declare football as its official sport. GBFC never made the finals of the tournament and have been knocked out in the semi-finals twice. GBFC have a reputation of being one of the most defense-oriented teams in the League which has also proved to be the ultimate downfall of the team in their two semi-finals appearances.

Varun Bruyne is a footballer in GBFC who plays primarily as a defensive midfielder and is considered as a role player with dangerous physical ability. However, his contract with RSTMB was about to end in the next 3 months, i.e., June 2021, right before the next season of ISL, i.e., July 2021.

DISPUTE FACTS

The clubs contacted each other for the transfer of Kevin and Varun from their respective clubs to the other. For this transaction, the executives of both the clubs had several in-

person meetings and exchanged communication over emails and WhatsApp showing their intent to transfer the players.

Over one WhatsApp message, the authorized representative of GBFC agreed to transfer their player Varun to RSTMB for a consideration of an amount equivalent to INR 35 lakhs. In response, the authorized representative of RSTMB requested that the transfer amount be reduced to INR 25 lakhs. The authorized representative of GBFC, saw an opportunity here and enquired on WhatsApp if RSTMB was interested in transferring their player Kevin for 5 lakhs on the understanding and promise that Varun would be transferred for 15 lakhs. RSTMB agreed to such negotiation and Parties decided to enter into the necessary agreements.

RSTMB and GBFC entered in player exchange agreements for the players wherein they finally agreed that Varun shall be valued as a part of the deal at INR 15 lakhs in addition to transfer of Kevin at 5 lakhs. However, such transfer of player was to be subject to a medical examination of the players being transferred, by the teams hiring them. Both the clubs signed the agreement.

GBFC conducted medical examination on its end before having RSTMB conduct the examination. Varun passed the medical examination conducted by GBFC as per the requirements of the league standards. RSTMB conducted a medical examination on Varun at RSTMB's facility, which he failed on certain parameters as set out by the club's requirements. Since the transfer agreement was made subject to the player (Varun) passing the medical examination RSTMB terminated both the agreements. This caused a collapse of all the dominos lined up and consequently the whole transfer deal collapsed, and both teams terminated the transfer of their respective players to the other's team.

GBFC subsequently sent a notice to RSTMB for wrongfully terminating the agreement for Kevin by stating that RSTMB did not provide any reason for such termination and that such transfer was a distinct and different part of the transfer deal which may still be carried out in light of a separate agreement. Before, the matter could escalate further, the authorized representative from RSTMB suggested that the parties attempt to mediate the issue. Hence, this mediation.