



IN THE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI

BENCH-IV

C.P. IB/533/ND/2025

IN THE MATTER OF:

Shikhar Dhawan

... Applicant/Operational Creditor

Versus

Absolute Legends Sports Private Limited

... Respondent/Corporate Debtor

CORAM:

**SHRI MANNI SANKARIAH SHANMUGA SUNDARAM,
HON'BLE MEMBER (JUDICIAL)**

**SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)**

Order Delivered on: 05.02.2026

PRESENT:

For the Applicant : Mr. Adhish Sharma,
Mr. Salil Seth,
Mr. Rahul Garg, Advocates

ORDER

PER: MANNI SANKARIAH SHANMUGA SUNDARAM, MEMBER (J)

1. This instant application was filed by Shikhar Dhawan (hereinafter referred as 'Applicant'/ 'Operational Creditor') having Regd. Office at :



UGF, A-3/73, Janakpuri, New Delhi - 110058 under Section 9 of the Insolvency and Bankruptcy Code, 2016 (for brevity 'the Code') with a prayer to initiate Corporate Insolvency Resolution Process in respect of **M/s. Absolute Legends Sports Private Limited** (hereinafter referred as 'Respondent' or 'Corporate Debtor') for defaulting the payment of total amounting to INR 1,24,50,459/- as on 30.04.2025. The said amount comprises a principal sum of INR 1,13,62,500/- along with interest of INR 10,87,959/-, calculated at the rate of 19.15% per annum in terms of Clause 2 of Schedule B (Player Fee) of the Player Agreement dated 10.09.2024. to be paid by the Corporate Debtor.

2. The Respondent Company **M/s. Absolute Legends Sports Private Limited** CIN: U92419DL2021PTC384332, incorporated on 28.07.2021 under the provisions of the Companies Act, 2013, is having its registered office situated at 4th Floor, Building No. 2, Masoodpur Farm, Near JIMS, Vasant Kunj, New Delhi-110070. Since the registered office of the respondent corporate debtor is in New Delhi, this Tribunal having jurisdiction over the NCT of Delhi is the Adjudicating Authority in relation to the prayer for initiation of Corporate Insolvency Resolution Process in respect of respondent corporate debtor under sub-section (1) of Section 60 of the Code.

3. **Briefly stated the facts of the present case as averred by the Applicant/ Operational Creditor are: -**

- a. That Absolute Legends Sports Private Limited (hereinafter referred to as the "Corporate Debtor") is a company duly incorporated under the provisions of the Companies Act, 2013



and is engaged in the business of owning and operating the **“Legends League Cricket”**, a franchise-based T20 cricket league providing a professional platform to retired international cricket players. The present dispute pertains to the operational debt due and payable by the Corporate Debtor to the Operational Creditor under the Player Agreement dated 10.09.2024, executed in connection with the third season of the Legends League Cricket T20 tournament organised between September and October 2024 (hereinafter referred to as the “Player Agreement”).

- b. The Applicant submitted that the Operational Creditor, Mr. Shikhar Dhawan, is a renowned Indian cricketer who has represented India in several ICC tournaments and enjoys a global reputation as a seasoned professional sportsperson of high standing.
- c. That the present dispute arises from the non-payment of the Player Fee payable to the Operational Creditor for his participation in the Legends League Cricket T20, third season, held between September to October 2024 (hereinafter referred to as the “League”), pursuant to the Player Agreement executed between the parties, wherein the Corporate Debtor, considering the reputation and standing of the Operational Creditor, had approached him to be a part of the Gujarat team squad for the said League.



- d. That, after detailed deliberations, the Corporate Debtor and the Operational Creditor executed the Player Agreement, which duly recorded the terms governing the Operational Creditor's participation in the said League, including the terms of remuneration.
- e. The Applicant submitted that it is pertinent to note that Clause 3.2 of the Player Agreement expressly stipulates that, in the absence of a Franchise Holder, the Agreement shall operate as a bi-party agreement between the Player (i.e., the Operational Creditor) and the League Owner (i.e., the Corporate Debtor), and all obligations otherwise attributable to the Franchise Holder shall vest with and be discharged by the League Owner. For ready reference, Clause 3.2 reads as under:

“3.2 Until such time that the Franchise Holder has not signed this Agreement and/or in absence of a Franchise Holder, all obligations of the Franchise Holder shall be performed by League Owner. For the sake of clarity, in the absence of a Franchise Holder, this Agreement shall be construed as a bi-party Agreement between the Player and the League Owner.”

- f. That, in accordance with the terms of the Player Agreement, as specifically stipulated under Schedule B (Player Fee), the Operational Creditor raised Invoice No. SD/2024-25/15 dated 07.09.2024 for a sum of INR 2,65,50,000/- (Rupees Two Crore Sixty-Five Lakh and Fifty Thousand Only) towards the agreed Player Fee. Further, as per Clause 2 of Schedule B of the said



Player Agreement, the said Player Fee was payable by the Corporate Debtor in the following tranches.

S. No.	Date	Percentage
1.	Within 5 days from the date of execution of the Player Agreement	25%
2.	On or before the day of the first Match of the League	50%
3.	Within 15 days from the end of the season	25%

- g. Further, Clause 9.2 of the Player Agreement expressly provides that in the absence of a Franchise Holder, or upon its failure to make payment, the entire obligation to pay the Player Fee shall vest with and be discharged by the Corporate Debtor (League Owner). For ready reference, Clause 9.2 reads as under:

“9.2 The Player Fee for each player forming part of the Franchise shall be borne by the Franchise Holder. For the sake of clarity, in the absence of the Franchise Holder or in the event that the Franchise Holder fails to pay the Player Fee to the Player as per the agreed schedule of payment, the Player Fee shall be payable by the League Owner.”

- h. The Applicant stated that in view of the foregoing, upon conclusion of the League on 16.10.2024, the Corporate Debtor was contractually obligated to make full payment of the Player



Fee to the Operational Creditor on or before 01.11.2024, i.e., within 15 days of the League's conclusion; however, the Corporate Debtor has failed to discharge the said obligation under the Player Agreement. The Operational Creditor has, till date, received only a partial payment of INR 1,51,87,500/- (Rupees One Crore Fifty-One Lakh Eighty-Seven Thousand and Five Hundred Only), disbursed in five tranches between 18.09.2024 and 05.10.2024, which constitutes a clear breach of the agreed payment terms. Such conduct evidences a willful failure to honour contractual commitments and reflects commercial impropriety on the part of the Corporate Debtor.

- i. Furthermore, in terms of the Player Agreement, the Corporate Debtor was obligated to make full payment of the Player Fee to the Operational Creditor on or before 01.11.2024, being fifteen (15) days from the conclusion of the League on 16.10.2024. The Corporate Debtor has failed to honour this obligation and has not cleared the outstanding dues within the stipulated period. Consequently, in accordance with Clause 2 of Schedule B (Player Fee) of the Player Agreement, the Corporate Debtor is liable to pay interest on the overdue amount at the rate of 19.15% per annum, being 4% over and above the applicable Indian prime lending rate of the Reserve Bank of India, which stood at 15.15% on the relevant due dates, until the date of actual payment. The relevant portion of the clause is reproduced below:



“Invoices for the applicable amounts shall be raised by the Player on the League Owner/Franchise Holder. All payments shall be made by wire transfer (bank details to be provided by Player) on raising of an invoice by the Player. Past and overdue payments hereunder shall bear interest of 4% (four percent) over and above the Indian prime lending rate of the Reserve Bank of India on the dates on which such payments became due.”

- j. Despite the Operational Creditor having fully complied with his obligations under the Player Agreement, including participation in all matches and fulfilment of all promotional commitments, the Corporate Debtor has failed to pay the full amount due and has willfully defaulted on its financial obligations notwithstanding the unconditional terms of the said Agreement. The Operational Creditor has maintained a running statement of account/ledger reflecting the dues payable, which shows an outstanding principal amount of INR 1,13,62,500/- (Rupees One Crore Thirteen Lakh Sixty-Two Thousand and Five Hundred Only). In addition thereto, the Corporate Debtor is liable to pay interest amounting to INR 10,87,959/- (Rupees Ten Lakh Eighty-Seven Thousand Nine Hundred and Fifty-Nine Only) as on 30.04.2025, calculated at the agreed rate of 19.15% per annum in accordance with Clause 2 of Schedule B (Player Fee) of the Player Agreement, thereby making the total amount due as on 30.04.2025 INR 1,24,50,459/- (Rupees One Crore Twenty-Four Lakh Fifty Thousand Four Hundred and Fifty-Nine Only). The Corporate



Debtor is further liable to pay interest from 01.05.2025 till the date of filing of the present Application, pendente lite interest during the pendency of the proceedings, and future interest till realization of the entire outstanding amount.

- k. The Applicant submitted that in accordance with the terms of the Player Agreement and the duly raised invoice, the Operational Creditor repeatedly called upon the Corporate Debtor to release the amounts lawfully due; however, the Corporate Debtor, in willful disregard of its contractual obligations, consistently failed and neglected to clear the outstanding Player Fee. Consequently, the Operational Creditor, through his representatives, was constrained to issue multiple written reminders, including text/WhatsApp messages dated 24.10.2024, 25.10.2024, 28.10.2024, 29.10.2024, 04.11.2024, 19.02.2025, 22.02.2025, 11.03.2025, 15.03.2025, 19.03.2025, and 27.04.2025, as well as emails dated 02.11.2024 and 20.11.2024, requesting the Corporate Debtor to settle the outstanding dues.
1. The Applicant has stated that despite repeated bona fide demands and express admissions of liability, the Corporate Debtor has failed, without justification, to discharge its admitted dues. The outstanding amount was required to be paid by 01.11.2024, i.e., within fifteen (15) days from the conclusion of the League on 16.10.2024; however, despite multiple reminders and undertakings to pay, no payment has been made. Such



continued non-payment constitutes a willful default and clearly demonstrates the Corporate Debtor's inability to discharge even its admitted liabilities, causing financial prejudice to the Operational Creditor.

m. The Operational Creditor was constrained to issue a Demand Notice (Form-3) dated 08.05.2025 under Section 8 of the Insolvency and Bankruptcy Code, 2016, which was duly served upon the Corporate Debtor at its registered office and through email on the same date. In response, the Corporate Debtor, vide email dated 18.05.2025, admitted the outstanding dues and assured payment within two weeks. However, the said assurance was merely a dilatory tactic to unjustly delay and deny the Operational Creditor its legitimate dues. Further, the Corporate Debtor neither made any payment nor raised any pre-existing dispute, and instead unequivocally admitted the outstanding dues and its financial difficulties.

ANALYSIS AND FINDINGS

4. We have heard the learned counsel for the Applicant and have examined the pleadings, documents, and material placed on record.
5. The matter was first taken up for consideration on 08.10.2025, whereupon this Adjudicating Authority heard the learned counsel appearing for the Applicant. Upon such hearing, the Applicant was directed to file an affidavit on the issue of maintainability of the present



petition, along with an affidavit affirming that the petition is not collusive in nature, and to place on record the NeSL Certificate, within a period of one week.

6. Accordingly, in view of the Order passed by this Adjudicating Authority, the Applicant filed Affidavit on Maintainability dated 06.11.2025, Affidavit on Non-Collusion dated 06.11.2025 and Copy of the Record of Financial Information-Form C generated by NeSL.
7. At the outset, in order to determine whether the amount claimed by the Operational Creditor falls within the ambit of “operational debt”, it is necessary to examine the definition of the term “operational debt” as set out under Section 5(21) of the Insolvency and Bankruptcy Code, 2016. The said provision defines “operational debt” as follows:

“A claim in respect of the provision of goods or services including employment or a debt in respect of the payment of dues arising under any law for the time being in force and payable to the Central Government, any State Government or any local authority”.

8. On perusal of the case file, it is noted that the Operational Creditor is a renowned Indian cricketer, who has represented India in several ICC tournaments and enjoys an international reputation as a professional sportsperson of high standing and that Absolute Legends Sports Private Limited (“Corporate Debtor”) is a company duly incorporated under the provisions of the Companies Act, 2013. The Corporate Debtor is engaged in the business of owning, managing, and operating Legends League Cricket, a franchise-based T20 cricket league, which provides a professional platform for retired international cricketers to participate



in organized competitive cricket and to engage with the sport's audience.

9. The dispute in the present case relates to the operational debt arising out of non-payment of the Player Fee due and payable by (the Corporate Debtor to the Operational Creditor under a Player Agreement dated 10.09.2024, executed in connection with the third season of Legends League Cricket T20, held between September and October 2024.
10. The said operational debt arises from the participation of the Operational Creditor in the aforesaid League pursuant to the Player Agreement. It is further noted that, having regard to the reputation and standing of the Operational Creditor, the Corporate Debtor had approached him to represent the Gujarat Team in the said League.
11. We note that, as per Part IV of the Application, the Operational Creditor has stated that the Corporate Debtor committed default in respect of an amount of INR 1,24,50,459/- as on 30.04.2025. The said amount comprises a principal sum of INR 1,13,62,500/- along with interest of INR 10,87,959/-, calculated at the rate of 19.15% per annum in terms of Clause 2 of Schedule B (Player Fee) of the Player Agreement dated 10.09.2024.
12. Under the Player Agreement, the Operational Creditor was engaged to represent the Gujarat franchise team, pursuant to which **Absolute Legends Sports Private Limited** undertook to pay a Player Fee of INR 2,65,50,000/-, as stipulated in Schedule B thereto. In furtherance of



the said Agreement, Invoice No. SD/2024-25/15 dated 07.09.2024 was duly raised by the Operational Creditor.

- 13.** The Player Fee was agreed to be paid in three tranches, namely: (i) 25% within five days of execution of the Agreement, (ii) 50% on or before the first match of the League, and (iii) the remaining 25% within fifteen days from the conclusion of the third season of **Legends League Cricket**, which concluded on 16.10.2024. Accordingly, the entire amount was contractually payable by 01.11.2024. However, despite repeated assurances, the Corporate Debtor defaulted in payment and released only part-payments aggregating to INR 1,51,87,500/- between 18.09.2024 and 05.10.2024, leaving an outstanding principal sum of INR 1,13,62,500/-, which remains unpaid till date.
- 14.** The Applicant in its submission has contended that Clauses 3.2 and 9.2 of the Player Agreement unequivocally obligate the Corporate Debtor to discharge the Player Fee irrespective of the absence or default of the Franchise Holder. The said clauses expressly provide that all obligations of the Franchise Holder vest in the League Owner, namely the Corporate Debtor, thereby fastening absolute liability upon the Corporate Debtor for payment of the entire Player Fee.
- 15.** The Agreement further stipulates that any delayed payment shall attract interest at the rate of 4% above the Indian Prime Lending Rate of the Reserve Bank of India, which stood at 15.15% during the relevant period, rendering the overdue amount liable to interest at 19.15% per annum until realization.



- 16.** A perusal of the Agreement reveals ambiguity regarding the date of its execution. While the document bears a stamp dated 10.09.2024, the Agreement itself does not clearly specify the date on which it was executed. The Signature bearing the league owner are there, applicant are there but the franchise holder are not available nor there is any date on which the agreement has been entered into between the parties.
- 17.** At this stage, it is necessary to note that Clauses 3.2 and 9.2 of the Player Agreement, as relied upon by the Applicant, prima facie appear to be ambiguous and raise serious concerns. While the Applicant contends that the said clauses unequivocally fasten liability upon the League Owner, namely the Corporate Debtor, even in the event of absence or default of the Franchise Holder, a plain reading of the Agreement indicates that the entire financial obligation is sought to be shifted onto the League Owner.
- 18.** The Applicant claims to have represented the Gujarat franchise and to have duly performed all contractual obligations; however, the structure of the Agreement appears to disproportionately transfer all liabilities to the League Owner, notwithstanding the role and participation of the Franchise Holder. Such an allocation of liability, at least prima facie, calls for closer scrutiny and cannot be accepted at face value without a detailed examination of the contractual framework and the intent of the parties. Further, the said clauses do not specify any outer boundary for the liability of the League Owner, nor do they indicate the duration for which the League Owner is to be held accountable. The absence of



a defined timeframe makes the extent of liability unclear and calls for closer examination.

- 19.** We further note that the invoice was raised by the Applicant on 07.09.2024, whereas the Player Agreement is stated to have been executed between the Operational Creditor and the Corporate Debtor on 10.09.2024. This apparent inconsistency, at least prima facie, casts doubt on the genuineness and veracity of the Agreement and warrants closer scrutiny.
- 20.** We further note that under the Player Agreement, the Player Fee of INR 2,25,00,000/- is bifurcated into 10% towards promotional obligations and 90% towards match participation, payable on a per-match basis during the League stage, excluding play-offs. However, no material has been placed on record to establish that the Operational Creditor completed the League or fully discharged the promotional and match-related obligations as contemplated under the Agreement, thereby rendering the entitlement to the entire claimed amount uncertain.
- 21.** In view of the foregoing discussion, we are of the considered view that the Applicant has failed to establish that the claimed operational debt had become due and payable, as no cogent proof in support thereof has been placed on record. Further, in light of the observations made hereinabove regarding the Agreement entered in between the parties, the very basis of the alleged debt and its quantum is rendered doubtful. Accordingly, we find that the present application does not satisfy the requirements of Section 9 of the Insolvency and Bankruptcy Code,



2016, and is therefore not maintainable. The application is disposed of accordingly.

- 22.** However, this order shall not preclude the Applicant from seeking remedies, if so advised, under other laws that may be applicable in the facts of the case. The parties are at liberty to approach the civil court or any other appropriate forum and may explore other legal remedies available as per law.

Sd/-
ATUL CHATURVEDI
MEMBER (TECHNICAL)

Sd/-
MANNI SANKARIAH SHANMUGA SUNDARAM
MEMBER (JUDICIAL)