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

+ O.M.P.(I) (COMM.) 227/2026 & I.A. Nos. 15139/2026, 15140/2026,
15141/2026 & 15142/2026

ORANGE ORBIT LLP

.....Petitioner

Through: Ms. Bani Dikshit, Mr. Uddhav
Khanna and Mr. Dhruva Vig,
Advocates
Mob: 9311374487
Email:
uddhavkhanna.advocate@gmail.com

versus

HOSTBOOKS LIMITED & ORS.

.....Respondents

Through: None.

CORAM:

HON'BLE MS. JUSTICE MINI PUSHKARNA

ORDER

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26.05.2026

I.A. 15140/2026 (For Exemption)

1. Exemption allowed, subject to just exceptions.
2. Application is disposed of.

I.A. 15142/2026 (For Exemption from effecting advance service upon respondents)

3. The present application has been filed under Section 151 of the Code of Civil Procedure, 1908 ("CPC"), seeking exemption from effecting advance service upon the respondents.
4. In view of the averments made in the present application and the urgency expressed by learned counsel appearing for the petitioner, exemption is allowed.



5. Accordingly, the present application stands disposed of.

O.M.P.(I) (COMM.) 227/2026, I.A. 15139/2026 & I.A. 15141/2026

6. The present petition has been filed under Section 9 of the Arbitration and Conciliation Act, 1996 (“Arbitration Act”), seeking interim measures of protection and directions against the respondents.

7. The petitioner *inter alia* has prayed for directions to the respondents to deposit the investment amount of Rs. 18,60,00,000/-, along with 15% Internal Rate of Return (“IRR”) p.a., from the date of investment of the petitioner, i.e., 26th November, 2024, pursuant to the Share Subscription Agreement dated 24th November, 2024 (“SSA”), and the Amended and Restated Shareholders’ Agreement dated 24th November, 2024 (“SHA”).

8. It is submitted that the SSA records the commercial terms of the petitioner’s subscription while the SHA records the governance and protective rights of the petitioner as an investor. Further, the said two Agreements are part of a single composite bargain, which are to be read together, and constitute the transaction documents between the parties.

9. She submits that the petitioner invested the aforesaid amount as ‘Investor Tranche I Subscription Amount’ out of the total Subscription amount of up to Rs. 38,60,00,000/-, constituting to approximately 11% of the total shareholding in the respondent company, being 74,573 Series A1 cumulative compulsorily convertible preference shares.

10. She further submits that in or around July, 2025, it came to the knowledge of the petitioner that the respondent company and its founders, i.e., respondent nos. 2 and 3 started to engage in malpractices, with a view to divert/siphon the monies received from the petitioner as investment. Further, on account of the continuously declining performance of the respondent



company, and various issues coming to light concerning non-compliances and employee grievances, the petitioner decided to engage the services of a Chartered Accountant firm for preparing a Special Audit Report.

11. It is submitted that the Special Audit Report revealed that there was a non-deposition of employee and employer provident funds. Further, there was a denial of access to the accounting system and TRACES (TDS Portal), and there was non-recovery of employee advance policy along with gaps in TDS compliances. Further, the export turnover and Goods and Service Tax (“GST”) input tax credit indicated serious violation and misuse of GST Law.

12. It is submitted that simultaneously in and around the same time, when the SSA and the SHA along with the warranties and covenants were in full force, the respondent no. 1 entered into discussions with one Blue Ashva India LLP for the raising of debt of up to Rs. 15 Crores by the private placement, and in furtherance to the same, as the Agreements between the parties mandated a written consent from the petitioner, the respondents without any consent from the petitioner, created the Letter dated 08th July, 2025 on the letterhead of the petitioner, purportedly signed by its Managing Partner, recording the petitioner’s purported consent under the SHA with approval for the aforesaid transaction.

13. It is submitted that the petitioner learnt about the said Letter for the first time on 26th March, 2026, when Blue Ashva communicated with the petitioner in relation to its transaction with the respondent no. 1. Thus, the very assets, intellectual property and securities protected by the SHA were thereby encumbered to a third party, without a whisper to the petitioner.

14. Attention of this Court has also been drawn to *Document-14*, which is an Email exchanged between the petitioner and Blue Ashva, with whom the



respondent company created the encumbrance of Rs. 15 Crores without the consent of the petitioner. The said Email exchanged is reproduced as under:

DOCUMENT NO.14 497



Fwd: Our call - Confirmation request
1 message

----- Forwarded message -----
From: **Rakesh Raman** <rakeshramanp@gmail.com>
Date: Tue, May 19, 2026 at 10:31 PM
Subject: Fwd: Our call - Confirmation request
To: Rakesh Raman <rakeshramanp@gmail.com>

This is the email which confirms the forged NOC

----- Forwarded message -----
From: **Rakesh Raman** <rakeshramanp@gmail.com>
Date: Thu, Mar 26, 2026 at 11:57 AM
Subject: Re: Our call - Confirmation request
To: Viswanadha Raju <vishi@blueashvacapital.com>
Cc: Chhatra Nahata <csnahata@gmail.com>, Rajendra Verma <rajendra.verma@blueashvacapital.com>, D V Roopa <roopa@blueashvacapital.com>, Omang Nahata <nahata.umang@gmail.com>

Dear Viswanadha

I, Rakesh Raman, Partner at Orange Orbit LLP can confirm that we have not issued this document or have given approval to Hostbooks for taking such a Debt Investment.
We have never been informed about such a transaction as well. This seems to be a forged document

Thanks

On Thu, Mar 26, 2026 at 1:21 PM Viswanadha Raju <vishi@blueashvacapital.com> wrote:

Sir,

I am Vishi Raju from Blue Ashva Fund and we have invested in NCDs of Hostbooks. We have noticed repayment delays and plan to initiate the EoD clauses. We have not received a positive response from the HostBooks team.

Quick check if the attached document (NOC) was indeed issued by your authorized signatory / Designated Partner of Orange Orbit LLP.

The company (HostBooks) shared this as a condition precedent to the NCD investment.

Regards,
Vishi

Rakesh Raman
Mob/Whatsapp : +971 526990734

Rakesh Raman
Mob/Whatsapp : +971 526990734



15. By referring to the aforesaid, learned counsel appearing for the petitioner submits that the petitioner has categorically denied issuance of any document to approve taking a debt investment.



16. It is submitted that this petition has been filed on account of cogent evidence available with the petitioner that the respondents, in a bid to circumvent the petitioner's pre-emptive rights under the SHA and manufacture its consent, have forged a letter styled as a No-Objection Certificate ("NOC"), which has been issued to a third-party, so as to create further debt on the company, without informing the petitioner, and in flagrant violation of the SSA and the SHA. In this regard, learned counsel for the petitioner has drawn the attention of this Court to *Document-13*, which is the forged document dated 08th July, 2025, purportedly issued by the petitioner giving NOC to the respondent company.

17. Attention of this Court has also been drawn to Clause 4 of the SHA, which is reproduced as under:

4. RESERVED MATTERS

Subject to Clause 20 (*Fallaway of Rights*), the Company shall not (whether at a Board or Shareholders Meetings or otherwise), directly or indirectly, take any of the actions detailed in Schedule VI attached hereto ("*Reserved Matters*"), without the prior written consent of the representative of the New Investor at a Board Meeting or each of the Investors at a Shareholders Meeting as the case may be.

18. By referring to the aforesaid, learned counsel appearing for the petitioner submits that as per the Agreements between the parties, the respondent company cannot deal directly or indirectly with any of the matters, which are reserved matters in terms of Schedule VI of the SHA. In this regard, Schedule VI of the SHA, is reproduced as under:



SCHEDULE VI

Reserved Matters

- a. Any amendment to the Charter Documents.
- b. Voluntary liquidation, dissolution, winding up or bankruptcy of the Company.
- c. Any change in the capital structure of the Company including issue of fresh Securities to a Third Party, or any dilutive instruments, or any rights issue, bonus issues, increase, reduction or buy back of Securities or other alteration of authorized, issued or paid up share capital of the Company.
- d. Any decision on business expansion.
- e. Any amendment or variation of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of the Securities or a class of Securities.
- f. The appointment, re-appointment or removal of any of the Directors of the Company, Key Managerial Personnel and any statutory or internal auditors of the Company.
- g. Declaration of dividends (whether interim or final) and any other similar distribution or payments by the Company.
- h. Restatement of Founder I voting rights
- i. Any merger, share exchange, share swap, acquisition, strategic sale, demerger, consolidation, reconstruction, restructuring (including debt restructuring, forming of any subsidiaries or associate companies or holding companies) or similar transaction of the Company, or any sale, lease, exchange or other disposition of all or substantially all of the assets or Business of the Company.
- j. Any capital expenditure in excess of INR 60,00,000 (Indian Rupees Sixty Lakhs) unless contemplated in the Business Plan or the budget.
- k. Any entry into a new line of business or any investment outside the scope of Business and/or otherwise or altering the scope of Business.
- l. Hiring or dismissing or changing the compensation of or agreeing any severance package for any Director and/or Key Managerial Personnel of the Company.
- m. Incurring any indebtedness or giving any guarantee or security in one transaction or a series of related transactions in excess of INR 5,00,000/- (Rupees Five Lakhs only), which is not in the ordinary course of business and is not contemplated in Business Plan.
- n. Establishment and adoption of the Business Plan of the Company, and any modification or changes therein entailing deviations greater than 5% (Five percent) of the Business Plan.
- o. Any strategic/financial/other alliance with a Third Party which results in investments by the Company in excess of INR 10,00,000 (Rupees Ten Lakhs only), or offer certain exclusive rights to such Third Party; and
- p. Making any commitment or announcement with respect to matters set forth in this schedule.
- q. Any of the above actions carried out by a subsidiary.



19. By referring to the aforesaid, learned counsel appearing for the petitioner submits that there are various actions which could not have been taken without involving the petitioner or taking an NOC from the petitioner.

20. It is submitted that the *mala fides* of the respondents also emerge from the fact that just 13 days after the SHA was signed, on 07th December, 2024, the respondent no. 1 convened a shareholders' meeting and passed three resolutions increasing each of their remunerations, without notice to, or consent of the petitioner. Further, the document, which is required to be filed towards the same, i.e., MGT-14 was filed on 19th February, 2026, over 14 months late, evidencing deliberate concealment. Thus, this action also constituted to a breach of the SHA.

21. It is further submitted that the petitioner has evidence regarding the gross violations by the respondents in running of its business, towards which the petitioner has also filed a complaint with the Economic Offences Wing. Moreover, the actions of respondents are compounded by complaints being filed against the respondent no. 1 company and its founders, i.e., respondent nos. 2 and 3 with the Economic Offences Wing, by the very same debtor who had been induced to advance significant monies against debentures, on the strength of the aforesaid forged NOC, falsely containing the petitioner's consent /no objection.

22. Further, there is an apprehension that in view of the various proceedings instituted against the respondents under the Negotiable Instruments Act, 1881, as well as for recovery, and the glaring findings in the forensic audit conducted with respect to the affairs of the respondent no. 1 company, which shows *inter alia*, not only the violations of statutory provisions, but also infractions such as non-payment of TDS and PF,



delayed salary payments, GST violations, coupled with the information regarding the large-scale resignation in the respondent no. 1's workforce and renting of the office space of the respondent no. 1 company. Thus, there is a clear case of siphoning off and embezzlement of funds, which is even otherwise a violation of the SSA and SHA, which provides in clear terms how the investment of petitioner was required to be utilized.

23. It is submitted the SSA and SHA have been executed in relation to a composite transaction of investment by the petitioner into the respondent no. 1 company and includes the rights and obligations of the parties as well. Further, both the SSA and the SHA contain an arbitration clause, and the present petition is instituted, in view of the defaults of the respondents under Clause 18 of the SHA.

24. At this stage, learned counsel appearing for the petitioner has drawn the attention of this Court to the Arbitration Clause, i.e., Clause 21 (SSA contains an identical arbitration clause, i.e., clause 13), which reads as under:

21. GOVERNING LAW AND DISPUTE RESOLUTION

- 21.1 This Agreement and its performance shall be governed by and construed in all respects in accordance with the Laws of the Republic of India.
- 21.2 Any action, dispute or difference arising under or relating to this Agreement ("Dispute") shall at the first instance be resolved through good faith negotiations between the Parties hereto, which negotiations shall begin promptly, within 15 (fifteen) days after a Party has delivered to the other Party a written request for such consultation. If the Parties are unable to resolve the Dispute in question within 15 (fifteen) days of the commencement of negotiations, the Dispute shall be referred to and finally and conclusively settled by arbitration in accordance with the provisions of Arbitration and Conciliation Act, 1996, which rules are deemed to be incorporated by reference in this Clause.
- 21.3 The seat and venue of arbitration shall be New Delhi.
- 21.4 All proceedings, including issuance of an arbitration award, in any such arbitration, shall be conducted in English.
- 21.5 The arbitration shall be conducted by a sole arbitrator appointed as per the provisions of Arbitration and Conciliation Act, 1996.
- 21.6 The sole arbitrator shall have the power to grant any remedy or relief that they deem just and equitable, including but not limited to injunctive relief, whether interim and/or final.
- 21.7 The arbitration award shall be final and binding on the Parties, and may be enforced by any court of competent jurisdiction.



- 21.8 The sole arbitrator may, (but shall not be required to), award to a Party that substantially prevails on merits, its costs and reasonable expenses (including reasonable fees of its counsel).
- 21.9 When any dispute is under arbitration, except for the matters under dispute, the Parties shall continue to exercise their remaining respective rights and fulfil their remaining respective obligations under this Agreement.
- 21.10 Subject to the provisions of this Clause 21 (Governing Law, Dispute Resolution) above, for reference to arbitration or seeking interim relief, the Parties hereby submit to the exclusive jurisdiction of the courts of New Delhi, India and no Party shall claim that any such court is not a convenient or appropriate forum.

25. She further draws the attention of this Court to Clause 21.3, which is reproduced as under:

“xxx xxx xxx

21.3 The seat and venue of arbitration shall be New Delhi.

xxx xxx xxx”

26. Perusal of the aforesaid Clauses clearly shows that there is a valid Arbitration Clause governing the parties with the seat and venue designated as New Delhi. Therefore, this Court has jurisdiction.

27. Learned counsel for the petitioner submits that there are glaring violations of the covenants stated in the SSA and SHA, leading to diminution of the value of the investment of the petitioner, and therefore, there is an emergent need to protect the subject matter of the arbitration agreement, failing which the petitioner apprehends, that the assets, software, securities and intellectual property of the respondents will be alienated, encumbered or dissipated, and the capital structure further altered, so as to defeat the petitioner’s rights before the disputes can be adjudicated.

28. Learned counsel for the petitioner submits that if the reliefs as prayed for are not granted and the subject matter of the arbitral proceedings, i.e., investment by the petitioner is not preserved, there is no ambiguity that the award, whenever it comes to be passed, will be rendered illusory and a



mere paper decree.

29. The matter requires consideration.
30. Accordingly, issue notice to the respondents, by all modes.
31. Let reply be filed, within a period of four weeks, from today.
32. Rejoinder thereto, if any, be filed within a period of two weeks, thereafter.
33. Considering the submissions made before this Court, till the next date of hearing, it is directed as follows:
 - I. The respondents, whether by themselves, their directors, officers, agents, nominees, assigns or any person claiming through or under them, are restrained from selling, transferring, alienating, disposing of, parting with possession of, or creating any further encumbrance, charge, *lien*, security interest, pledge or third-party right over, the assets, undertaking, business, software and intellectual property of the respondent no. 1;
 - II. The respondent nos. 2 and 3 are restrained from transferring, alienating, pledging, encumbering, creating any third-party right over, or otherwise dealing with, all or any part of their securities in the respondent no. 1, in breach of Clauses 9.1.1 and 10 of the SHA;
 - III. The respondent no. 1 is directed to maintain *status quo* with respect to the capital structure, shareholding pattern, assets, intellectual property and books of account of the respondent no. 1, as on the date of filing of the present petition;
 - IV. The respondents are restrained from selling, assigning, transferring, licensing, sublicensing, hypothecating, encumbering, parting with, abandoning, allowing to lapse, or otherwise dealing with or



diminishing the intellectual property of respondent no. 1, including its software, source code, object code, patents, copyrights, trademarks, trade names, domain names, databases and technology, without the prior written consent of the petitioner and/or the leave of this Court or the Arbitral Tribunal, if and when constituted;

- V. The respondents are restrained from acting upon, perfecting, registering, giving effect to, enforcing or creating any rights on the basis of the impugned Letter dated 08th July, 2025.
34. List on 07th October, 2026.

MINI PUSHKARNA, J

MAY 26, 2026
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