



CLEARING A NEW HURDLE: AFI'S PRIOR APPROVAL MANDATE FOR ATHLETE SPONSORSHIP AGREEMENTS

Update by: Mallika Noorani, Sachit Kumar, Sharayu Joshi | April 14, 2026

Founded in 1946, Athletics Federation of India (“**AFI**”) is the apex body for athletics in India and is recognized by the Ministry of Youth Affairs & Sports, Indian Olympic Association and World Athletics.

As per the Rules and Regulations of the Athletics Federation of India¹, an Athlete is defined as follows: “unless specified otherwise, any individual who is entered for, or participating in an Athletics event or competition organized by AFI/AAA/WA or any other recognized member of WA, or IOC/NOC/OCA for multiple Sports Events or its Members or Associations by virtue of their agreement, membership, affiliation, authorisation, accreditation, entry or participation.”

In a move that, prima facie, appears to add a fresh hurdle for Athletes with regards to Athlete-sponsorship agreements, AFI, vide its circular bearing no. 40/04-2026 (“**Circular**”)² dated 02nd April, 2026 addressed to several entities, including Reliance Foundation Youth Sports, JSW Sports, ONGC Sports, etc., now mandates Athletes to take prior approval of the body before entering into any contractual agreement with a sponsor or a third party.

¹ <https://indianathletics.in/wp-content/uploads/2024/11/AFI-Constitution.pdf>

² https://indianathletics.in/wp-content/uploads/2026/04/Circular-No.-40_Mandatory-Prior-Approval-for-Athlete.pdf

Prior to the introduction of this circular an Athlete was free to enter into any agreement with a third party without the condition precedent of seeking prior approval of any entity/body.

With the introduction of the Circular, an Athlete can no longer unilaterally enter into an agreement with a sponsor and/or third party without the prior approval from AFI. AFI has cited safeguarding interest of Athletes as the primary reason for introducing the Circular. AFI also states that this approval mechanism is introduced to help Athletes focus on their training rather than worrying about contracts.

The Circular also mandates that sponsors must proceed with execution of an agreement after they have confirmed with AFI that the Athlete has obtained the requisite approval from AFI, which AFI intends to provide within 3 (three) days. However, the said Circular is silent on the aspect of a deemed approval in the event no approval/response is provided within the given timeline.

The said Circular issued by AFI raises several questions. The Circular does not provide any consequences for the Athlete and/or a sponsor not abiding by the approval mechanism. The criteria basis which AFI's approval shall be granted or rejected is also unclear. Further, it is also ambiguous if deemed approval shall be granted in the event no approval/response is provided within the given stipulated timeline. Further, the approvals process also lacks any appeals/ review provisions in case of refusal which could lead to procedural irregularities. AFI has subsequently clarified in public statements that no fee or commission will be charged for the approval process.

CONCLUSION

The Circular intends to safeguard Athletes and sponsors with the introduction of its contentious approval mechanism process. Unlike Rule 40 of the Olympic charter, issued by the International Olympic Committee, which restricts Athletes commercial activities during defined Olympic event windows, this Circular goes a step further as it places a prior approval condition on the Athlete's ability to enter into sponsorship arrangements at all times.

Beyond its immediate compliance implications, the Circular raises broader questions around the scope of regulatory authority exercised by sports federations over Athletes' private economic choices. By introducing a perpetual approval requirement, AFI has effectively transformed sponsorship contracting from a private negotiation into a regulated permission. In the absence of articulated approval criteria, deemed approvals, or review mechanisms, this framework risks creating uncertainty for Athletes and sponsors alike - particularly those operating within

time-sensitive commercial cycles. While framed as protective, the measure may inadvertently chill sponsorship activity, redistribute negotiating power and usurp an Athlete's autonomy.

For now, Athletes will need to clear this additional hurdle, even if the track ahead is not entirely marked.

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