

IN THE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI

BENCH-IV

C.P. IB/667/ND/2025

IN THE MATTER OF:

Jiostar India Pvt. Ltd.

(Formerly known as Star India Pvt. Ltd.)

... 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: 01.06.2026

PRESENT:

For the Applicant : Mr. Kunal Tandon, Sr. Advocate,
Ms. Niti Jain,
Mr. Nitai Agarwal, Advs.

ORDER

PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)

1. This instant application was filed by **Jiostar India Pvt. Ltd.** (hereinafter referred as 'Applicant'/ 'Operational Creditor') under Section 9 of the Insolvency and Bankruptcy Code, 2016 (for brevity 'the

Page | 1

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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 **3,59,14,775/-** (Rupees Three Crores, Fifty Nine Lakhs, Fourteen Thousand, Seven Hundred and Seventy Five Only) alongwith undeposited TDS arising out of performance of contractual obligations and applicable laws.

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. The Operational Creditor and the Corporate Debtor entered into a Media Rights Agreement dated 16.09.2024 (“**MRA**”) and an Agreement for Airtime Sale dated 18.09.2024 (“**Airtime Agreement**”) in relation to media rights for the 2023–2025 franchise editions and the 2025 regional edition of the *Legends League Cricket Masters T20* tournament (“League”). Under the

MRA, the Corporate Debtor granted the Operational Creditor exclusive television, digital, and ancillary rights in respect of the League, subject to the terms therein. Further, under the Airtime Agreement, the Operational Creditor agreed to provide the Corporate Debtor with free commercial airtime during live transmissions of the League across its channels, as defined in the MRA.

- b.** In terms of Clause 5A.1 of the MRA, the Operational Creditor undertook to produce unilateral commentary: (a) in Hindi for the 2023 franchise edition of the League, and (b) in such regional language(s) as mutually agreed between the Parties for the 2024 franchise edition.
- c.** Further, under Clause 5A.2 read with Clause 8 of the MRA, the Corporate Debtor agreed to pay the Operational Creditor the fees incurred towards such production immediately upon execution of the MRA. Accordingly, the Operational Creditor raised invoices for the production of unilateral commentary, and the outstanding dues are summarised hereinbelow:

Sr. No.	Franchise Edition	Invoice Date	Invoice No.	Base Amount (INR)	Invoice Amount (INR with GST)
1	2023	23.09.2025	IF3272500252	45,00,000	53,10,000
2	2024	26.09.2024	IF3272500259	99,36,250	1,17,24,775
	Total			1,44,36,250	1,70,34,775

- d.** The Applicant submitted that a conjoint reading of Clauses 6.7 and 8.2 of the MRA clearly establishes that the Operational Creditor undertook to pay the processing fee to the Ministry of Information and Broadcasting (“MIB”) for obtaining temporary uplinking permissions for the 2023 and 2024 franchise editions of the League, with such amount being reimbursable by the Corporate Debtor. Accordingly, the Operational Creditor raised an invoice dated 26.09.2024 towards reimbursement of the MIB fee, the details of which are summarised hereinbelow:

Sr. No.	Franchise Edition	Invoice Date	Invoice No.	Base Amount (INR)	Invoice Amount (INR with GST)
1	MIB Fee Reimbursement	26.09.2024	IF3272500260	1,60,00,000	1,88,80,000

- e.** It is pertinent to note that, by way of an email dated 17.09.2024, prior to the execution of the MRA, the Corporate Debtor acknowledged the dues payable to the Operational Creditor and assured that the MIB costs would be cleared by 10.10.2024. It was further stated that the production costs would be paid in two instalments, scheduled for 05.11.2024 and 30.11.2024.
- f.** That the Corporate Debtor confirmed receipt of the invoices vide emails dated 09.10.2024, and subsequently, vide emails dated 11.10.2024 and 14.10.2024, assured that the payments were being processed and that transaction details would be shared shortly. However, despite such assurances and repeated

reminders from the Operational Creditor, no payments were made. Consequently, the Operational Creditor issued a notice dated 18.12.2024, stating that failure to clear the dues would result in termination of the MRA and the Airtime Agreement. In response, the Corporate Debtor, vide email dated 19.12.2024, acknowledged the outstanding dues and sought an additional 90 days to make payment. Thereafter, the Operational Creditor, vide email dated 02.01.2025, granted time until 14.01.2025 to clear the dues, failing which it would initiate termination and legal proceedings. Despite repeated acknowledgments of liability and assurances, the Corporate Debtor failed to release any payment to the Operational Creditor.

- g.** The Applicant stated that owing to the continued inaction of the Corporate Debtor, the Operational Creditor issued a legal notice dated 19.03.2025 calling upon it to clear the outstanding dues. In response, the Corporate Debtor, vide letter dated 29.03.2025, acknowledged its liability but sought an additional 45 days to make payment. Despite this, no payment was made, and the Corporate Debtor, once again, vide email dated 03.06.2025, reiterated its liability while seeking further time. In view of this consistent default, the Operational Creditor, having no alternative, issued a statutory demand notice under Section 8 of the Insolvency and Bankruptcy Code, 2016 dated 04.06.2025 in Form 4, calling upon the Corporate Debtor to discharge its dues within 10 days of receipt. Pursuant thereto, the Corporate Debtor,

vide email dated 13.06.2025, again admitted its liability and merely sought an additional two weeks' time to make payment. Thereafter, despite follow-up emails dated 30.06.2025 and 17.07.2025, no response or payment was forthcoming from the Corporate Debtor.

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 12.12.2025, whereupon this Adjudicating Authority heard the learned counsel appearing for the Applicant. Upon such hearing, the Applicant was directed to file an affidavit on maintainability, clarifying how the present petition is not in the nature of a recovery proceeding but is a bona fide invocation of the insolvency resolution process. The Applicant was further directed to place on record the Record of Default Certificate issued by NeSL.
6. The matter was thereafter taken up on 13.02.2026, wherein the learned Senior Counsel for the Applicant appeared and submitted that the affidavit on maintainability had been filed and was already on record. However, time was sought to file the Record of Default Certificate issued by NeSL, which was granted. Thereafter, the matter was reserved for orders on the issue of maintainability on 09.04.2026.
7. The Applicant in its maintainability affidavit contended that it is settled that a Section 9 application, if complete, can be rejected only upon the

existence of a real and pre-existing dispute. The Adjudicating Authority is required to merely ascertain that any alleged dispute is not illusory or unsupported. In the present case, the Applicant has submitted that no such dispute has been raised and the debt stands admitted by the Corporate Debtor. The Applicant has also placed reliance on judgment passed by Hon'ble NCLAT in *G. Ramakrishna Reddy v. Manjeet Bucha*, wherein it was held that once debt, default, and the threshold are established, the application under Section 9 ought to be admitted.

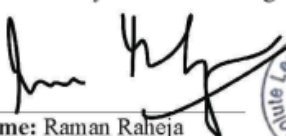
- 8.** At the outset, in order to determine whether the amount claimed by the Operational Creditor falls within the ambit of “operational debt”, it is necessary to examine the definition of the term “operational debt” as set out under Section 5(21) of the Insolvency and Bankruptcy Code, 2016. The said 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”.

- 9.** That the statutory demand notice dated 04.06.2025 under Section 8(1) of the Insolvency and Bankruptcy Code, 2016 was duly served upon the Corporate Debtor via email and RPAD. Pursuant thereto, the Corporate Debtor, vide email dated 13.06.2025, unequivocally admitted its liability.
- 10.** Upon perusal of the Media Rights Agreement, it is noted that the same was entered into and executed between Star India Private Limited and Absolute Legends Sports Private Limited on the “Execution Date” as

defined therein. Clause 1.22 of the Agreement defines the “Execution Date” to mean the date specified below the signature of the last party executing the Agreement.

IN WITNESS WHEREOF, the signatories have executed this Agreement as of the day and year first above written.

Signed and delivered by ABSOLUTE LEGENDS SPORTS PRIVATE LIMITED by its authorized signatory  Name: Raman Raheja Title: Director & CEO 	Signed and delivered by STAR INDIA PRIVATE LIMITED by its authorized signatory Name: _____ Title: _____
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11. The date of execution of the agreement gets pertinent to note as the agreement has mentioned the “Effective Date” as November 1, 2023 pertaining to media rights in relation to the 2023-2025 franchise editions and 2025 regional edition of the Legends League Cricket Masters T20 cricket tournament.
12. A perusal of the Media Rights Agreement reveals ambiguity with respect to its execution. Although the document bears a stamp dated 16.09.2024, the Agreement does not clearly specify the date of its execution as contemplated under Clause 1.22. While the signatures of Absolute Legends Sports Private Limited appear on the document, the same has not been executed by the Applicant herein, i.e., Jiostar (formerly known as Star India Private Limited). This assumes significance in light of the fact that the Agreement stipulates an “Effective Date” of 01.11.2023, pertaining to the media rights for the 2023–2025 franchise editions and the 2025 regional edition of the

Legends League Cricket Masters T20 tournament, thereby creating uncertainty as to the binding nature and enforceability of the Agreement.

- 13.** Further, a similar infirmity is noted in the Agreement for Airtime Sale, wherein no specific date of execution has been indicated. Additionally, the Agreement remains unsigned by one of the parties, thereby raising serious concerns as to its genuineness, authenticity, and evidentiary value.
- 14.** It is further observed that the agreements in question, namely the Media Rights Agreement, stated to have been executed on 16.09.2024, and the Agreement for Airtime Sale dated 18.09.2024, pertain to media rights for the 2023–2025 franchise editions and the 2025 regional edition of the Legends League Cricket Masters T20 tournament. Notably, immediately thereafter, invoices were raised on 23.09.2024 for ₹53,10,000 (including GST) towards unilateral commentary for the 2023 edition in terms of Clause 8.2 of the MRA, and on 26.09.2024 for ₹1,17,24,775 (including GST) towards unilateral commentary for the 2024 edition, along with a further invoice of ₹1,88,80,000 (including GST) towards reimbursement of MIB fees.
- 15.** At the outset, it is observed that the agreements placed on record, forming the very foundation of the alleged debt and default, suffer from material deficiencies. The said agreements are not duly executed between the parties, and the ‘Execution Date’, as contemplated therein, remains undefined.

- 16.** It is further observed that the agreements relied upon by the Applicant are sought to be used as the basis for constituting an “operational debt” within the meaning of the Code. However, the date of execution of such agreements assumes critical significance. In the present case, the ambiguity surrounding the execution, coupled with the absence of proper signatures and clarity as to when the agreements came into force, raises serious doubts as to whether these documents were contemporaneously executed or subsequently created to retrospectively characterise past transactions as “services” so as to bring them within the ambit of operational debt.
- 17.** In this backdrop, the manner and timing of the transactions, coupled with repeated acknowledgments and the timelines therein, prima facie give rise to concerns regarding the genuineness of the claim and create an impression that the proceedings may have been initiated with a view to precipitate insolvency against the Corporate Debtor. However, without delving further into the contention of any alleged staged or managed initiation of CIRP, this Adjudicating Authority finds it sufficient to note that the present petition, in substance, appears to be an attempt to recover outstanding dues.
- 18.** This Adjudicating Authority is of the considered view that the nature of a transaction cannot be altered or re-characterised ex post facto merely to invoke the provisions of the Code. What cannot be achieved directly namely, recovery of dues, cannot be indirectly secured by dressing up past dealings as operational debt through documents of doubtful authenticity. The surrounding circumstances indicate that the

agreements have been relied upon primarily to facilitate recovery of alleged dues, rather than to evidence a genuine operational relationship giving rise to a legally enforceable operational debt.

- 19.** In view of the aforesaid, and considering the lack of clarity and credibility in the foundational documents, this Adjudicating Authority is not satisfied that the claim qualifies as an “operational debt” under the Code. Consequently, the essential requirement for initiation of CIRP remains unfulfilled. Further, it is a settled position that the Insolvency and Bankruptcy Code, 2016 is not intended to be a recovery mechanism, but a legislation for resolution of insolvency. The initiation of CIRP cannot be permitted to be used as a substitute for debt enforcement or recovery proceedings. In the present case, the Applicant, through the instant petition, seeks recovery of its dues pertaining to the years 2023, 2024 and onwards, which falls outside the scope and object of the Code.
- 20.** 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. 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.

- 21.** 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)**