

CENTRE FOR ALTERNATIVE DISPUTE RESOLUTION

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PUNJAB

3RD RGNUL SPORTS & ENTERTAINMENT  
LAW MEDIATION COMPETITION

PROBLEM  
OCTA FINALS



## **BACKGROUND INFORMATION:**

Mr. **Jai Kohli** is an Indian cricketer and the current captain of the India national team. A right-handed top-order batsman, Kohli is regarded as one of the best contemporary batsmen in the world. By making a total of 536 international appearances across Tests, One-Day-Internationals and T20 Internationals, Kohli is one of the most prolific run-scorers in world cricket and his records in all formats of the game speak volumes about his ability. Having followers across the globe, Kohli earns a majority of his net worth from the brand endorsements, one of which is Maestro Premiere League that Kohli, represented by his agent Mr. Rohit Wadia, has been endorsing since 2019.

**Maestro Premiere League** (MPL) is a mobile e-Sports platform based in India. It is operated by Bangalore-based Royal Nags Technology Pvt. Ltd., wherein the users can compete in multiple skill based mobile gaming tournaments for stakes. It was launched in February 2018 and as of January 2021, it claims a user base of more than 55 million. In December 2019, MPL negotiated with Mr. Kohli's agent, Mr. Wadia, and signed up Mr. Jai Kohli, as their brand ambassador for a duration of one year. Mr. Kohli announced the partnership by posting a short video on his social media profiles.

## **DISPUTE FACTS**

Several youngsters were hooked to online gaming and they started spending uncounted amount (said amount being granted to the youngsters for their tuition fee) on such gaming platforms, not only causing financial crisis at their home (s) but also leading a few of them to commit suicide.

Recently, the Madras High Court suggested to the Tamil Nadu government, to enact suitable laws to regulate the online gaming industry. Subsequent to which the Tamil Nadu government amended its Gaming Act and prohibited the advertisement of any such online games played for stakes.

Moved by the concerning situation of the youngsters and following the recent suggestion of the Madurai Bench, parents of one of these youngsters troubled by financial crisis, with the help of a lawyer, filed a civil suit, in Madras in January 2021, against MPL, its promoters and brand ambassadors, seeking directions to refund the amount spent on MPL by their child, naming MPL's gaming activities as gambling ones and further sought to shut down not only MPL, but other online gaming sites as well. Additionally, an action against Mr. Jai was sought, praying exemplary punishment against him for his role in providing misleading information to the youngsters and influencing them to gamble online on MPL.

It was further contended that online gaming/gambling sites are more dangerous than the blue whale game as by getting addicted to this gambling, the victim not only spend his money but also spend their family members' money and put them in a financial burden while in the case of blue whale, the victim alone suffers. He added, the brand ambassadors cannot wash away their hands saying that they are just paid performer - just like an arrow while the archer is the wrong doer.

The suit not only alleged MPL for breaching the provisions of ASCI (Advertisement Standards Council of India) Code pertaining to advertisements for online gaming and/or gambling activities, but also highlighted the endorsers' responsibilities under the Consumer Protection Act 2019, and pleaded for Mr. Kohli to be penalized, as an example for endorsing brands without conducting due diligence. It was emphasized in the suit that endorsement means & includes such advertisements that makes the consumer believe that it reflects the opinion, finding or experience of the person making such endorsement, thereby, reflecting Mr. Kohli's opinion and experience on it, causing him liable for such abetment.

Mr. Jai, based on his contract with MPL, asked MPL to indemnify him against the claims made before the court of law and to shed responsibility on his behalf, since according to the contract with MPL, MPL represented the following to Mr. Jai:

*“MPL shall be solely responsible to ensure the legal compliance of the business of MPL throughout the subsistence of this Agreement. MPL further acknowledges and confirms that the Celebrity has no way of verifying the same & is relying on this express representation of MPL for entering into this Agreement. Thus, the Celebrity will not be responsible for any claims whatsoever in relation to the business of MPL and its promotion.”*

Considering the expiry of the contract with Mr. Jai, MPL gave a negative response to Mr. Jai and stated that *“since the contract with the Celebrity is expired and the above stated representation was only for a duration throughout the subsistence of this Agreement, MPL is not liable to compensate or represent Mr. Jai in any manner, whatsoever.”*

Mr. Kohli, however, took note of these comments and the following day, sent a legal notice to MPL, for misrepresentation and fraud upon MPL, by influencing Mr. Jai to believe that the business of MPL was not of gambling, but a legitimate one and the activities performed thereon were legal. MPL in return, threatened to sue Mr. Kohli for accusing MPL falsely for being involved in gambling activities and thereby, tarnishing the image of MPL. This led Kohli to go ahead and file the suit.

Sensing the need for resolution, Mr. Wadia suggested that the parties attempt to mediate the dispute in order to seamlessly conclude and wrap up the dispute and so the Parties could carry on with their individual business, and the matter against Mr. Kohli could be handled in the best interest.