

## Transfer of Players in Indian Premier League – A Critique

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### Abstract

Transfer of players in professional sports is conducted as per the guidelines developed by sport's governing bodies. Guidelines are established as per international standardized rules in order to encourage international sporting transfers.<sup>2</sup> Transfer of players among different clubs in home leagues is very common in Football. However, the transfer of players in cricket has not garnered much attention. In 2008, the Indian Premier League, or as famously abbreviated, 'IPL' was established. Participating teams compete in a two-month-long Twenty20 (T20) cricket league. With every consecutive year, the fan following of the league has increased considerably. This research article focuses on the concept of Mid-season transfer of players in IPL, introduced in 2019, and analyzing the criticism that the system has received.

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<sup>2</sup> *The Economic and Legal Aspects of Transfers of Players*, EUROPEAN COMMISSION, <https://ec.europa.eu/assets/eac/sport/library/documents/cons-study-transfers-final-rpt.pdf> (last visited Aug. 17, 2021).

## Introduction

Eight different teams from eight different cities participate in the IPL, out of which the top four teams compete in three playoff matches. IPL is the most-awaited and most viewed sports event in India. The 13<sup>th</sup> Season of IPL set an enormous Viewership Record with 31.57 million Average Impressions. Eight teams that are contesting in the 2021 season are Mumbai Indians, Chennai Super Kings, Royal Challengers Bangalore, Delhi Capitals, Sunrisers Hyderabad, Rajasthan Royals, Kolkata Knight Riders, and Punjab Kings. As of 2020, Mumbai Indians have won the most number of times i.e. five. Apart from entertainment, IPL plays a very important role in the economic growth of India. The 2015 IPL season allegedly contributed 11.5 billion rupees to the GDP of the Indian economy.<sup>3</sup> Since the past few years, the concept of mid-season transfer was introduced in the IPL wherein players from one team can move to another team while the tournament is going on. However, the system received backlash due to its tricky rules.

## Rules of Auction in IPL

According to the IPL rules and regulations regarding the formation of the teams, and Auction is where players in a joint pool are sold to the highest bidder. The IPL auction is conducted by BCCI every year to carry out the bidding of cricket players to numerous franchises. An auctioneer is appointed to administer the biddings on the day of the auction. All franchises sternly bid for the players listed for auction. At the end of the auction, each IPL team concludes with settled players. The auction proceedings go on for multiple days. All the teams come pre-prepared for auction concerning decisions concerning the budget, type of players needed, players' international contracts, etc. The decisions of the franchises decide the fate of the Indian and foreign players partaking in the league.

Three different kinds of players are listed for IPL auction- **capped, uncapped, and foreign** i.e. non-Indian players.<sup>4</sup> Capped players are players that have represented India in any game at least once. Uncapped players are domestic players that have not yet represented India in any game. Foreign players fall into the category of overseas players.

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<sup>3</sup>IPL 2015 contributed Rs. 11.5 bn to GDP: BCCI, THE HINDU, <https://www.thehindu.com/sport/cricket/2015-indian-premier-league-ipl-contributed-rs115-billion-182-million-to-indias-gross-domestic-product-gdp-says-bcci/article7823334.ece> (last visited Aug. 14, 2021).

<sup>4</sup>How Does the IPL Auction Work?, CRICKET MASTERY, <https://cricketmastery.com/how-does-the-ipl-auction-work/> (last visited Aug. 15, 2021).

A comprehensive set of rules have to be followed by the franchises during the auction. These rules are as follows:-

- **Each franchise has a purse budget.** The purse budget is decided as a total of INR 85 crore. The budget allotted to each team is the same and no franchise is permitted to buy a player beyond their purse balance. In the 2021 auction, Punjab kings had the most budget in their purse to spend on players i.e. 53.2 crore rupees while the franchises with the fewest budgets i.e. 10.75 crore rupees were Sunrisers Hyderabad and Kolkata Knight Riders.<sup>5</sup> The teams don't need to use the entire budget in the purse, but as per the current guidelines they are required to spend at least 75% of the purse. If the franchise completes its team in less than 75% of the purse budget, then the remaining money goes to BCCI.
- **BCCI has consistently emphasized the need to sign Indian players over foreign players.** For providing a better opportunity to Indian players, certain rules have been inserted regarding the number of players each team can have. Each team can have a maximum of eight international players however the lower limit for having foreign players is not set whereas, the same is not the case with the number of Indian players. Each team can have only 25 Indian players but at least 17 Indian players are requisite. Moreover, a maximum of 4 foreign players is allowed to play on match day. The maximum number of players that each team can have is 25 while the minimum number of players in each team is 18.<sup>6</sup>
- **Listed players have been given the liberty to set their base price** i.e. the price at which the bidding for each player shall start. The base price for each player cannot be fixed for more than INR 2 crore and not less than INR 10 Lakh. Generally, the base price of capped and foreign players is higher than that of uncapped players.
- **As per the retention policy, each franchise can retain a maximum of five players.** Two kinds of the method are followed in IPL auction for retaining players- Direct retention and Right to Match (RTM). Through direct retention, the franchise can retain not more than three players. Subsequently, they are given two RTM cards at their disposal. RTM cards provide an option to the current franchise owner of a player to bid the highest amount for a player who was released ahead of the auction but they want to retain him,

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<sup>5</sup> IPL 2021 Auction Rules: Guidelines all 8 franchises have to adhere to while buying players for Season 14, TIMES NOW, <https://www.timesnownews.com/sports/cricket/article/ipl-2021-auction-rules-guidelines-all-8-franchises-have-to-adhere-to-while-buying-players-for-season/721432> (Last visited Aug. 14, 2021).

<sup>6</sup>How Does the IPL Auction Work?, CRICKET MASTERY, <https://cricketmastery.com/how-does-the-ipl-auction-work/> (last visited Aug. 15, 2021).

then they can use RTM by showing the willingness to match the amount required to retain the player in the team.<sup>7</sup>

### Concept of Mid-Season Transfer

The mid-season transfer is a very common practice among football clubs. The concept of mid-season transfer in IPL is akin to the January transfer window in football premier League clubs.<sup>8</sup> A transfer window is opened up annually in which players from one team may be transferred to another team. The system of mid-season transfer in IPL was first introduced in 2019 however it was only for uncapped players. Though, none of the teams decided to use it. The last mid-season transfer window in IPL for its 2021 season opened on 26<sup>th</sup> April 2021 and continued till May 23<sup>rd</sup>, 2021. In 2020, even capped and overseas players were permitted to be transferred. The reason behind introducing the system of mid-season transfer of capped and foreign players is to strengthen the competition further.

The transfer window is opened only after the league has completed the halfway mark and after each team has played at least seven games. This is a great opportunity for particularly those players who failed to showcase their talent in the first half of the tournament and thereby providing a fresh start with a new team altogether. This is also beneficial for the franchises to have those players on their team, whom they couldn't sign at the auction sale.<sup>9</sup> However, the transfer of a player can only be carried out if both the current and the subsequent franchise give their consent to it. The consent of the player is also required for him to be transferred.

A player who has played less than three matches in the ongoing edition is eligible to be transferred. The loan amount for the player being transferred is to be decided as per the common understanding between the party franchises. All transfers that take place between teams are to be informed to the IPL governing council. If the franchises have concerns about injured players going into the second half, whose replacement has not been found, they can take advantage of the transfer window and make full use of it. The first installment of the loan transfer fee that is

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<sup>7</sup>IPL Auction Rules 2021, SPORTS KEEDA, <https://www.sportskeeda.com/cricket/ipl-auction-rules> (Last visited Aug 15, 2021).

<sup>8</sup> IPL 2020 Mid-Season Transfer : 4 IPL Mid-Season Transfer rules everyone should know, INSIDE SPORT, <https://www.insidesport.co/ipl-2020-mid-season-transfer-4-ipl-mid-season-transfer-rules-everyone-should-know/> (Last visited Aug. 16, 2021).

<sup>9</sup> IPL 2020 mid-season transfer rules, players list, who is eligible, window, SPORT STAR, <https://sportstar.thehindu.com/cricket/ipl/ipl-news/ipl-2020-mid-season-transfers-timing-eligibility-of-players-and-rules-all-you-need-to-know/article32802682.ece> (Last visited Aug. 16, 2021).

decided between the two franchises is to be paid to the lending team within seven days of the registration of the player to another team. The remaining dues are to be paid within a week from the last game of the season. A franchise is not allowed to lend more than three of its players to a particular franchisee during the season.<sup>10</sup>

### Problems in Mid-season Transfer Rules

As of now, the system of mid-season transfer has not benefited the franchises a lot. The system has received criticism because of the rules that the players, as well as the franchises, have to follow in cases of transfer. In the past transfer window openings, few players have been transferred. Even before the opening of the transfer window, few teams had already announced that they would not be trading any player.

One of the prime reasons behind the failure of the system could be the fact that teams are unconfident about transferring their players because if a player is transferred to a rival team, there arises a possibility of the transferred player sharing the parent's team secrets and strategies, this puts the parent team at risk of losing the league.<sup>11</sup> Game strategies are planned months before the league begins thus the player possibly knows about the tactics and policies that the parent team is going to apply and thereby the new franchisee can take advantage of the same. Thus, it is safe to say that in an eight-team league, no team would be willing to strengthen their opponents' position by loaning out a player of their own.

In football leagues, transferred players are not allowed to play against the parent franchise. A similar rule has been applied in the IPL transfers. Thus, the player who gets signed for a different franchise during the transfer window will not be permitted to play against his parent team.<sup>12</sup> The rule is a drawback for the borrowing franchise as the player could not be used against the lending team. Moreover, the transfer of the player is not permanent and restricted only to the season within which they are being transferred.

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<sup>10</sup> IPL Mid-Season Transfer – New Rules Issued by IPL Committee, TIMES OF SPORTS, <https://www.timesofsports.com/cricket/ipl/mid-season-transfer-rules/> (Last visited Aug. 16, 2021).

<sup>11</sup> IPL 2020 mid-season transfer - Why no players have been traded yet?, DNA INDIA, <https://www.dnaindia.com/ipl/report-ipl-2020-mid-season-transfer-why-no-players-have-been-traded-yet-2850196> (Last visited Aug. 17, 2021).

<sup>12</sup> IPL mid-season transfer window - lesser known facts about the process, TIMES NOW NEWS, <https://www.timesnownews.com/sports/cricket/article/ipl-mid-season-transfer-window-lesser-known-facts-about-the-process/667467> (Last visited Aug. 16, 2021).

The auction fee at which the player was sold in the auction will be paid entirely to him by the parent franchise. But the money that has to be paid by the borrowing franchisee as a loan to the lending franchise is not from the remaining purse amount. The loan amount has to be paid outside the purse balance.<sup>13</sup> Thus, before borrowing a player and spending huge amounts on them, the franchise will have to consider that the transfer is only temporary. Also, the profits of franchises have taken a huge hit due to the covid pandemic. Therefore, paying a large sum for a temporary transfer doesn't seem feasible for the franchises.

The IPL governing council has not developed proper guidelines concerning the transfer of injured players. There is no clarity as to whether the players who are injured (irrespective of the number of games they have played so far in the league) can be replaced or not by those who are eligible for the mid-season transfer.<sup>14</sup> If a particular player is dispensable for the loaning team, but there is a possibility that the same player could prove to be the missing piece in the puzzle for the borrowing team. This is the reason teams have restrained from loaning players mid-season, even if they have few players at the dispensable.

Most of the franchises will generally aim to sign capped and international players as they have more experience. But over the past years, it has been pretty clear that the results of the games are decided by the finest of margins. Thus, no franchise takes the risk of giving away their capped or overseas players while the tournament is wide open and play-off places are far from decided.

## Conclusion

It is abundantly clear from the research findings that the system of Mid-season transfer in IPL did not prove to be as beneficial as the governing bodies expected it to be. It only makes sense if the BCCI decides to strike down the concept or introduce a modified system with new regulations taking into consideration the position and benefit of the franchises. Since the transfers in mid-season are temporary, it does not seem practicable. Thus, this rule could be amended in a way whereby the transfer period of the player is longer.

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<sup>13</sup> *The IPL mid-season trade has turned out to be an epic fail*, SPORTS CAFÉ, <https://sportscafe.in/cricket/articles/2021/may/14/the-ipl-mid-season-trade-has-turned-out-to-be-an-epic-fail-but-heres-why-a-mid-season-auction-could-work> (Last visited Aug. 17, 2021).

<sup>14</sup> *IPL 2020 mid-season transfer - Why no players have been traded yet?*, DNA INDIA, <https://www.dnaindia.com/ipl/report-ipl-2020-mid-season-transfer-why-no-players-have-been-traded-yet-2850196> (Last visited Aug. 17, 2021).

## Suggestions

A new system of 'mid-season auction' could be introduced by striking down mid-season transfer wherein instead of players getting transferred during the transfer window, franchises will once again participate in a bidding process to sign new players. It could be held halfway through the tournament and players who have played fewer games in the first half could be eligible for the mid-season auction. The team which released the player can also be given the chance to bid again on the same player. The release of players should be dependent upon the consent of both the franchise and the player. If a player is transferred to another team in the mid-season auction, the old franchise can pay him half of the amount at which he was sold. Franchises can use the remaining purse budget to participate in the mid-season auction. If the player goes unsold in the mid-season auction, he may not return to the previous franchise as the earlier contract would stand canceled. Unlike the mid-season transfer, players that went unsold in the auction before the beginning of the tournament can also participate in the mid-season auction. Thus, new opportunities will open up for those players as well. Unlike mid-season transfer where the player is transferred only for a short time, in the mid-season auction, once a player is sold to a new franchise the player would remain with that team, until and unless he is released. This can solve a major problem that concerns the franchises.

Transfer rules aim at competitive fairness and transparency on a contractual basis. The transfer fee/loans are determined through a cost-based and talent-based approach.<sup>15</sup> The system of transfer fees benefits clubs and franchises especially in football as transfers constitute a significant means of revenue for them. In every sport, there are certain legal restrictions on players to move freely from one team to another to maintain fair and balanced competition.

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<sup>15</sup> *The Economic and Legal Aspects of Transfers of Players*, EUROPEAN COMMISSION, <https://ec.europa.eu/assets/eac/sport/library/documents/cons-study-transfers-final-rpt.pdf> (last visited Aug. 17, 2021)