



2026:DHC:1154



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of Decision: 10.02.2026

+ O.M.P.(I) (COMM.) 48/2026, I.A. 3476/2026 (For Exemption) & I.A. 3477/2026 (For Permission to file a Lengthy list of dates)

AVEEN KAUR SOODPetitioner

Through: Mr. Vikas Dhawan, Senior Advocate along with Mr. Sambit Nanda, Ms. Sanskriti Bansal, Advocates.

versus

ANNY LIFESTYLE PRIVATE LIMITED & ORS.

.....Respondents

Through: Mr. Kunal Tandon, Senior Advocate along with Mr. Saurabh D. Karan Singh, Ms. Kanika Jain, Ms. Natasha, Mr. Sridhar Jha and Ms. Mahima, Advocates for Respondent Nos. 1 and 2.

CORAM:

HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

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JUDGEMENT (ORAL)

1. The present Petition, under Section 9 of the Arbitration and Conciliation Act, 1996 [“Act”], has been filed seeking the following reliefs:

- “A. Pass an Order restraining the Respondents from giving effect to the Termination Notice received on 14.01.2026 and taking any further steps pursuant to the said Termination Notice pending the arbitral proceedings; and
- B. Pass an Order directing the Respondents to restore her access to her email account as well as restore her participation in all



the WhatsApp Groups created for sharing of information relating to the affairs of the Respondent Company; and

- C. Pass an Order staying the Extra-Ordinary General Meeting of the members of the Respondent Company on 10.02.2026 at 1:00 PM proposing removal of the Petitioner with immediate effect by an ordinary resolution under Section 169 and 114 of the Companies Act and / or restrain the Respondents from giving effect to any resolution passed in EGM if it permitted to be held; and
- D. To Pass an Order restraining the Company from accepting any further funds and / or raising debt till the adjudication of disputes in arbitration; and
- E. To Pass an Order restraining the Company from altering the share capital of the Respondent company by issuing fresh equity shares and or in any manner diluting the promoter shareholding held by the Petitioner; and
- F. Pass any such other or further order or orders as this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case and in the interest of justice.”

2. *Brevitatis causa*, the facts and submissions that stand recorded in the Order dated 09.02.2026 are not being reiterated herein, and the present Order shall be read with the Order dated 09.02.2026 for the sake of completeness.

3. As is apparent, the Petition essentially seeks directions interdicting the Termination Notice. Prayer C of the Petition seeks relief in respect of the interdiction of the Extraordinary General Meeting [“EGM”], and the said termination notice is relatable to the Shareholders Agreement dated 29.06.2025.

4. The relevant clauses under which the Directors are to be appointed are Clause 4.2.1 and 4.2.5 and are as set out herein below:

“4.2 Board Composition:

4.2.1 The Board shall not consist of more than 3 (*Three*) Directors, which number of Directors shall not be changed except with the Investor’s Consent, out of which:

(i) 1 (*One*) Director shall be nominated by the Lead Investor (“**Investor Director**”); and



(ii) Subject to Clause 4.2.5, the Promoters shall appoint 2 (*Two*) among themselves as executive Directors (“**Promoter Directors**”).”

4.2.5 The right of Promoters to appoint Promoter Directors shall fall away upon the earlier of the following events: (a) employment of a Promoter being terminated for Cause or by his voluntary resignation (*without the written approval of the Lead Investor* or (b) occurrence of an Event of Default. Subject to the remaining Promoter(s) remaining in full employment of the Company, the respective Promoters shall have the right to designate another director (“**Designated Promoter Director**”) on the Board, who is either a Key Employee acceptable to the Lead Investor or an individual, acceptable to the Lead Investor (i) appointed from the industry having relevant experience and qualifications; (ii) not disqualified to act as a director under applicable Law; (iii) not subject to any restrictions which may prohibit, restrict or hinder such individual’s responsibilities, duties or capacity to perform as a Director of the Company; and (iv) not subject to any ongoing conflict or dispute with the Lead Investor.”

5. The Termination Order of which the interdiction is sought effectively triggers the reverse vesting of the shares of the promoter. The Shareholders Agreement sets out Clause 6.3.1 for the circumstances under which such vesting would transpire. Clause 6.3.1 reads as under:

“6.3 Good leaver situation:

6.3.1 If before expiry of the Reverse Vesting Period, a Promoter terminates his employment/resigns with the written approval of the Board and the Lead Investor or in the event of termination of a Promoter’s employment with the Company for any reason other than Cause (*but excluding death or Permanent Disability to the relevant Promoter*), then, subject to compliance with Law, (A) 20% of the Vested Shares shall be transferred to the ESOP pool created in respect of the ESOPs or be bought back by the Company, in each case, at a price per Share which is lower of (x) the face value of each such Equity Security; and/or (y) the lowest permissible price per Equity Security under applicable Law , and (B) Unvested Shares that are held by such Promoter as immediately before the Termination Date shall, at the Lead



Investor's option, be transferred to the ESOP pool created in respect of the ESOPs or be bought back by the Company, in each case with the Investor's Consent and at lower of (x) the face value of each such Equity Security; and/or (y) the lowest permissible price per Equity Security under applicable Law. In the event the Unvested Shares are not transferred in accordance with this Clause 6.3.1(B), such Unvested Shares shall be transferred in any other manner as determined by the Board upon the occurrence of a Liquidation Event, subject to the Investor's Consent. It is hereby clarified that 80% (Eighty Percent) of the Vested Shares in accordance with Clause 6.3.1 (A) above, shall be retained by the Promoter."

6. Since the dispute primarily relates to the Employment Agreement and the termination thereof which would trigger certain events as set out in the Shareholder Agreement and since the Respondents herein, who are parties to the said promoter Employment Agreement, are represented, this Court is of the view that under the Arbitration Clause as provided for in Clause 10.9, and to which learned Senior counsel for the Respondent No. 1 has given his no objection, the present matter should be referred to arbitration.

7. In view thereof, this Court requests **Hon'ble Ms. Justice Mukta Gupta (Retd.)** (e-mail id: [REDACTED]) to enter into the reference as the learned Sole Arbitrator for the resolution of the disputes as between the parties.

8. The learned Sole Arbitrator may proceed with the arbitration proceedings, subject to furnishing to the parties the requisite disclosures as required under Section 12(2) of the Act within a week of entering the reference.

9. The learned Sole Arbitrator shall be entitled to fees in accordance with the Fourth Schedule of the Act or as may otherwise be agreed to between the parties and the learned Sole Arbitrator.

10. The parties shall share the learned Sole Arbitrator's fee and arbitral costs equally.



11. All rights and contentions of the parties are kept open, to be decided by the learned Sole Arbitrator on their merits, in accordance with law.

12. Needless to state, nothing in this order shall be construed as an expression of opinion of this Court on the merits of the controversy. All rights and contentions of the parties in this regard are reserved.

13. The Registry is directed to send a receipt of this order to the learned Arbitrator through all permissible modes, including through e-mail.

14. Since the termination notice is stated to come into effect on 12.04.2026, the learned Arbitrator is requested to enter into the reference at the earliest and adjudicate the disputes as between the parties.

15. As regards the prayer for interdiction of the holding of the EGM, this Court is of the view that the objection taken by the learned Senior counsel for the Respondent No. 1 is sound insofar as he submits that it is only the learned National Company Law Tribunal which has the jurisdiction to entertain the matters relating to the company and meetings of the company. Accordingly, this Court is of the view that the said direction cannot be granted by this Court and the same is rejected.

16. Learned Senior counsel appearing for the Petitioner requests that he may be permitted to file an appropriate application for the purpose of preservation of the subject matter of the disputes as between the parties, which are the shares of the Petitioner in the company. The Petitioner is granted liberty to take such steps as are available under the law.

17. The learned Senior Counsel appearing on behalf of the



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Petitioner would state that he would not take more than a week from today to file the said application. Learned Senior Counsel appearing on behalf of the Respondent No.1 states he will file a Reply within a week thereafter. Rejoinder, if any, be filed within a period of three days thereafter. This Court requests the learned Arbitrator to attempt to take up and adjudicate the said Application prior to 12.04.2026.

18. This since, the learned Senior Counsel appearing on behalf of the Respondent No. 1 states that the Termination Notice will take effect only from 12.04.2026, and as a result thereof, the reverse vesting of the shares also will take effect only from the said date.

19. Though this Court normally does not interfere with the manner in which the arbitration proceedings themselves should be conducted, since time is of the essence, this Court has recorded the undertakings as respects the completion of pleadings while making the above request.

20. The present petition along with pending application(s), if any, stands disposed of.

HARISH VAIDYANATHAN SHANKAR, J.
FEBRUARY 06, 2026/nd/va