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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

ARBITRATION PETITION (L) NO.34386 OF 2026

Daskalos Technologies Pvt. Ltd. … Petitioner

Vs.

Atul Khosla … Respondent

ATUL GANESH KULKARNI

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Mr. Darius Khambata, Senior Advocate with Mr. Sharan Jagtiani, Senior Advocate, Ms. Juhi Mathur, Mr. Ayush Mitruka, Mr. Ayan Tandon, and Mr. Karan Kaul i/by Trilegal for the Petitioner.

Mr. Rakeshwar Sood, Senior Advocate with Mr. Vivek Kohli, Senior Advocate, Mr. Arjun Lall, Mr. Mayank Samuel, Mr. Neelanshu Roy, and Mr. Nikhil Aswani i/by Mr. Mayank Samuel for the Respondent.

CORAM : AMIT BORKAR, J.

RESERVED ON : OCTOBER 29, 2026.

PRONOUNCED ON : NOVEMBER 3, 2026

JUDGMENT:

1. By filing the present Petition, the Petitioner seeks urgent ad-interim and interim protection under Section 9 of the Arbitration and Conciliation Act, 1996. The protection is sought until the arbitral tribunal is constituted and arbitration proceedings commence. The dispute arises out of the Employment Agreement dated 1 July 2025 entered into between the Petitioner, Daskalos

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Technologies Private Limited, and the Respondent, Mr. Atul Khosla. Under this Agreement, the Respondent was appointed as the Chief Executive Officer (CEO) of the Petitioner Company. The Petitioner contends that, for the reasons stated in the Petition, the Employment Agreement is void from its very beginning. It has accordingly called upon the Respondent to take necessary steps for his removal as CEO. However, the Respondent has refused to cooperate. According to the Petitioner, his refusal is causing serious and irreparable harm to the Company.

2. The Petitioner states that the following facts led to the filing of the present Petition. The Petitioner and the Respondent entered into the Employment Agreement dated 1 July 2025, which became effective from 27 January 2026. On 23 September 2026, the University Grants Commission (UGC), in response to a request made by the Petitioner's Advocate, issued a clarification that the Respondent could not work with a private company while continuing as the whole-time Vice-Chancellor of Shoolini University of Biotechnology and Management Sciences (Shoolini University). Thereafter, on 29 September 2026, the Petitioner issued a letter to the Respondent communicating the decision of its Board of Directors. The letter was signed by all the directors who were entitled to vote on the matter. By that letter, the Petitioner stated three separate and alternative grounds for bringing the Respondent's employment as CEO to an end. First, the Employment Agreement was void from the beginning under Section 23 of the Indian Contract Act, 1872, because its performance would defeat Regulation 6 of the First Statutes of

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Shoolini University of Biotechnology and Management Sciences, Himachal Pradesh, 2010. The said provision requires the Vice-Chancellor to be a "whole time salaried officer". Secondly, and in the alternative, the Petitioner terminated the Employment Agreement with immediate effect on account of the Respondent's breaches of Clauses 12.4 and 12.5. These clauses require him to devote substantial time to the Petitioner Company and restrict him from accepting another similar leadership or managerial position. Thirdly, and in the alternative, the Petitioner claimed that the Agreement stood rescinded under Section 19 of the Contract Act. According to the Petitioner, the Respondent had made incorrect representations under Section 18 that he was eligible to enter into the Employment Agreement and that his employment with the Petitioner would not violate or conflict with any applicable law.

3. On 30 September 2026, the Respondent rejected the Company's letter and stated that he "continue(s) to hold the office as CEO of the Company". The Petitioner replied on 2 October 2026 and informed him that he had no authority to act or represent himself as the CEO, employee or authorised representative of the Company. The Respondent did not reply to this communication. Since the Respondent continued to refuse to accept the cessation of his employment as CEO, the Petitioner filed the present Petition under Section 9 of the Arbitration and Conciliation Act, 1996. In the present proceedings, the Petitioner is seeking certain limited interim protections.

4. Mr. Darius Khambata, learned Senior Advocate appearing for the Petitioner, submitted that the Petitioner has a strong prima

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facie case in its favour. He advanced the following grounds in support of the Petition. Unless the Court grants protection, the Respondent may continue to represent himself as the CEO of the Petitioner Company. This would effectively amount to enforcing the Employment Agreement through an order of specific performance. Such enforcement of a personal service contract is prohibited under Sections 14(c) and 41(e) of the Specific Relief Act, 1963. He pointed out that the Respondent has not even commenced arbitration proceedings to challenge the termination of his employment. The Petitioner has brought the Respondent's employment to an end on three independent grounds. One of these grounds is the breach of important conditions of the Employment Agreement, particularly Clauses 12.4 and 12.5. These clauses require the Respondent to devote substantial time, resources, knowledge, experience and efforts towards building the Petitioner Company. They restrict him from or indirectly becoming involved in another venture without obtaining the consent of EruLearning Solutions Private Limited (Eruditus). It is well settled that an employee whose services have been terminated cannot obtain reinstatement through an injunction. An employee cannot force an unwilling employer to continue the employment relationship. In the present case, there is no dispute that the Respondent was working as the CEO of the Petitioner Company under a private employment contract. Therefore, the relationship between the parties is governed by the ordinary principles applicable to a master and servant relationship.

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5. Mr. Khambata submitted that even if the Respondent claims that his termination was unlawful, which the Petitioner denies, his remedy would be to claim damages and not reinstatement. He relied upon the decision of the Supreme Court in Executive Committee of *Vaish Degree College v. Lakshmi Narain,* (1976) 2 SCC 58. In that decision, the Supreme Court recognised only three exceptions to the general rule that a contract of employment cannot be enforced by staying its termination. These exceptions relate to civil servants protected under Articles 309 and 311 of the Constitution of India, workmen protected under industrial laws, and employees of statutory bodies whose removal is contrary to mandatory statutory provisions. According to the Petitioner, none of these exceptions applies to the Respondent. The decisions referred to in Schedule A to the written submissions show that Courts have consistently refused to grant injunctions which would have the effect of continuing a private employment contract. This principle applies even where an employee alleges violation of procedure or breach of the principles of natural justice.

6. Learned Senior Advocate submitted that the decision to terminate the Respondent's employment was taken by all the directors who were entitled to vote on the matter. Therefore, the decision of those directors was binding on the Company. In any event, the Board of Directors subsequently considered and confirmed the issuance of the Company's letter at its meeting held on 19 October 2026. Fifthly, it is an admitted position that the Vice-Chancellor of Shoolini University is a “whole-time salaried officer” under Section 6 of the First Statutes of 2010. The Vice-

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Chancellor is the principal executive and academic officer of the University and exercises general supervision and control over its affairs. Similarly, a Chief Executive Officer is treated as "whole-time managerial personnel" under Section 203 of the Companies Act, 2013. The Respondent has not explained how he could perform the duties of both these full-time positions simultaneously, particularly when the two institutions are situated at different places, namely Mumbai and Solan in Himachal Pradesh. According to the Petitioner, holding both positions at the same time is contrary to the requirement that each position must be performed on a whole-time basis. It results in violation of the First Statutes as well as the Companies Act. Every day on which the Respondent continued to perform both roles amounted to a continuing statutory violation. His conduct amounts to a breach of Clauses 12.4 and 12.5 of the Employment Agreement.

7. Learned Senior Advocate relied upon Clause 1.1 of the Employment Agreement. Under this clause, the expression "Applicable Law" includes any "regulation,... direction,...requirement,...or any restriction or condition, or any similar form of decision of, or interpretation or pronouncement having the force of law of any Governmental Authority having jurisdiction over the matter in question". The expression "Governmental Authority" includes the UGC. According to the Petitioner, the Respondent had given representations and warranties that he was eligible to hold the position of CEO and that his appointment would not violate any applicable law. In view of the UGC's clarification dated 23 September 2026, those

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representations and warranties were incorrect.

8. The Petitioner submitted that the UGC is an expert statutory body entrusted with the responsibility of maintaining standards of teaching, examination and research in universities. It has the authority to regulate university education and take appropriate steps for maintaining those standards. Therefore, Courts should ordinarily not sit in appeal over the opinion expressed by the UGC on matters within its expertise. In support of this submission, reliance was placed on *Rajbir Singh Dalal v. Chaudhary Devi Lal University,* (2008) 9 SCC 284. The UGC, by its letter dated 23 September 2026, stated that "it would not be permitted" for the Respondent to work with a private company while continuing as Vice-Chancellor.

9. The Petitioner submitted that the Respondent's claim that he had obtained "prior permission" from the Chancellor of Shoolini University under Section 38(12) of the First Statutes is incorrect and doubtful. The Petitioner pointed out that this alleged permission came to light only during the present proceedings. More importantly, Section 38(12) applies to employees of the University and not to its officers. Under Section 6 of the First Statutes and Section 11 of the Shoolini University of Biotechnology and Management Sciences (Establishment and Regulation) Act, 2009, the Vice-Chancellor is an officer of the University.

10. The Petitioner submitted that, in its reply dated 2 October 2026, it had asked the Respondent to produce the alleged prior permissions. However, the Respondent did not provide them at

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that stage. The permissions on which he now relies in his Reply have been issued by the Chancellor of Shoolini University, who is his father, Mr. P.K. Khosla. In any event, according to the Petitioner, the Chancellor has no power under the Shoolini University Act or the First Statutes to grant such an exemption to the Vice-Chancellor. After setting out the above grounds, the Petitioner proceeded to explain the legal and reasons for which it claims that the Respondent's employment came to an end.

11. The Petitioner submitted that the Employment Agreement is void from the beginning under Section 23 of the Indian Contract Act, 1872. Section 23 provides that the consideration or object of an agreement is unlawful if allowing the agreement to operate would defeat the provisions of any law. An agreement having such an unlawful object is void. In this regard, the Petitioner relied upon the UGC letter, which clarified that, having regard to Section 6 of the First Statutes notified by the Department of Higher Education, Government of Himachal Pradesh, through Notification No. EDN-A-Ka(3)-14/2009, “being employed by a private company whilst being a vice chancellor would not be permitted.” The Respondent was working as the Vice-Chancellor of Shoolini University when the Employment Agreement was executed. He continues to hold that position even today. Therefore, according to the Petitioner, entering into and performing the Employment Agreement would defeat the provisions of the First Statutes. The Petitioner contended that performance of the Agreement was contrary to Section 203(3) of the Companies Act, 2013.

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12. The Petitioner submitted that the principal legal provision violated by the Employment Agreement is the First Statutes of Shoolini University. These First Statutes are subordinate legislation issued by the Department of Higher Education, Government of Himachal Pradesh, under Section 26 of the Shoolini University Act. Section 26(b) authorises the First Statutes to provide for various matters, including "the terms and conditions of appointment of the Vice-Chancellor and his powers and functions". Section 6(1) of the First Statutes provides that the Vice-Chancellor shall be a "whole time salaried officer". According to the Petitioner, this is a mandatory requirement. There is no provision in the First Statutes permitting an exemption from this requirement. Therefore, the Respondent could not lawfully accept another whole-time position while continuing as Vice-Chancellor. The Petitioner submitted that the Respondent's reliance upon Section 38(12) of the First Statutes is misplaced. That provision applies only to employees of the University and not to officers. The First Statutes themselves make a distinction between employees and officers. The Vice-Chancellor is described as an officer under Section 6 of the First Statutes and Section 11 of the Shoolini University Act. Although Section 38(12) permits an employee to take up other employment after obtaining prior written permission, there is no similar provision allowing an officer of the University to do so. Therefore, according to the Petitioner, the permission allegedly granted by the Chancellor under Section 38(12) has no legal validity and cannot authorise the Respondent to hold another whole-time position.

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13. The Petitioner submitted that the distinction between a Vice-Chancellor and an ordinary employee has been recognised by Courts. Reliance was placed on the decision of the Madras High Court in *P. Vijayan v. The Union of India and Ors., Writ Petition Nos. 12768 and 12769 of 2018,* particularly paragraphs 78 to 81 and 91. Reliance was placed on *Rajendra Kumar Nagda v. State of Rajasthan & Ors.,* 2018(4) RLW 2857 (Raj.), particularly paragraph 19. In that case, the Court held that "a teacher, employee and an officer are three separate categories". The Court recognised that the statutory protection available to a teacher or employee does not extend to an officer such as a Vice-Chancellor. On the basis of these decisions, the Petitioner submitted that the Respondent could not continue as Vice-Chancellor and at the same time accept another appointment which independently requires his full-time involvement. Section 203(1) of the Companies Act, 2013 treats a Chief Executive Officer as a "whole-time key managerial personnel". Thus, according to the Petitioner, both positions require full-time engagement and are situated at different places. The Respondent could not lawfully perform both positions simultaneously.

14. The Petitioner relied upon the provisions of the UGC Act, 1956, apart from the First Statutes and the Companies Act. The UGC is a statutory body established under the UGC Act. Under Section 12 of that Act, it is responsible for promoting and coordinating university education and maintaining standards of teaching, examination and research in universities throughout India. The Petitioner submitted that the UGC is the principal

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statutory authority entrusted with regulating and maintaining standards of university education in the country.

15. According to the Petitioner, the UGC letter dated 23 September 2026 explains the correct meaning and effect of the First Statutes. It reflects the interpretation given by the expert statutory authority responsible for regulating university education. The Petitioner submitted that Courts should not ordinarily interfere with such an expert opinion. In support of this submission, reliance was placed on the decision of the Supreme Court in *Rajbir Singh Dalal v. Chaudhary Devi Lal University,* (2008) 9 SCC 284.

16. Without prejudice to its contention that the Employment Agreement is void from the beginning, the Petitioner submitted that the Agreement was validly terminated because the Respondent had violated its important conditions.

17. Clause 12.4 requires the Respondent to:

> "[...] dedicate a substantial portion of his time, resources, expertise, experience and effort in building the Company".

18. Clause 12.5 places restrictions on the Respondent from becoming involved in other businesses or ventures without the required consent. The relevant portion of the clause reads as follows:

> "For the avoidance of doubt, it is hereby clarified that nothing under Clauses 12.3(b) and 12.3(d), shall apply to the functioning and reasonable involvement of the Executive in the Identified Entities, as long as the Executive is not, or indirectly, acting in the capacity of a 'chief executive officer

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> (or any other similar leadership or managerial position) at any of these organizations and provided that such involvement, does not adversely impact, affect or impede any of the obligations, responsibilities, undertakings and covenants of the Executive towards the Company and/or Eruditus, as set forth in the Transaction Documents. Save and except as provided hereinabove, the Executive agrees that, on and from the Execution Date, he shall not, or indirectly, establish, launch, promote, or otherwise be involved in any manner in any other business, brand or venture other than the Business without obtaining the consent of Eruditus…"

19. The Petitioner submitted that the Respondent had violated Clauses 3.1(e) and 3.1(h) of the Employment Agreement, which require him to comply with all applicable laws. Under Clause 2.3, the Respondent was assigned to the Mumbai office of the Petitioner Company. His conduct is stated to be contrary to the representations and warranties given under Clauses 4.1(a), 4.1(c), 4.1(d), 4.1(e)(iv) and 4.1(f). Under these provisions, the Respondent had represented that he had the necessary authority to enter into the Employment Agreement. He had represented that he was not disqualified under any applicable law from being appointed as a Director or key managerial employee. Further, he had assured the Petitioner that entering into and performing the Employment Agreement would not violate any law, conflict with any other agreement binding upon him, or require any additional consent or approval from a Governmental Authority or any other authority. The Petitioner relied upon Clause 4.1(g). Under that clause, the Respondent had represented that, except for the Identified Entities, he did not hold any other interests,

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directorships, securities, or shares. According to the Petitioner, while making these disclosures, the Respondent did not disclose that he was working as a whole-time Vice-Chancellor of the University. He did not disclose that he had allegedly obtained an exemption or permission from the Chancellor.

20. The Petitioner submitted that the breaches of Clauses 12.4 and 12.5 are serious because they amount to breaches of the "Material Provisions" of the Employment Agreement. The Agreement adopts the definition of Material Provisions contained in the Shareholders Agreement dated 10 January 2025 (SHA). Under the SHA, the provisions relating to non-compete and non-solicitation are treated as Material Provisions. Clauses 12.4 and 12.5 of the Employment Agreement fall within that category. Therefore, according to the Petitioner, violation of these clauses gives it the right to terminate the Agreement in accordance with its terms.

21. The Petitioner disputed the Respondent's contention that his appointment as CEO was not an exclusive employment arrangement. It submitted that this defence cannot be accepted for three reasons. Firstly, Section 203 of the Companies Act, 2013 treats the CEO as whole-time key managerial personnel. Secondly, Clause 12.4 requires the Respondent to devote a "substantial portion of his time" to the Petitioner Company. This requirement is inconsistent with his simultaneous whole-time position as Vice-Chancellor. Thirdly, Clause 12.5 restricts him from being or indirectly involved in any other business or venture, except as permitted under the Agreement. Thus, according to the Petitioner,

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the Respondent cannot avoid his obligations by describing the CEO appointment as non-exclusive.

22. On the basis of these breaches, the Petitioner submitted that it was entitled to terminate the Employment Agreement with immediate effect. It relied upon two reasons. Firstly, Clause 9.3(a) permits the Board of the Petitioner Company to terminate the Agreement immediately if the Respondent commits a breach of any Material Provision and fails to cure that breach within 30 days. Secondly, the breaches in the present case cannot be cured because the Respondent cannot continue to hold two positions which independently require his whole-time involvement. The Petitioner pointed out that the Respondent has never suggested that he is willing to resign from his position as Vice-Chancellor. He has not made any such statement in his reply dated 30 September 2026 to the Company's letter, his affidavit-in-reply dated 22 October 2026 or his sur-rejoinder dated 28 October 2026. Therefore, according to the Petitioner, the breach continues and cannot be remedied.

23. The Petitioner next dealt with the Respondent's main objection that there was no Board resolution authorising the issuance of the Company's letter dated 29 September 2026. According to the Petitioner, this objection is without substance for two reasons. Firstly, the decision to terminate the Employment Agreement and issue the Company's letter was taken by the Board of Directors. The letter represents the decision of the Board and has the same effect as a Board resolution. The Petitioner Company has three directors on its Board, namely Mr. Ashwin Damera Venkata, Mr. Chaitanya Kalipatnapu and the Respondent himself.

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The Company's letter dated 29 September 2026 was signed by Mr. Damera and Mr. Kalipatnapu, who were two out of the three directors.

24. The Petitioner submitted that the Respondent was not entitled to participate or vote on any decision concerning his own employment or the Employment Agreement. This restriction arises under the SHA, the corresponding provisions of the Articles of Association and Section 166(4) of the Companies Act, 2013. Therefore, only the other two directors were entitled to take the decision. Since both of them signed the Company's letter, their decision was valid and binding on the Company. According to the Petitioner, their unanimous decision must be treated as a valid decision of the Board. In support of this submission, the Petitioner relied upon *Mahima Datla v. Dr. Renuka Datla,* (2022) 10 SCC 258. In that case, the Supreme Court referred to the Duomatic Principle explained by Buckley J. in *In Re: Duomatic Ltd.*, (1969) 2 Ch. 365. The principle was stated as follows: "where it can be shown that all shareholders who have a right to attend and vote at a general meeting of the company assent to some matter which a general meeting of the company could carry into effect, that assent is as binding as a resolution in general meeting would be."

25. The Petitioner submitted that the principle laid down in Duomatic recognises that strict compliance with the requirement of passing a formal resolution may not always be necessary. Where all persons entitled to participate and vote have given their unanimous consent, such consent may have the same effect as a formally passed resolution. A similar view was taken in *Runciman*

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v. Walter Runciman plc, (1992) BCLC 108419. In that case, the Court accepted that the terms of a director's service agreement could be changed without a formal Board resolution where the directors had acted unanimously. The Court observed:

> "[...] That directors, provided they act unanimously, can act informally appears established Accordingly these authorities provide that the unanimous agreement is as good as a formal resolution passed by a majority."

26. On this basis, the Petitioner submitted that the unanimous decision of the two directors entitled to vote was sufficient to make the Company's letter valid.

27. According to the Petitioner, Mr. Damera and Mr. Kalipatnapu constituted all the directors who were entitled to vote on the question of the Respondent's employment. Their decision was valid even in the absence of a separate formal Board resolution. Secondly, the Petitioner submitted that, even assuming that any formal defect existed when the Company's letter was issued, the same was subsequently cured. The Board of Directors ratified the issuance of the Company's letter at its meeting held on 19 October 2026. This fact was stated in the Petitioner's Additional Affidavit dated 22 October 2026. The Petitioner relied upon decisions of the Supreme Court recognising that an action initially taken without proper authority can subsequently be ratified by the competent authority.

28. The Petitioner relied upon *Maharashtra State Mining Corpn. v. Sunil,* 2006 SCC 5 962. In that case, the Managing Director had issued an order dismissing certain employees on 25 January 1991,

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although he did not have the necessary authority to do so. Subsequently, on 20 February 1991, the Board of Directors ratified the action of the Managing Director. The Supreme Court recognised the principle of ratification and observed:

> "[...] Ratification is definition means the making valid of an act done. The principle is derived from the Latin maxim ratihabitio mandato aequiparatur, namely, "a subsequent ratification of an act is equivalent to a prior authority to perform such act". ratification assumes an invalid act which is retrospectively validated".

29. Relying upon this decision, the Petitioner submitted that even if the Company's letter suffered from any initial defect, the subsequent decision of the Board on 19 October 2026 made the action valid with effect from the original date.

30. The Petitioner relied upon *Sri Parmeshwari Prasad Gupta v. Union of India,* 1973 SCC 221. In that case, the services of a General Manager were terminated by a letter dated 17 December 1953 on the basis of a defective Board resolution. The Supreme Court found that the earlier resolution suffered from a defect. However, the Board subsequently confirmed and ratified the termination at its meeting held on 23 December 1953. The Court held that an action initially taken without proper authority on behalf of a Company could be subsequently approved by the competent authority. Such ratification would operate retrospectively and relate back to the date of the original action. The Petitioner submitted that the subsequent ratification by its Board was sufficient to cure any alleged defect in the issuance of the Company's letter.

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31. The Petitioner submitted that the Respondent has raised three objections to the ratification made at the Board meeting dated 19 October 2026. According to the Petitioner, none of these objections is valid. Firstly, the Respondent contends that the Board meeting was convened at shorter notice. The Petitioner submitted that the shorter notice was permitted under Standard 1.3.11 of Secretarial Standard-1, which deals with the conduct of Board meetings. That provision allows a meeting to be held at shorter notice if the majority of the directors agree. According to the Petitioner, the shorter notice was in accordance with the Employment Agreement, the Articles of Association and the SHA. Secondly, the Respondent relies upon Section 200 of the Contract Act. The Petitioner submitted that this provision has no application because the majority of the directors who took the decision were not acting without authority. Further, the Respondent cannot be treated as a third party for the purpose of applying that provision. Thirdly, the Petitioner disputed the Respondent's reliance upon Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014. It submitted that the said Rule does not make the Company's letter invalid.

32. In support of this argument, the Petitioner relied upon *Sharif-ud-Din v. Abdul Gani Lone,* (1980) 1 SCC 403. The Supreme Court held that the use of the word “shall” in a provision does not mean that the provision is mandatory. A procedural requirement may be treated as directory where the defect can be corrected at a later stage and where no public duty or other legal requirement is violated. According to the Petitioner, Rule 8 must be understood in

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its proper context and is directory in nature. In any event, even if the Respondent's objection is considered, the Board resolution dated 19 October 2026, by which the Company's letter was ratified, complies with Rule 8.

33. The Petitioner pointed out that the Respondent had challenged the notice convening the Board meeting dated 19 October 2026 and the decisions taken at that meeting before the National Company Law Tribunal, Mumbai. He had filed a petition under Sections 241 and 242 of the Companies Act and an application challenging the notice and the decisions taken at the meeting. However, both challenges were dismissed by the NCLT on 28 October 2026.

34. Without prejudice to its earlier submissions, the Petitioner submitted that the Employment Agreement stands rescinded under Section 19 of the Contract Act. According to the Petitioner, its consent to enter into the Agreement was obtained because of incorrect representations made by the Respondent. Therefore, the Petitioner is entitled to avoid the Agreement under Section 19.

35. The Petitioner relied upon the following alleged misrepresentations. Firstly, the representations made by the Respondent under Clauses 4.1(a), 4.1(c), 4.1(d), 4.1(e)(i), 4.1(e)(ii), 4.1(f) and 4.1(g) of the Employment Agreement, as referred to earlier. Secondly, in his consent letter dated 25 July 2025 agreeing to act as CEO, the Respondent represented that he was eligible to hold the position of CEO. He represented that he was not disqualified, debarred or otherwise prevented under any

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applicable law, rule or regulation from being appointed or serving as CEO of the Petitioner. Further, he assured the Petitioner that he would comply with all applicable provisions of the Companies Act, 2013. Thirdly, in his appointment letter dated 5 August 2025, the Respondent again represented that he was eligible to hold the position of CEO and confirmed that he was "[...] not, under any applicable laws, rules, or regulations, prevented or disqualified from holding such position". 34. The Petitioner submitted that its consent to the Employment Agreement was obtained on the basis of these representations. Since the representations were incorrect, the Agreement became voidable at the option of the Petitioner under Section 19 of the Contract Act. The Petitioner exercised that option and rescinded the Agreement.

36. The Petitioner explained why the limited interim reliefs sought in the present Petition should be granted. In respect of Prayer Clause (a), the Petitioner seeks an order restraining the Respondent from representing himself before any third party or authority as the CEO, employee or authorised signatory of the Petitioner Company. The purpose of this relief is to prevent the Respondent from continuing to exercise or claim authority on behalf of the Company after cessation of his employment. The Petitioner submitted that such protection is necessary for several reasons. Firstly, in reply to the Company's letter informing him that he should not represent himself as its CEO, employee or authorised representative, the Respondent stated that he "continue to hold office as CEO of the Company". Secondly, the Respondent continues to describe himself as the CEO of the Petitioner

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Company on his LinkedIn profile. This is a public platform used by clients, investors, business partners and foreign universities. Therefore, persons dealing with the Company may continue to believe that the Respondent has authority to represent it. Thirdly, despite his interim suspension from May 2026, the Respondent appeared without prior intimation at an event organised by the Company and represented himself as its CEO. The Petitioner submitted that every day on which the Respondent continues to represent himself as CEO creates serious difficulties for the Company. He may issue communications or make commitments in the Company's name without any authority. This may adversely affect the Company's relationship with investors, employees, regulatory authorities and foreign university partners. It may create confusion within the organisation regarding the persons who are authorised to take decisions and issue instructions on behalf of the Company. Therefore, the Petitioner submitted that an immediate restraint is necessary.

37. In support of Prayer Clause (c), the Petitioner sought an anti-suit injunction against the Respondent. It submitted that the relief is limited in nature. The Petitioner does not seek to prevent the Respondent from approaching any forum which is available to him. Its request is only to restrain him from instituting or continuing proceedings “in a manner that circumvents or defeats the arbitration agreement between the parties”. According to the Petitioner, the Respondent's conduct amounts to a breach of the arbitration agreement contained in Clause 14.3 of the Employment Agreement. The purpose of the injunction is to ensure that the

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agreed arbitration process is not defeated by parallel proceedings before other forums.

38. The Petitioner explained the alleged breach of the arbitration agreement by the Respondent. The Petitioner relied upon the decision of this Court in *Vinod Kumar Saraf v. Villayati Ram Mittal,* Commercial Arbitration Petition No. 979 of 2026. According to the Petitioner, this decision explains when the Court may exercise its powers under Section 9 of the Arbitration Act to grant protection against proceedings before another forum. Mere overlap between the subject matter of another proceeding and the dispute covered by an arbitration agreement may not be sufficient to grant an injunction. However, the Court can grant such protection where proceedings are initiated or continued in breach of, or for the purpose of avoiding, the arbitration agreement and where their continuation may affect the subject matter of arbitration. The Petitioner submitted that the Respondent has acted contrary to the arbitration agreement and continues to do so. The disputes relating to the cessation of his position as CEO are matters arising under the Employment Agreement and are required to be resolved through arbitration. According to the Petitioner, the Respondent's conduct shows that he has approached several forums in relation to the same subject matter which is covered by the arbitration agreement under Clause 14.3. These proceedings include the petition filed before the NCLT and the application under Section 94 of the Code of Civil Procedure filed in the civil suit before the Himachal Pradesh High Court. The Petitioner described the latter application as the “Anti Suit Application”. The Petitioner pointed

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out that, in the NCLT proceedings, the Respondent sought an order restraining the Petitioner from removing any key managerial personnel. He sought a direction to "immediately restore the access of the Petitioner's official email ID". According to the Petitioner, these prayers were intended to prevent the Petitioner from giving effect to the cessation of the Respondent's employment under the Employment Agreement. The reliefs sought in those proceedings overlapped with the subject matter of the present Petition, particularly Prayer Clauses (e) and (f).

39. The Petitioner stated that the NCLT petition was dismissed on 28 October 2026. In this regard, it relied upon its Second Additional Affidavit dated 27 October 2026. The Petitioner pointed out that, through the Anti Suit Application filed before the Himachal Pradesh High Court, the Respondent has sought an order restraining the Petitioner from "instituting and continuing with any parallel proceedings" before any Court of law. This prayer includes the present proceedings filed by the Petitioner before this Court. The Petitioner submitted that the Respondent's own Reply to the present Petition makes his intention clear. The Respondent has questioned the territorial jurisdiction of this Court and has confirmed that the Anti Suit Application was filed with the object of obtaining "an injunction against the continuation of the present proceedings before this Court." According to the Petitioner, this conduct shows that the Respondent is attempting to prevent the dispute from being decided through the arbitration mechanism agreed between the parties.

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40. The Petitioner submitted that the Respondent has made an incorrect argument in his Reply and sur-rejoinder regarding the effect of the Petitioner's application under Section 45 of the Arbitration Act before the Himachal Pradesh High Court. The Respondent contends that, by filing an application under Section 45 in the civil suit, the Petitioner has "consciously not only submitted to the jurisdiction of the High court of Himachal Pradesh at Shimla, but had precluded from invoking the jurisdiction of this Court". According to the Petitioner, this argument is contrary to the purpose and scheme of Section 45. An application under that provision is filed to object to the Court entertaining the dispute and to seek a reference of the parties to arbitration in accordance with their agreement. By filing such an application, the Petitioner is asserting that the civil Court should not decide the dispute. It cannot be said that the Petitioner has accepted the jurisdiction of that Court. The Respondent's argument, according to the Petitioner, reverses the very purpose for which Section 45 is enacted. The Petitioner submitted that the conduct of the Respondent in initiating parallel proceedings is evident from the relief sought in the Anti Suit Application. In that application, the Respondent has sought initiation of contempt proceedings against Mr. Ashwin Damera, who is the authorised representative of the Petitioner Company, merely because he filed the present Petition before this Court. According to the Petitioner, this is another indication of the attempt to obstruct the proceedings initiated in accordance with the arbitration agreement.

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41. The Petitioner next addressed the Respondent's objection that the disputes raised in the present Section 9 Petition and the proposed arbitration are not arbitrable. The Respondent contends that the dispute concerns his simultaneous positions as Vice-Chancellor of Shoolini University and CEO of the Petitioner Company. Since the UGC and Shoolini University are connected with the issue, according to him, the dispute cannot be decided through arbitration. The Petitioner submitted that this objection is incorrect. The mere fact that the dispute refers to a statutory authority or an educational institution does not make every dispute arising from the Employment Agreement non-arbitrable. In support of this submission, the Petitioner relied upon *Vidya Drolia v. Durga Trading Corporation,* (2021) 2 SCC 1. In that decision, the Supreme Court laid down four tests for deciding whether a dispute is not capable of being decided through arbitration. The tests are as follows:

(i) Whether the dispute relates to rights in rem, rather than rights in personam.

(ii) Whether the dispute affects the rights of third parties or has an effect on persons who are not parties to the dispute.

(iii) Whether the dispute involves the exercise of sovereign or public functions.

(iv) Whether the statute or by necessary implication excludes such disputes from arbitration.

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42. The Petitioner relied upon *A. Ayyasamy v. A. Paramasivam,* (2016) 10 SCC 386. The Supreme Court recognised that disputes concerning rights in personam are ordinarily capable of being referred to arbitration, unless their decision is exclusively reserved for a particular statutory forum. Applying these principles, the Petitioner submitted that none of the four tests laid down in *Vidya Drolia* is satisfied in the present case. Firstly, the dispute arises out of the Employment Agreement between the Petitioner and the Respondent. It concerns their individual rights and obligations. It is a dispute relating to rights in personam and not rights in rem. Secondly, the Petitioner is not seeking any declaration that the Respondent's appointment as Vice-Chancellor of Shoolini University is invalid. Nor is it seeking any relief against Shoolini University or the UGC. The dispute is limited to the Respondent's employment as CEO of the Petitioner Company. Thirdly, the question whether the Respondent's employment as CEO should continue does not involve the exercise of any sovereign or public function. Fourthly, the Respondent has not pointed out any statutory provision which excludes disputes under the Employment Agreement from arbitration. He has not identified any provision which requires such disputes to be decided exclusively by a particular statutory authority. The Petitioner submitted that the disputes are arbitrable and must be resolved in accordance with the arbitration agreement.

43. The Petitioner next addressed the Respondent's objection regarding the territorial jurisdiction of this Court. In his Reply and sur-rejoinder, the Respondent has contended that the Himachal

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Pradesh High Court is the proper forum for deciding disputes concerning the termination of the Employment Agreement. According to him, this Court does not have territorial jurisdiction to entertain the present Petition. The Petitioner disputed this objection and submitted that this Court has jurisdiction for the following reasons. The Employment Agreement was executed in Mumbai. Under Clause 2.3 of the Agreement, the Respondent was assigned to the Mumbai office of the Petitioner Company. Further, the Respondent's appointment letter was countersigned in Mumbai. According to the Petitioner, these facts establish that a substantial part of the cause of action arose within the territorial jurisdiction of this Court. No part of the cause of action arose in Himachal Pradesh. Therefore, the objection raised by the Respondent is liable to be rejected.

44. The Petitioner relied upon the principles laid down by the Supreme Court in *Modi Entertainment Network v. W.S.G. Cricket Pte. Ltd.,* (2003) 4 SCC 341. According to the Petitioner, the three requirements for granting an anti-suit injunction are satisfied in the present case. Firstly, the Respondent is subject to the personal jurisdiction of this Court because the Employment Agreement was executed and was required to be performed in Mumbai. Secondly, if the injunction is refused, the agreed arbitration mechanism may be defeated. This would cause injustice to the Petitioner because the Respondent would be permitted to continue proceedings in other forums in relation to the same dispute. Thirdly, the principle of comity between Courts must be respected. However, an injunction directed against a person who is subject to the

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jurisdiction of this Court does not amount to interference with the functioning of another Court. The Petitioner submitted that the present case satisfies all the requirements for granting an anti-suit injunction. The Petitioner submitted that, if the Respondent is not restrained, he may continue to initiate or pursue parallel proceedings before different Courts. This would defeat the arbitration agreement and may result in several proceedings and inconsistent decisions on the same question, namely whether his employment as CEO has come to an end. On the other hand, the Respondent would suffer no prejudice if he is directed to pursue his remedies through arbitration, which is the dispute resolution mechanism agreed upon by both parties. Therefore, according to the Petitioner, granting the injunction would protect the agreed procedure without taking away any legitimate remedy available to the Respondent.

45. The Petitioner submitted that an injunction is necessary to prevent the Respondent from making statements which may damage its reputation. According to the Petitioner, its apprehension is supported by the Respondent's recent conduct. The Respondent made a public post on LinkedIn, which is a platform having more than 74,000 followers. In that post, he stated that his most recent 'startup' had been 'hijacked'. The Petitioner contends that the statement refers to the Petitioner Company, which is shown as his venture on his LinkedIn profile. According to the Petitioner, such public statements are likely to harm the Company's reputation and its relationship with persons dealing with it.

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46. Mr. Sood, learned Senior Advocate appearing for the Respondent, submitted that the Respondent is working as the Vice-Chancellor of Shoolini University of Biotechnology and Management Sciences, situated at Solan, Himachal Pradesh. The University has been established and is governed by the Shoolini University of Biotechnology and Management Sciences (Establishment and Regulation) Act, 2009 and the First Statutes of the Shoolini University of Biotechnology and Management Sciences, Solan, Himachal Pradesh. Learned Senior Advocate submitted that Shoolini University is one of the highly ranked private universities in the country. The Respondent is a well-known and respected academician who has received recognition from the Government of India. In the year 2023, the Government of India decided to permit foreign universities to enter the higher education sector in India, subject to the conditions prescribed under Regulation 7 of the University Grants Commission (Setting up and Operation of Campuses of Foreign Higher Educational Institutions in India) Regulations, 2023. Accordingly, the University Grants Commission (UGC) introduced these Regulations to make it possible for Foreign Higher Educational Institutions (FHEIs) to establish their presence and operate in India. The Respondent submitted that Shoolini University and he himself were interested in taking advantage of this opportunity. Their object was to bring changes in the higher education system in India through collaboration with foreign universities. This intention is reflected in the proceedings of the 84th meeting of the Academic Council of Shoolini University held on 30 December

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2023. In furtherance of this object, on 12 January 2024, the Respondent applied to the competent authority of Shoolini University seeking permission for two purposes. Firstly, he sought permission to establish a new company for undertaking consultancy work and entering into partnerships and joint ventures with Foreign Higher Educational Institutions. Secondly, he sought permission to undertake consultancy work or employment, as may be required for that purpose. On 16 January 2024, the Chancellor of Shoolini University, who was the competent authority, granted the requested permission. Thereafter, on 10 April 2024, the Respondent sought specific permission to establish Daskalos Technologies Private Limited, which is the Petitioner Company in the present proceedings. That permission was granted. After obtaining these permissions, the Respondent incorporated the Petitioner Company. He became its promoter, founder and whole-time Director. In January 2025, EruLearning Solutions Private Limited (EruLearning) invested capital in the Petitioner Company. As a result, EruLearning holds 80% of the shares of the Petitioner Company. The remaining shares are held by the Respondent, who continues to be its promoter, founder and whole-time Director.

47. On 19 June 2025, the Respondent again approached the competent authority of Shoolini University and sought specific permission to accept the position of Chief Executive Officer (CEO) of the Petitioner Company. That permission was granted. Thereafter, on 1 July 2025, the Respondent was appointed as the CEO of the Petitioner Company under the Employment Agreement of the same date. Learned Senior Advocate submitted that the

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basic commercial understanding between the Respondent, EruLearning and Mr. Ashwin Venkata Damera, who is the majority shareholder of EruLearning, was clear. EruLearning and the investor were required to provide the necessary funds. The responsibility of managing the day-to-day affairs, developing the business and looking after the operations of the Petitioner Company was placed upon the Respondent. The Respondent submitted that the commercial arrangement between the parties and his actual performance under that arrangement must be considered before examining the allegations now made against him.

48. According to the Respondent, there is no allegation in the Section 9 Petition that he failed to devote "substantial time" to the Petitioner Company, failed to perform his part of the commercial arrangement or failed to achieve the agreed targets. The Term Sheet contemplated the establishment of eight branch campuses in collaboration with foreign universities by the year 2034. However, within only two years of incorporation of the Petitioner Company, the Respondent had secured eight Letters of Intent. Further, seven branch campuses had been established in collaboration with the following foreign universities: (i) University of New South Wales; (ii) University of Liverpool; (iii) Illinois Institute of Technology; (iv) University of York; (v) University of Aberdeen; (vi) University of Bristol; and (vii) Victoria University. Admissions to these campuses had commenced. The Respondent submitted that his performance was very good and was much ahead of the target originally fixed under the Term Sheet.

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49. The Respondent submitted that throughout his engagement, the Petitioner Company was fully aware of three important facts. Firstly, he continued to hold the position of Vice-Chancellor of Shoolini University at Solan. Secondly, he was mainly residing at Solan and was carrying out his activities and duties from there. Thirdly, he was travelling extensively, both within India and abroad, whenever required for the business of the Petitioner Company. Despite having full knowledge of these facts, the Petitioner never complained that the Respondent was not devoting sufficient time to the Company, was not achieving the agreed targets or that his location at Solan was affecting the Company's work.

50. Learned Senior Advocate pointed out that even in the original Section 9 Petition, the Petitioner had not alleged that the Respondent failed to devote “substantial time” or “sufficient time” to the Company. There was no allegation that his other responsibilities or his location had affected the performance of his duties. Such an allegation was introduced for the first time in the Rejoinder. According to the Respondent, this was a later attempt to improve the Petitioner's case. The allegation was delayed, unsupported by material and without any substance. The Respondent denied the same. The Respondent submitted that he had successfully achieved the targets and responsibilities entrusted to him under the commercial arrangement. Therefore, he had become entitled to the benefit of the shares held by him, including their reverse vesting at a date earlier than originally contemplated. According to him, the time had now come for the Petitioner

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Company, EruLearning and Mr. Ashwin Venkata Damera to fulfil their own obligations under the commercial arrangement. The Respondent submitted that the period during which he was required to perform his duties under the Employment Agreement was connected with the lock-in period and the reverse vesting arrangement relating to his shares. These arrangements were part of the understanding recorded in the Employment Agreement.

51. Learned Senior Advocate explained the circumstances in which differences arose between the parties. According to the Respondent, disputes started sometime during the second quarter of 2026, particularly around the end of March and beginning of April 2026. Differences arose between the Respondent on one side and EruLearning and Mr. Ashwin Venkata Damera on the other. The Respondent alleged that the intention behind the subsequent actions of EruLearning and Mr. Damera was to deprive him of the benefits due to him under the commercial arrangement and avoid sharing those benefits with him. The Respondent submitted that the complaint allegedly made against him by an employee in April 2026 must be examined along with the events which followed. According to him, the sequence of events raises serious doubts about the genuineness of the complaint. The complaint was received on 6 April 2026 but was not disclosed to the Respondent for about one month, until 8 May 2026. It came to light only after the Respondent had approved the funding arrangements towards the end of April 2026. On 8 May 2026, a Board meeting was called for 16 May 2026 to consider the complaint. Even before that meeting could take place, the Petitioner Company filed caveats on

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11 May 2026. According to the Respondent, these caveats were filed in anticipation of his suspension. The Respondent requested an adjournment of the meeting because of his ill health. However, that request was rejected. The meeting was then held in the Respondent's absence and, according to him, without the required quorum. In that meeting, the Board simultaneously decided to suspend him from the position of CEO and appoint an outside Third-Party Expert to conduct an inquiry into the allegations. The Respondent expressed his belief that Mr. Ashwin Venkata Damera and certain other persons in the Petitioner Company had deliberately arranged for a false and fabricated complaint to be made against him by an employee. According to the Respondent, this was done to create a ground for removing him from the Petitioner Company. He submitted that the complaint was used as an excuse to suspend him from the position of CEO. As a result of these events, the Respondent filed Civil Suit No. 50 of 2026 before the Himachal Pradesh High Court. On 18 August 2026, that Court granted protective orders and restrained the Third-Party Expert from proceeding with the inquiry. The Respondent submitted that the dispute concerning his suspension and the inquiry is pending before the Himachal Pradesh High Court and that Court is seized of the matter.

52. Learned Senior Advocate next dealt with the correspondence addressed to the UGC, on which the Petitioner has mainly relied upon to justify the termination. According to the Respondent, immediately after the protective orders were passed by the Himachal Pradesh High Court on 18 August 2026, Mr. Aayush

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Mitruka, Advocate, addressed a letter dated 24 August 2026 to Dr. Gopi Chand Merugu, Joint Secretary of the UGC. By that letter, he sought clarification on the following question:

> "whether a person serving as the Vice Chancellor of a University, whose governing statutes provide that the Vice Chancellor shall be a "whole time salaried office", is permitted to hold a dual employment to simultaneously serve as the Chief Executive Officer of a private limited company."

53. The Respondent questioned the manner in which this clarification was sought from the UGC. He submitted that the following important aspects have not been explained. Firstly, the authority or interest of Mr. Mitruka in seeking such a clarification is not known. Secondly, it is not clear in what capacity the clarification was sought from the UGC or in what capacity the UGC issued its response. Thirdly, the complete facts regarding the prior permissions obtained by the Respondent from the competent authorities of Shoolini University under its governing Statutes were not placed before the UGC. According to the Respondent, these were important facts which ought to have been disclosed before seeking any opinion from the UGC.

54. The UGC issued its clarification on 23 September 2026. However, the Respondent questioned the legal basis and correctness of that clarification on several grounds. Firstly, the clarification does not mention the specific statutory provision or authority under which it was issued. Secondly, it was not issued under the authority contemplated by Section 11 of the UGC Act. Thirdly, it was based on incomplete and insufficient information

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supplied to the UGC. Fourthly, the UGC did not consider Section 38 of the First Statutes of Shoolini University. Fifthly, it did not take into account the permissions granted to the Respondent by his parent University. The Respondent submitted that the clarification issued by the UGC cannot be treated as an authentic, authoritative or binding decision against him or the Petitioner Company. According to him, it is only an opinion given on the basis of incomplete facts and without hearing his side of the matter. No opportunity was given to him to explain the permissions granted by Shoolini University or to place his version before the UGC. The Respondent submitted that the clarification was issued without following the basic principles of natural justice. He reserved his right to challenge the legality and validity of the said clarification before an appropriate forum.

55. Learned Senior Advocate questioned the termination of the Respondent's employment. According to the Respondent, the UGC clarification dated 23 September 2026 is the only real basis on which the Petitioner decided to terminate his employment and filed the present Petition. The Respondent submitted that the Petitioner relied upon that clarification and put forward the following alternative grounds in its termination letter. (a) The UGC letter allegedly clarifies that the Respondent could not hold the positions of Vice-Chancellor of Shoolini University and CEO of the Petitioner Company at the same time. On that basis, the Petitioner claimed that the Employment Agreement was contrary to law and was void under Section 23 of the Contract Act. (b) In the alternative, relying upon the same alleged clarification, the

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Petitioner claimed that the Respondent had made a misrepresentation under Section 18 of the Contract Act regarding his legal capacity to enter into the Employment Agreement. Therefore, under Section 19 of the Contract Act, the Petitioner claimed that it had the choice either to avoid the Agreement or to insist upon its performance. The Petitioner chose to treat the Agreement as void. The Petitioner took a alternative position. It stated that even if the Employment Agreement was valid, the Respondent had committed breaches of its terms and conditions. On this basis, the Petitioner claimed that it was entitled to rescind the Agreement.

56. Learned Senior Advocate advanced submissions on the legal invalidity of the termination. The Respondent submitted that while considering a Petition under Section 9 of the Arbitration and Conciliation Act, 1996, the Court is required to form only a prima facie opinion. It is not required to finally decide all the disputed questions at this stage. A prima facie opinion must be based on what appears from the material available on record. A detailed examination of disputed facts and evidence would be required at the appropriate stage of adjudication. Keeping this principle in view, the Respondent advanced his submissions. The Respondent's first submission was that the alleged termination of his employment is void from the beginning and has no legal effect. According to the Respondent, the termination was made in violation of the Companies Act, the Rules framed under that Act and the Articles of Association of the Petitioner Company. Therefore, the termination is beyond the authority of the persons

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who issued it.

57. The Respondent submitted that there is no dispute that his appointment and removal from the position of CEO are governed by the following provisions: (i) The Companies Act, 2013. (ii) The Companies (Meetings of Board and its Powers) Rules, 2014. (iii) The Articles of Association of the Petitioner Company.

58. Section 2(51) of the Companies Act, 2013 includes a Chief Executive Officer within the definition of "key managerial personnel". The Respondent relied upon Section 179(3) of the Companies Act, 2013. This provision specifies the powers which the Board of Directors must exercise on behalf of the Company by passing resolutions at meetings of the Board. Clause (k) of Section 179(3) refers to "any other matter which may be prescribed". The first proviso to the said sub-section permits delegation only in respect of the powers mentioned in Clauses (d) to (f). According to the Respondent, this means that the other powers mentioned in Section 179(3), including the powers under Clause (k), cannot be delegated and must be exercised by the Board through a resolution.

59. The Respondent relied upon Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014. The said Rule provides as follows:

> "Rule 8: In addition to the powers specified under sub-section (3) of section 179 of the Act, the following powers shall be exercised by the Board of Directors only by means of resolutions passed at meetings of the Board:
>
> (2) to appoint or remove key managerial personnel (KMP)"

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60. The Respondent relied upon Article 76 of the Articles of Association of the Petitioner Company, which provides as follows:

> "Subject to the provisions of the Act (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board (ii) A director may be appointed as chief executive officer manager company secretary or chief financial officer."

61. According to the Respondent, Section 179(3) of the Companies Act, Rule 8(2) of the Rules and Article 76 of the Articles of Association must be read together. When these provisions are read together, it becomes clear that the removal of a Chief Executive Officer, who is a key managerial personnel, can be done only by passing a resolution at a meeting of the Board of Directors. Passing such a resolution is a mandatory requirement and must take place before the termination is communicated.

62. The Respondent submitted that the Petitioner has admitted that no Board resolution was passed on 29 September 2026, when the termination was communicated to him. Therefore, according to the Respondent, his removal as CEO was communicated without the decision of the Board in the manner required by the Companies Act, the Rules, and the Articles of Association. Such an action was beyond the authority of the persons who issued the letter. It was void from the beginning and had no legal effect.

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63. The Respondent next submitted that the defect in the termination cannot be cured by subsequently ratifying the action of the persons who issued the letter. According to the Respondent, the law makes a distinction between an irregular act and an act which is void from its very beginning. Ratification may cure an irregularity in an act which was otherwise within the authority of the person who performed it. However, ratification cannot give legal validity to an act which was without authority or jurisdiction from the beginning. In support of this submission, reliance was placed on *The Agriculture Produce Market Committee v. The State of Maharashtra and Ors.,* 2025:BHC-AUG:17243. 99. In that case, an order determining a lease was passed by the Director of Marketing, although the power to decide the matter was vested in the Marketing Committee of the APMC. A learned Single Judge of this Court held that the Director had no jurisdiction to pass such an order. Therefore, the order was void from the beginning and could not be made valid by subsequent ratification. The Respondent relied upon the decision of this Court in *College of Engineering of Yeshwant Rural Education Society v. Asmita Basole & Others,* (1998) 1 LLJ 95 (Bom). In that case, a notice terminating the services of an employee was issued by the Chairman of the Governing Body. However, the Governing Body was the appointing authority and was empowered to terminate the employee. Although the Governing Body subsequently ratified the action of its Chairman, the Court held that such ratification could not make the termination valid. The Court found that the Chairman had no independent authority to terminate the

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employee. Since the original act was beyond his jurisdiction, it was void and could not be subsequently validated by the Governing Body.

64. The Respondent submitted that the above decision is relevant to the present case. In that matter, the Chairman was himself part of the Governing Body and was the Chairman of the very body which later attempted to ratify his action. Even then, the Court held that the Chairman could not exercise the powers which were vested in the Governing Body as a whole. According to the Respondent, the position is similar here. Individual directors cannot be treated as the Board. The fact that they are members of the Board does not give them the authority to exercise powers which the law requires to be exercised by the Board through a resolution.

65. The Respondent explained the difference between an irregular act and an illegal act, particularly in the context of subsequent ratification. According to the Respondent, the Supreme Court has explained which defects can be corrected by ratification and which defects cannot be corrected. An irregularity may be cured where the act was otherwise within the authority of the person who performed it. However, where the act is illegal because the person had no authority to perform it, subsequent ratification cannot make it valid. In support of this submission, reliance was placed on *Government of A.P. & Ors. v. K. Bharmanandam,* (2008) 5 SCC 241. Applying this principle to the present case, the Respondent submitted that the Board of the Petitioner Company never met and never took any decision to terminate his

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employment on 29 September 2026. There was no resolution recording such a decision. The Petitioner has admitted that no such resolution existed when the termination letter was issued. Therefore, according to the Respondent, the termination was made without following the mandatory procedure prescribed by law. It was not a case of some defect in an existing Board decision. There was no Board decision at all. The termination was consequently void from the beginning and could not be cured by subsequent ratification.

66. The Respondent submitted that individual nominee directors cannot substitute their own decision for a decision which the law requires the Board to take collectively. Just as the Chairman of a Governing Body cannot be treated as the entire Governing Body, individual directors cannot be treated as the Board of Directors. According to the Respondent, the decision of individual directors cannot later be converted into a decision of the Board by describing it as a ratifiable irregularity. The decision in *College of Engineering of Yeshwant Rural Education Society* makes it clear that even a subsequent decision of the competent body cannot validate an act which was originally performed without authority.

67. The Respondent submitted that the Petitioner's reliance upon *Sri Parmeshwari Prasad Gupta*, is misplaced. In that case, there was an underlying decision of the Board to terminate the employee. The Chairman had acted on behalf of the Company to communicate that decision. The defect related to the Board meeting at which the decision had been taken, as one of the directors had not received notice of the meeting. The Board

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ratified the Chairman's action at a properly convened meeting. In those circumstances, the Supreme Court accepted the subsequent ratification. According to the Respondent, that decision does not permit a subsequent Board resolution to replace a corporate decision which never existed in the first place. The Respondent submitted that the facts of the present case are entirely different. There was no prior decision of the Board, whether properly or improperly taken, authorising his removal. The letter dated 29 September 2026 was not issued merely to communicate or implement an existing Board decision.

68. In the Section 9 Petition, the Petitioner described the letter dated 29 September 2026 as the termination letter. When this Court called upon the Petitioner to produce the Board resolution authorising the termination, no such resolution was produced. Instead, the Petitioner sought to justify the action by relying upon a subsequent ratification of what the Respondent claims was an illegal and void act. The Respondent relied upon *Ghanshyam Malhotra & Ors. v. Vithalnagar Co-operative Housing Society Ltd., 2023:BHC-AS:33609*. According to him, this decision of the Bombay High Court distinguishes between ratification of an irregular exercise of an existing authority and ratification of an act performed by a person who had no authority to perform it at all.

69. The Respondent submitted that the Petitioner attempted to overcome the absence of a Board resolution only after the present Petition was filed and the Respondent, as well as this Court, pointed out the defect. It was only during the pendency of the proceedings that the Petitioner claimed that the Board had

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confirmed or ratified the termination on 19 October 2026. According to the Respondent, the Petitioner's own statement that the Board had "confirmed what had been done" shows that the termination letter was issued before any Board decision was taken. A decision which did not exist on 29 September 2026 cannot subsequently be treated as though it existed on that date. The Respondent submitted that such an attempt is contrary to Section 200, Illustration (b), of the Contract Act. On these grounds, the Respondent submitted that the termination notice dated 29 September 2026 is void from the beginning and has no legal effect.

70. The Respondent next dealt with the question whether a separate declaration from a competent Court is necessary to treat the termination as void. He addressed the Petitioner's reliance upon the Duomatic Principle. In this regard, the Respondent relied upon *Dhurandhar Prasad Singh v. Jai Prakash University, (2001) 6 SCC 534.* The Supreme Court in that decision explained the difference between an act which is void and an act which is voidable. An act which is wholly without jurisdiction is void from the beginning. It has no legal existence and does not require a separate declaration from a Court to make it ineffective. Such an act can simply be ignored when its validity arises for consideration in another proceeding. On the other hand, an act which is voidable continues to operate unless it is challenged and set aside by a competent Court. Applying this distinction, the Respondent submitted that the letter dated 29 September 2026 was issued by individual directors and was not based on any decision of the Board passed through a resolution. It was beyond their authority

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and contrary to the Companies Act, the Rules and the Articles of Association. According to the Respondent, the termination is void and does not require any separate declaration to make it ineffective.

71. The Respondent disputed the Petitioner's reliance upon the Duomatic Principle. According to him, that principle cannot override the express requirement under Section 179(3) of the Companies Act, Rule 8(2) of the Companies (Meetings of Board and its Powers) Rules, 2014 and Article 76 of the Articles of Association. These provisions require the appointment or removal of key managerial personnel to be decided through a resolution passed at a meeting of the Board. The Respondent submitted that these requirements are not mere formalities. They are safeguards intended to ensure that important decisions concerning the Company are taken collectively and in accordance with law. The requirement cannot be avoided by relying upon an informal agreement between some directors.

72. The Respondent submitted that the validity of the subsequent Board resolution dated 19 October 2026 and the corporate actions taken on its basis are matters which fall within the jurisdiction of the NCLT. This Court, while considering the present Petition under Section 9 of the Arbitration Act, is not required to finally decide those company law disputes. At this stage, the Court is required to form only a prima facie opinion. According to the Respondent, the Petitioner's own case establishes that no Board resolution authorising his removal existed on 29 September 2026. This admission is sufficient, at least at the

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interim stage, to show that the termination was not made in the manner required under the Companies Act, Rule 8(2) and the Articles of Association. Whether the subsequent resolution could cure the defect and whether it was validly passed are questions which may require final adjudication on evidence. For the purpose of the present Section 9 Petition, the Respondent submitted that the termination must, at least prima facie, be treated as void and having no legal effect. Without prejudice to his above submissions, the Respondent contended that even on the merits of the dispute, the termination is unsustainable on each of the three alternative grounds relied upon by the Petitioner.

73. The Respondent dealt with the permissions granted by Shoolini University. According to the Respondent, the entire case of the Petitioner is based on the allegation that he was not permitted to accept employment as CEO while continuing as Vice-Chancellor. However, the Petitioner has failed to consider an important fact. Before accepting the appointment as CEO, the Respondent had obtained prior written permission from the competent authority of Shoolini University. The Respondent submitted that the relevant permissions were obtained well before the Employment Agreement dated 1 July 2025. These included permission dated 16 January 2024 to explore joint ventures, consultancy and employment opportunities; specific permission dated 10 April 2024 to establish the Petitioner Company; and permission dated 19 June 2025 to accept the position of CEO of the Petitioner Company. According to the Respondent, the Academic Council and the Chancellor of Shoolini University

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considered these proposals and granted the necessary approvals through separate decisions taken during 2024 and 2025. The Respondent submitted that none of these permissions has been cancelled, withdrawn or declared invalid by Shoolini University or by any Court or other competent forum. The Petitioner has not sought any relief for setting aside these permissions. Therefore, according to the Respondent, the permissions continue to remain valid. At the stage of considering a prima facie case under Section 9 of the Arbitration Act, the Respondent's engagement with the Petitioner Company cannot be treated as illegal or contrary to law. Consequently, the Employment Agreement cannot be treated as void under Section 23 of the Contract Act merely on the basis of the Petitioner's own interpretation. The Respondent submitted that the Petitioner, being a private contracting party, cannot unilaterally declare that the permissions granted by the University are invalid and then rely upon its own conclusion to terminate the Agreement.

74. The Respondent relied upon Section 38(12) of the First Statutes of Shoolini University. According to him, this provision permits a person to undertake trade, business or employment outside his official duties after obtaining prior written permission. The Petitioner, according to the Respondent, has relied only upon the expression “whole time salaried officer” appearing in Section 6(1) of the First Statutes. It has ignored Section 38(12) and the permissions actually granted to the Respondent under the University's governing provisions. The Respondent submitted that Section 6(1) cannot be read in isolation while considering the entire scheme of the First Statutes. Even assuming that Section

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38(12) does not apply to him, there is no specific provision prohibiting a Vice-Chancellor from undertaking any outside engagement after obtaining the required permission. The judgments relied upon by the Petitioner merely explain the distinction between a Vice-Chancellor and an ordinary employee under different university statutes. They do not hold that a Vice-Chancellor can never be permitted to undertake any outside engagement. In support of his contention that a Vice-Chancellor can be treated as an employee of the University, the Respondent relied upon the decision of the Karnataka High Court in The *Chancellor of Universities in Karnataka and His Excellency, the Governor v. Prof. H.B. Walikar, Vice Chancellor,* Writ Appeal No. 100035 of 2015. According to the Respondent, the Court in that case has held that a Vice-Chancellor of a University is an employee of that University.

75. The Respondent disputed the Petitioner's argument that Section 38(12) applies only to employees and not to officers. According to him, the Petitioner has incorrectly treated these two expressions as mutually exclusive categories. He submitted that a reading of Section 11 of the Shoolini Act and Section 3 of the First Statutes shows that several officers of the University are its employees. Even the Librarian is described as an officer of the University. Merely because the Librarian is designated as an officer, it cannot be said that he is not an employee of the University. The Respondent submitted that an officer of the University may be an employee. The distinction sought to be made by the Petitioner cannot be accepted merely on the basis of the use of these two

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expressions.

76. The Respondent submitted that the present proceedings are not the proper forum for the Petitioner to question the interpretation adopted by the competent authorities of Shoolini University. The University's authorities themselves treated Section 38(12) as applicable, considered the Respondent's applications under that provision and granted the necessary permissions. According to the Respondent, the Petitioner is only a private party to the Employment Agreement. It is neither Shoolini University nor an authority responsible for administering or interpreting its Statutes. It cannot substitute its own interpretation for the decision of the competent University authorities and present that interpretation as an authoritative determination of the law in the present proceedings. The Respondent submitted that the Petitioner did not disclose the earlier permissions granted by Shoolini University when it approached the UGC for clarification. These permissions were relevant to the question referred to the UGC. According to the Respondent, withholding such important facts makes the clarification unreliable and deprives it of any value against him.

77. The Respondent submitted that the UGC letter dated 23 September 2026 suffers from several defects. It was issued on the basis of incomplete facts. Neither the Respondent nor Shoolini University was given any notice or opportunity to present their case. The UGC did not consider the relevant permissions and the provisions of the First Statutes. Further, the letter is not an adjudication between the parties. It is not an order passed under

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Section 11 of the UGC Act, nor has it been issued while exercising the functions contemplated under Section 12 or framing regulations under Section 26 of the UGC Act. The Respondent submitted that the UGC letter dated 23 September 2026 does not have the force of law and is not binding upon either party. It cannot be treated as a statutory order prohibiting the Respondent from holding the position of CEO. Consequently, any action taken by the Petitioner on the basis of that letter, including termination of the Respondent's employment, is unsustainable.

78. The Respondent next dealt with the Petitioner's allegation that he had made false representations regarding his legal capacity to enter into the Employment Agreement. According to the Respondent, once it is shown that valid permissions had been obtained from Shoolini University, the allegation of misrepresentation has no basis. He submitted that the Petitioner has created this allegation by relying upon an incorrect interpretation of the First Statutes and the subsequent UGC clarification. The Respondent submitted that the Petitioner was fully aware that he was holding the position of Vice-Chancellor of Shoolini University when the Employment Agreement was entered into. This fact was publicly known and could easily have been verified. The Petitioner entered into the Employment Agreement after the necessary permissions had been obtained. The Respondent submitted that the Petitioner has not identified any particular false statement made by him which induced the Petitioner to enter into the Agreement. There was no concealment of his position as Vice-Chancellor.

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79. The Respondent submitted that the subsequent communication issued by the UGC cannot convert a fact which was known to the Petitioner into a misrepresentation. The Petitioner cannot rely upon a later opinion of the UGC to claim that the Respondent had made a false representation at the time when the Agreement was executed. He disputed the Petitioner's reliance upon Section 203(3) of the Companies Act, 2013. According to him, Shoolini University is a statutory University and is not a company. Further, Section 203(5) of the Companies Act provides for the consequences of default under that provision. It does not declare the Employment Agreement void.

80. Without admitting that Section 19 of the Contract Act applies, the Respondent submitted that even the proviso to that section goes against the Petitioner's case. The alleged truth about his position and the permissions obtained by him could have been discovered by the Petitioner through ordinary diligence. In support of this submission, reliance was placed upon *Chander Kanta Bansal v. Rajinder Singh Anand,* (2008) 5 SCC 117. The Supreme Court explained that due diligence means taking all reasonable steps which a prudent person would ordinarily take. It does not mean doing everything which may be possible. The Respondent submitted that the Petitioner knew that he was working as Vice-Chancellor of Shoolini University. It knew that prior permissions had been obtained from the University. Only after these facts were known and the necessary permissions were secured did the Petitioner proceed with his appointment. Further, the Employment Agreement contemplated that the Respondent would devote a

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"substantial portion" of his time and "sufficient time" to the affairs of the Petitioner Company. The Term Sheet permitted him to devote reasonable time to Shoolini University and his family ventures. According to the Respondent, these conditions were consciously accepted by the Petitioner while entering into the commercial arrangement. The Petitioner accepted his services and continued the employment without raising any objection regarding his position as Vice-Chancellor or the time devoted by him to the Company. In these circumstances, the Petitioner cannot now rely upon facts which were known and accepted at the time of entering into the Agreement to claim that it was induced by misrepresentation. The essential requirements of Section 19 are not satisfied, even prima facie.

81. The Respondent accordingly submitted that the UGC communication dated 23 September 2026 cannot support the allegations of misrepresentation, illegality or invalidity of the Employment Agreement. The prior permissions granted by Shoolini University continue to remain in force. The Petitioner was aware of the Respondent's position as Vice-Chancellor and consciously accepted the arrangement. The Petitioner has failed to establish even a prima facie case for invoking Sections 19 or 23 of the Contract Act or for terminating his employment on these grounds.

82. The Respondent disputed the Petitioner's allegation that he had committed breaches of the Employment Agreement. According to the Respondent, Clauses 3.1(g) and 12.4 require him to devote sufficient time and a substantial portion of his time to

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the affairs of the Petitioner Company. These provisions do not require him to devote his entire time exclusively to the Company. The Agreement nowhere states that he must give up his position at Shoolini University. The Respondent submitted that the Term Sheet permitted him to devote reasonable time to Shoolini University. Therefore, the Petitioner cannot now read an obligation of exclusive employment into the Agreement when no such condition was agreed upon. The Respondent disputed the Petitioner's reliance upon Clause 12.5. According to him, this clause is a non-compete and non-solicitation condition intended to prevent involvement in another business, brand or venture which competes with the business of the Petitioner Company. Shoolini University is a statutory University which existed even before the Petitioner Company was incorporated. The Petitioner was fully aware of the Respondent's position in the University. Shoolini University is not a competing business venture of the Petitioner Company. Therefore, according to the Respondent, Clause 12.5 cannot be interpreted as imposing a general restriction on his continued association with the University. The Respondent submitted that the allegation regarding violation of Clause 2.3, relating to his assignment to the Mumbai office, was raised for the first time in the Rejoinder. Until 23 October 2026, the Petitioner had never relied upon this clause to allege any breach. On the contrary, the Petitioner had been reimbursing the Respondent's travelling and hotel expenses. This conduct shows that the Petitioner knew about his travel arrangements and had accepted the manner in which he was performing his duties. In any event, even assuming that there was

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any breach relating to his place of work, the Respondent submitted that such a breach was capable of being corrected under Clause 9.3(a) of the Employment Agreement.

83. Without prejudice to his earlier submissions, the Respondent contended that even if any breach had occurred, which he denied, the Petitioner was required to give him thirty Business Days to correct the alleged breach before terminating the Agreement under Clause 9.3(a). According to the Respondent, the Agreement provides that termination can follow only if the breach is not cured within the stipulated period. However, the Petitioner did not issue any notice calling upon him to cure the alleged breach. No opportunity was given to him for this purpose. The Petitioner cannot avoid this requirement by describing the alleged breach as material or by taking an alternative plea of rescission. Unless the stipulated opportunity to cure the breach is given and the Respondent fails to do so, no right to terminate the Agreement arises under Clause 9.3(a).

84. The Respondent submitted that the disputes raised in the present Petition are connected with proceedings pending before the Himachal Pradesh High Court. Before the present Petition was filed, the Respondent had approached the Himachal Pradesh High Court by filing Civil Suit No. 50 of 2026. That suit concerns the Board's action dated 16 May 2026, his suspension from the position of CEO and the inquiry proposed to be conducted through the Third-Party Expert. The Himachal Pradesh High Court has passed protective orders in those proceedings. The Petitioner Company has participated in those proceedings. Therefore, the

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Respondent submitted that the said Court is dealing with the disputes arising out of his suspension and the subsequent action taken against him. According to the Respondent, the letter dated 29 September 2026 is only a step in the same chain of events. The interim reliefs sought in the present Section 9 Petition would immediately give effect to the disputed termination and would affect the issues pending before the Himachal Pradesh High Court. The Respondent submitted that the Petitioner cannot divide the same dispute into separate proceedings before different Courts and thereby create a possibility of conflicting orders. The Respondent disputed the territorial jurisdiction of this Court. According to him, the alleged termination was communicated during the pendency of the dispute before the Himachal Pradesh High Court and was part of the same course of action arising from his earlier suspension.

85. The cause of action relating to the suspension arose when the suspension was communicated and the consequences of that action were sought to be imposed upon him. The mere issuance of the termination letter dated 29 September 2026 cannot create territorial jurisdiction in favour of this Court under Section 20(c) of the Code of Civil Procedure. The Respondent submitted that the Petitioner cannot create territorial jurisdiction by its own unilateral act of issuing or communicating the disputed termination letter, when no part of the cause of action otherwise arose within the territorial jurisdiction of this Court.

86. The Respondent submitted that the prayer for an anti-suit injunction under Prayer Clause (c) is independently barred by Sections 41(a) and 41(b) of the Specific Relief Act, 1963.

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According to him, the Petitioner is seeking to restrain the Respondent from instituting or continuing proceedings before Courts and authorities which are not subordinate to this Court. These include the Himachal Pradesh High Court and the NCLT. The prayer is not restricted to any particular proceeding which is shown to be vexatious or oppressive. If granted in its present form, it would prevent the Respondent from approaching other Courts and statutory authorities for remedies available to him under law. The Respondent submitted that such a broad injunction would unlawfully restrict his right to seek legal remedies. The Respondent submitted that the Petitioner has failed to satisfy the requirements laid down by the Supreme Court in *Modi Entertainment Network* for granting an anti-suit injunction. According to him, the Petitioner has not shown how continuation of the proceedings before the Himachal Pradesh High Court would defeat the ends of justice or result in injustice. The Respondent had instituted those proceedings even before the disputed termination letter dated 29 September 2026 was issued. The Petitioner had actively participated in the proceedings before the Himachal Pradesh High Court. It had filed FAO (OS) No. 18 of 2026 before that Court and obtained a consent order dated 11 September 2026 for expeditious disposal of its application under Section 8 of the Arbitration Act. Thereafter, the Petitioner filed an application under Section 45 of the Arbitration Act in the same proceedings. In these circumstances, the Respondent submitted that the Petitioner cannot now seek to restrain the continuation of proceedings before the very Court whose jurisdiction it had

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invoked and before which it had actively pursued its remedies. The Respondent submitted that granting an anti-suit injunction in such circumstances may result in conflicting orders being passed by two High Courts. Therefore, the requirements for granting such an injunction are not satisfied.

87. The Respondent addressed the requirements which the Petitioner must satisfy for obtaining interim protection under Section 9 of the Arbitration and Conciliation Act, 1996. According to the Respondent, the Petitioner's request for interim protection is based on the assumption that the termination dated 29 September 2026 is valid and that the Respondent is creating an immediate threat to the functioning of the Company. Both these assumptions are disputed. The Respondent submitted that he has a strong prima facie case because the necessary permissions were obtained from Shoolini University and those permissions have not been cancelled. The Petitioner was fully aware of his position as Vice-Chancellor and accepted his performance under the Employment Agreement. The UGC letter is neither an adjudication nor a statutory prohibition. No Board resolution authorising his removal existed when the termination was communicated. Further, no opportunity was given to him to cure the alleged breaches. According to the Respondent, these facts are sufficient to show that the Petitioner's claim of valid termination is seriously disputed. The Respondent submitted that the absence of a Board resolution raises a substantial question as to whether the termination was ever validly authorised by the Company. The subsequent ratification dated 19 October 2026 is disputed and

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cannot be treated as conclusive at the interim stage. While exercising jurisdiction under Section 9, this Court is required to form only a prima facie opinion. It is not required to finally decide disputed questions relating to the validity of corporate decisions under the Companies Act on the basis of the limited material available at the interim stage.

88. On the question of balance of convenience, the Respondent submitted that it would not be proper to immediately give effect to a disputed termination. He continues to be the founder, promoter, shareholder and Whole-Time Director of the Petitioner Company. The wide interim orders sought by the Petitioner would substantially change the existing position and would effectively decide the dispute in favour of the Petitioner even before the validity of the termination is examined. According to the Respondent, the balance of convenience is in his favour. The Respondent submitted that the Petitioner has failed to establish any irreparable injury which would justify the wide restraints sought in the Petition. The reliefs sought would effectively enforce the disputed termination and prevent him from approaching other forums even before the validity of that termination is decided. The principal ad-interim reliefs sought by the Petitioner were declined by this Court on 15 October 2026. According to the Respondent, no subsequent material has been placed before the Court which would justify granting wider interim protection at this stage. The Respondent submitted that even the limited ad-interim reliefs granted under the order dated 15 October 2026 had become infructuous, as there was no relevant material in his possession to

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comply with the directions in the manner alleged by the Petitioner.

89. The Respondent pointed out that the Petitioner had not disclosed the filing of FAO (OS) No. 18 of 2026 before the Himachal Pradesh High Court or the consent order dated 11 September 2026 while filing the present Petition. According to the Respondent, these were important facts relating to the earlier proceedings between the parties. A party seeking discretionary and equitable relief from a Court is required to disclose all relevant facts and the complete procedural history. The Petitioner, having failed to disclose these material facts, is not entitled to seek equitable protection. The Respondent finally submitted that Section 9 of the Arbitration Act is intended to preserve the subject matter of arbitration and grant necessary interim protection. It cannot be used to grant the Petitioner the substance of the final relief even before the dispute is decided. In the present case, the Petitioner seeks to give immediate effect to the disputed termination and prevent the Respondent from approaching other forums. If such reliefs are granted, the main controversy regarding the validity of the termination would substantially stand decided at the interim stage. The Respondent pointed out that the Petitioner has not identified any specific communication, contract or third-party transaction which was actually affected by his conduct after 29 September 2026. The principal ad-interim reliefs were declined on 15 October 2026. No subsequent change in circumstances has been shown to justify taking a different view.

90. On the basis of the above submissions, the Respondent opposed the grant of any interim protection to the Petitioner. The

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Respondent submitted that the Petitioner has failed to establish any case for grant of interim measures under Section 9 of the Arbitration and Conciliation Act, 1996. He prayed that this Court dismiss the Petition in its entirety with costs. He sought an order vacating the ad-interim protection granted to the Petitioner under the order dated 15 October 2026, except to the extent such protection is strictly necessary for preserving the Company's property and confidential information. He requested that the Court suitably clarify the scope of the existing ad-interim order.

REASONS AND FINDINGS:

91. I have heard Mr. Darius Khambata, learned Senior Advocate appearing for the Petitioner, and Mr. Sood, learned Senior Advocate appearing for the Respondent. The submissions made by both sides raise different questions. Though these questions are connected with each other, each question will have to be considered separately.

The Scope Of The Present Petition And Jurisdiction Of This Court:

92. At the beginning, it is necessary to remember that the present Petition has been filed under Section 9 of the Arbitration Act. At this stage, this Court is not deciding the entire dispute between the parties finally. The Court has to see whether the party asking for protection has made out a prima facie case. It must consider whether the balance of convenience is in favour of granting the relief and whether refusal of protection may cause an injury which cannot be properly compensated at a later stage. At the same time, care has to be taken that an interim order does not

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practically decide the whole dispute before the arbitral tribunal gets an opportunity to consider it. Both parties accept that their relationship is governed by the Employment Agreement dated 1 July 2025. Clause 14 of the Agreement provides that disputes between the parties will be decided through arbitration under the SIAC Rules and that Singapore will be the seat of arbitration. The Agreement is governed by Indian law. The Respondent has objected to the jurisdiction of this Court. According to him, since the parties have selected a place outside India as the seat of arbitration, the Company cannot file an application under Section 9 of the Arbitration Act before this Court.

93. This objection cannot be accepted. In *PASL Wind Solutions Private Limited v. GE Power Conversion India Private Limited,* (2021) 7 SCC 1, the Supreme Court considered a case where two Indian companies had agreed to hold arbitration outside India. The Supreme Court explained that, for the purpose of the proviso to Section 2(2) of the Arbitration Act, the words "international commercial arbitration" have to be understood by considering the place of arbitration being outside India. The Supreme Court held that in such a case an application under Section 9 could be maintained. In paragraph 70, the Supreme Court held that the Section 9 application before it was maintainable. Therefore, only because both parties to the present Agreement are Indian, the power of this Court to consider interim protection under Section 9 does not come to an end. The parties have selected Singapore as the seat of arbitration. But the dispute is between an Indian Company and an Indian individual. The Company and its business

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activities are in India. The property and business records for which protection is asked are stated to be in India. The relief is sought against the Respondent, who is within the jurisdiction of this Court. There is no material to show that the parties had agreed that Indian Courts would have no power to grant interim protection.

94. The Respondent has raised an objection regarding the territorial jurisdiction of this Court. According to him, the dispute regarding his suspension and the appointment of the Third Party Expert was pending before the Himachal Pradesh High Court. He says that the Company cannot claim jurisdiction at Mumbai only because the termination letter was issued from Mumbai. This submission will have to be considered. However, the entire Employment Agreement and the other relevant facts will have to be looked into. The Employment Agreement records that it was made at Mumbai, Maharashtra. Under Clause 2.3, the Respondent was assigned to the Mumbai office of the Company. The Company's office is situated at Mumbai. The letter dated 29 September 2026 communicates a decision regarding the rights and duties arising from this Agreement. Therefore, the cause of action is not arising only at the place where the Respondent resides or where he says that he performed some part of his duties. A part of the cause of action has arisen within the territorial jurisdiction of this Court. Therefore, at this stage, the objection under Section 20(c) of the Code of Civil Procedure, 1908, cannot be accepted. It is true that Civil Suit No. 50 of 2026 is pending before the Himachal Pradesh High Court. That suit concerns the earlier action of the Board

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dated 16 May 2026, the suspension of the Respondent and the appointment of the Third Party Expert. The Respondent says that on 18 August 2026, the Himachal Pradesh High Court passed a protective order preventing the Third Party Expert from proceeding with the enquiry. These proceedings were filed before the present Petition. The Company has taken part in those proceedings. This earlier background is certainly important, particularly while considering the Company's request for an anti-suit injunction. However, only because an earlier proceeding is pending before another High Court, this Court does not lose its jurisdiction to consider a separate application under Section 9 arising from the Employment Agreement.

Arbitrability of the dispute:

95. The Respondent has questioned whether the dispute between the parties can at all be referred to arbitration. According to him, the question whether he could hold the positions of Vice-Chancellor and Chief Executive Officer at the same time concerns Shoolini University and the UGC. Both are statutory bodies or authorities. Therefore, according to the Respondent, this dispute cannot be decided by an arbitral tribunal.

96. In *Vidya Drolia*, the Supreme Court has explained in paragraph 76 a fourfold test for deciding whether a dispute cannot be referred to arbitration. These tests relate to disputes concerning rights in rem, disputes which affect the rights of third parties or have an effect against the world at large, disputes concerning sovereign and public functions of the State, and disputes which are

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or necessarily kept outside arbitration by a mandatory law. Paragraph 76.5 explains that these tests should not be considered separately and in isolation. They have to be applied together. If these principles are applied to the present dispute, the main questions are whether the Employment Agreement is valid, whether the Respondent committed any breach of its conditions, whether the Company properly cancelled or terminated the Agreement and whether the Respondent can claim that he continues to be its Chief Executive Officer. These questions arise from a private Agreement between the Company and the Respondent. They concern the rights and duties of these two parties. Therefore, they are rights in personam. The arbitral tribunal cannot pass any order which will bind the UGC or Shoolini University because neither of them is a party to the Employment Agreement. The tribunal cannot decide the independent rights of the University or prevent the UGC from exercising its statutory powers. But this does not mean that the Company and the Respondent cannot refer their own dispute to arbitration. For deciding the rights between these two parties, the tribunal can consider the effect of the First Statutes, the UGC letter and the permissions which the Respondent says he had obtained. Therefore, the objection that the entire dispute cannot be referred to arbitration cannot be accepted. The dispute regarding the validity and termination of the Employment Agreement can be decided through arbitration. However, any question which concerns the independent statutory rights of Shoolini University or the UGC will remain outside the decision of the arbitral tribunal,

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unless the law otherwise permits.

The Nature Of The Employment Agreement And The Relief Sought:

97. The Company has relied upon the settled principle that a contract of personal service cannot ordinarily be enforced. Its submission is that the Respondent cannot be allowed to continue as Chief Executive Officer against the wish of the Company. According to the Company, even if the termination is later found to be wrong, the Respondent may claim damages, but he cannot obtain an order for reinstatement through an injunction.

98. The principle relied upon by the Company is well recognised. In *Executive Committee of Vaish Degree College*, the Supreme Court considered the exceptions to the general rule that a contract of personal service cannot be enforced. In paragraph 18, the Court observed:

> "18. On a consideration of the authorities mentioned above, it is, therefore, clear that a contract of personal service cannot ordinarily be enforced and a court normally would not give a declaration that the contract subsists and the employee, even after having been removed from service can be deemed to be in service against the will and consent of the employer. This rule, however, is subject to three well recognised exceptions. (*i*) where a public servant is sought to be removed from service in contravention of the provisions of Article 311 of the Constitution of India; (*ii*) where a worker is sought to be reinstated on being dismissed under the Industrial Law; and (*iii*) where a statutory body acts in breach or violation of the mandatory provisions of the statute."

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99. In paragraph 19, the Supreme Court held that the case before it did not come within any of these exceptions because the Executive Committee of the College was not a statutory body. In paragraph 20, the Court held that granting relief under the Specific Relief Act is a matter of discretion. Such relief can be refused where the ends of justice do not require it. In the present case, the Petitioner is a private limited company. The Respondent was appointed as its Chief Executive Officer under a private Employment Agreement. He is not a public servant whose service is protected by Article 311 of the Constitution. There is no material to show that he is a workman who can claim reinstatement under industrial law. The Company is not a statutory body. Therefore, only because the Respondent disputes the legality of his termination, he cannot claim that he must be reinstated as Chief Executive Officer. The general rule stated in *Vaish Degree College* applies to the present relationship. Sections 14(c) and 14(d) of the Specific Relief Act, 1963 are relevant. Section 14(c) concerns a contract which depends upon the personal qualifications of a party and where its important terms cannot be enforced. Section 14(d) concerns a contract which by its nature can be brought to an end. Section 41(e) provides that an injunction cannot be granted to prevent the breach of a contract whose performance cannot be enforced. However, this principle will have to be considered by looking at the actual relief asked for in the present Petition. The Company is not asking the Court to direct the Respondent to work as its Chief Executive Officer. It is asking the Court to prevent him from claiming or representing that he continues to be the

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Company's Chief Executive Officer and authorised representative after the Company has communicated its decision to end his engagement. An order preventing a person from representing that he has authority to bind a company is not necessarily the same as an order directing specific performance of a contract of personal service. At the same time, such an injunction cannot be granted only because the Company has issued a letter stating that the Agreement has been terminated. The Court must examine whether there is a prima facie basis to accept that the Company took this decision through an authority which was competent to do so. This question is important in the present case because the Respondent has seriously contended that no Board resolution was passed on 29 September 2026.

The First Statutes Of Shoolini University And The UGC Letter:

100. The main issue raised by the Petitioner is about the Respondent's appointment as Vice-Chancellor of Shoolini University. The Petitioner says that under the First Statutes of the University, the Vice-Chancellor must be a whole-time salaried officer. Therefore, according to the Petitioner, the Respondent could not take employment as Chief Executive Officer of a private company. In support of this, the Petitioner relies upon the letter dated 23 September 2026 issued by the University Grants Commission. It is his submission that UGC is an expert statutory authority and its clarification should be given proper importance.

101. The Respondent does not agree with this submission. He says that the First Statutes themselves permit an employee to take

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outside employment, if prior written permission of the concerned authority is obtained. For this purpose, he relies upon Section 38(12) of the First Statutes. According to him, such permission was obtained much before the Employment Agreement was signed. In support of this, he has relied upon the documents at pages 96, 105 and 120 of his Reply.

102. These documents are required to be seen separately. They are not all of the same nature. Each document shows a different part of the permission which is claimed by the Respondent. The document at page 96 of the Reply is a letter dated 16 January 2024 issued by the Chancellor of Shoolini University to the Respondent. This letter refers to the Respondent's letter dated 12 January 2024. The subject mentioned in the letter is approval for establishment and consultancy or employment. The Chancellor has stated:

> "With reference to your letter dated 12-01-2024 on the subject cited above, and taking into consideration the potential benefits to Shoolini University through collaborative engagements with reputed foreign universities, as well as the contribution of the proposed initiative towards furthering the University's vision, approval is hereby accorded under Section 38(12) of the Statutes of Shoolini University for the establishment, promotion, and participation in a new company, including undertaking consultancy/employment, as may be considered necessary."

103. This is a written letter issued by the Chancellor. Therefore, its contents have to be considered. It shows that the University was aware of the Respondent's proposal to establish a company and to undertake consultancy or employment in relation to that work. It

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shows that permission was given in general words for establishing, promoting and participating in a new company. The permission included consultancy or employment, as may be considered necessary.

104. The document at page 105 of the Reply is a letter dated 10 April 2024 written by the Respondent to the Chancellor. The subject of this letter is approval for establishment of Daskalos Technologies Private Limited. In this letter, the Respondent informed the Chancellor that the proposed company would undertake partnerships, joint ventures and consultancy services. The purpose was to help foreign universities in establishing and running their campuses in India. He stated that this proposed work would help the internationalisation objectives of the University and would not affect his work as Vice-Chancellor. This letter, if seen alone, does not contain any endorsement showing that the Chancellor had granted approval. But this letter is required to be read along with the other University record. The proceedings of the 59th meeting of the Board of Management held on 4 April 2024 show that the proposal given by the Vice-Chancellor and approved by the Chancellor was placed before the Board. The Board took note of the proposal for establishing a separate company. The company was to provide academic, administrative, operational, strategic, consultancy and professional support to foreign universities. The proceedings record that the Vice-Chancellor would continue to do his existing duties and that the proposed work would support the internationalisation objectives of the University. Thus, the Respondent's submission that the

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University knew about the proposed business activity is supported by the documents prepared at that time. The approval dated 16 January 2024 and the proceedings of the Board of Management dated 4 April 2024 were there much before the present dispute started. Therefore, these documents cannot be said to have been prepared after the termination letter was issued.

105. The document at page 120 of the Reply stands on a different position. It is a letter dated 19 June 2025 written by the Respondent to the Chancellor. The subject of this letter is a request for approval to be appointed as Chief Executive Officer of Daskalos Technologies Private Limited and to sign the Employment Agreement. In that letter, the Respondent stated:

> "With reference to the approval previously accorded by you under Section 38(12) of the Statutes of the University, and the intimation shared regarding the incorporation of Daskalos Technologies Private Limited on 30 April 2024, I respectfully seek your approval to take up employment as the Chief Executive Officer (CEO) of the Company and to sign the requisite employment contract."

106. In this letter also, the Respondent gave assurance that he would continue to do his duties as Vice-Chancellor. He stated that his proposed employment with the Company would not affect his duties and responsibilities towards the University or come in the way of doing them. Therefore, the document at page 120 is a request made by the Respondent for getting approval. The copy placed before the Court does not contain any endorsement or separate written letter from the Chancellor granting specific approval for his appointment as Chief Executive Officer. The

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Respondent relies upon the earlier approval dated 16 January 2024. His case is that the earlier permission was wide enough and it covered his employment as CEO. This submission will have to be considered. But the letter dated 19 June 2025,, cannot show that separate approval was actually granted on that date.

107. There is a difference between getting permission to establish or participate in a new company and getting permission to hold a whole-time executive post in that company. The earlier permission is given in wide words. It refers to consultancy or employment as may be necessary. But the later letter of the Respondent asks for approval to take employment as CEO and to sign the employment contract. The Respondent has not produced any separate written approval given in reply to this request. Therefore, the documents show that prior permission was given for establishing and participating in the proposed company. But from these documents, it is not finally shown that specific approval was given for his appointment as CEO.

108. The next question is whether Section 38(12) of the First Statutes applies to the office of Vice-Chancellor also. The relevant part of that provision reads:

> "No employee shall, except with the prior written permission of the concerned authority, engage himself directly or indirectly, in any trade or business or undertake any employment outside his official assignments."

109. The Respondent relies upon this provision. His case is that this provision allows outside employment, if prior written permission is taken from the concerned authority. According to

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him, the University had given such permission. Therefore, his employment with the Petitioner Company cannot be said to be unlawful.

110. The Petitioner relies upon Section 6(1) of the First Statutes. It provides that:

> "The Vice-Chancellor shall be a whole time salaried officer."

111. According to the Petitioner, the Respondent is an officer of the University and not an employee under the First Statutes. Therefore, the Petitioner says that Section 38(12), which is part of the Code of Conduct for Employees, cannot be used by the Respondent in support of his case.

112. The First Statutes define the word "employee" to mean all teaching and non-teaching employees of the University. The words "Officer or Officers" are separately defined to mean the Officer or Officers of the University. The Vice-Chancellor is described as an officer. Section 6 separately deals with the service conditions, powers and functions of the Vice-Chancellor. Under this provision, the Vice-Chancellor is required to be a whole-time salaried officer. This difference between the two words is required to be noticed. The First Statutes have not used the words "employee" and "officer" to mean the same thing. Both are separately defined. The Vice-Chancellor is put in the category of officers. Section 38 is given the title "Code of Conduct for Employees". Sub-clause (12) uses the word "employee". It does not separately mention the Vice-Chancellor or officers. The Respondent has relied upon the decision of the Madras High Court in *Dr. P. Vijayan*. In paragraph

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78, the Madras High Court observed that under the statute considered in that case, the Vice-Chancellor was appointed as an officer and not as an employee. The Court observed:

> "When the petitioner was first appointed as the First Vice Chancellor of the University, he was not appointed as a new employee of University. The appointment of the petitioner as the First Vice Chancellor was not as an 'employee' as defined in Section 2(m) of the Act. The petitioner's appointment was as an 'officer' of the University."

113. The Respondent relies upon this judgment to show that officer and employee are two different things. However, this judgment does not directly decide whether Section 38(12) of the First Statutes of Shoolini University applies to its Vice-Chancellor. The Madras High Court was considering the Indian Maritime University Act and the rules made under that Act. The law considered by that Court was different. The judgment is useful for understanding that there can be a difference between an officer and an employee. But what effect this difference will have in the present case has to be decided by reading the First Statutes of Shoolini University.

114. The Respondent has relied upon *Rajendra Kumar Nagda*, particularly paragraph 19. The Rajasthan High Court observed:

> "19. In short, a reading of Section 23 of the Act of 2010 wherein list to various officers of the University read with the definition of the teacher as given in Section 2(zh) of the Act of 2010 along with the definition of the employee in the Legal Glossary leaves no doubt in mind that a teacher, employee and an officer are three separate categories. Section 49(4) gives protection only to a teacher and an

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> employee but no such relaxation is provided for an officer. The petitioner was entitled only to the protection under Section 24(3)(b) and not 24(3)(a) as Section 24(3)(b) refers to experience as teacher alone. Thus, the petitioner by virtue of Section 49(4) was able to get the relaxation for his appointment on the various posts and promotions given to him in the capacity of a teacher but cannot claim the same relaxation while seeking appointment to the post of Vice-Chancellor."

115. This judgment supports the general position that if a statute separately defines a teacher, an employee, and an officer, then all three cannot be treated as one category. What result will follow from this difference will depend upon the words used in the concerned statute. In the present case also, the First Statutes separately define an employee and an officer. The Vice-Chancellor is placed in the category of officers. Section 38(12), when read in its ordinary meaning, refers to an employee.

116. The Respondent says that Section 6(1) and Section 38(12) should be read together. According to him, when Section 38(12) allows outside employment after permission is obtained, Section 6(1) should not be understood as completely stopping such employment. There is some force in the general submission that provisions of the same statute should be read together. One provision should not be read in a way that another provision becomes without any use. But the difficulty in accepting the Respondent's submission is that Section 38(12) speaks about employees, whereas the Respondent holds the office of Vice-Chancellor as an officer. When the First Statutes themselves separately define these two categories, the word "employee"

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cannot be taken to include every officer without looking at the actual words used in the Statutes.

117. The permission dated 16 January 2024 shows that the University had given approval for establishing and participating in the proposed company, including consultancy or employment. But this permission was given under Section 38(12). If that provision does not apply to the Respondent as Vice-Chancellor, then this permission cannot be treated as giving exemption from the requirement under Section 6(1) that the Vice-Chancellor must be a whole-time salaried officer. No other provision has been shown under which the Chancellor could remove or relax this requirement. At the same time, Section 6(1) does not say in those exact words that the Vice-Chancellor can never do any outside work or hold any other position in every situation. It only says that the Vice-Chancellor shall be a whole-time salaried officer. What effect this requirement will have on his separate employment as CEO of a private company has to be seen by considering the nature of both positions and the duties attached to them. The main question is whether the Respondent could perform the whole-time duties of Vice-Chancellor and take up the responsibilities of CEO of the Petitioner Company.

118. The UGC communication dated 23 September 2026 is required to be considered in this connection. It was issued by the Under Secretary, University Grants Commission, in reply to a letter dated 24 August 2026 addressed by Mr. Aayush Mitruka. The query mentioned the Respondent's position as Vice-Chancellor of Shoolini University and his appointment as CEO of a private

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limited company. The UGC referred to Clause 7.3 of the UGC Regulations of 2018 and the First Statutes of Shoolini University. It noticed that the Vice-Chancellor "shall be a whole-time salaried officer". Thereafter, it stated:

> "Therefore, in light of the aforementioned provision, the Vice-Chancellor functioning on a part-time basis in relation to the university would not be legally permissible under the said Statutes.
>
> Hence being employed by a private company whilst being a vice chancellor would not be legally permitted."

119. The Petitioner says that UGC is an expert body under the UGC Act, 1956. For this purpose, the Petitioner relies upon *Rajbir Singh Dalal*, paragraph 29, where the Supreme Court observed:

> "Thus, this is the view of UGC, which is an expert in academic matters, and the Court should not sit in appeal over this opinion and take a contrary view."

120. The principle stated by the Supreme Court is required to be given proper respect. UGC is an expert body in matters relating to standards of higher education. Its opinion on academic matters and educational standards cannot be ignored without proper reason. But the question before this Court is not whether two academic subjects can be treated as the same or whether a particular qualification is suitable for a post. The question here is about the meaning of the First Statutes of Shoolini University and what effect is to be given to the earlier written permission granted by its Chancellor. It is about the legal effect of the Respondent taking employment in a private company.

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121. The UGC communication was issued on the basis of a query made by the Petitioner's counsel. Before issuing this communication, neither the Respondent nor Shoolini University was heard. The letter dated 24 August 2026, on the basis of which the clarification was asked, did not place before the UGC the complete effect of the permission dated 16 January 2024 or the proceedings of the Board of Management dated 4 April 2024. The UGC communication does not discuss Section 38(12) or the difference between an employee and an officer under the First Statutes. It does not consider the later letter dated 19 June 2025 by which the Respondent had asked for specific approval to be appointed as CEO.

122. There is nothing on record to show that the UGC was exercising any power to decide the contractual rights between the Petitioner and the Respondent or to finally decide whether the Employment Agreement was valid. The letter does not refer to any proceeding in which the Respondent was made a party. It does not declare the Employment Agreement to be void. It does not cancel or set aside the permission earlier given by the Chancellor. The letter only gives the understanding of the UGC about the requirement that the Vice-Chancellor must work as a whole-time salaried officer.

123. Therefore, the UGC communication is an important opinion given by an expert body and it cannot be ignored. But it is not a final decision given after hearing both sides. Only on the basis of this letter, the Employment Agreement cannot be treated as void from the beginning. The actual effect of the First Statutes has to be

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understood by reading the words used in them. The UGC opinion is relevant, but the Court still has to interpret the Statutes.

124. After considering the First Statutes, the permission dated 16 January 2024, the letter dated 19 June 2025 and the UGC communication together, I find that the Respondent has not established his defence that Section 38(12) permitted him to hold the office of CEO. That provision speaks about employees, whereas the Respondent holds the office of Vice-Chancellor as an officer. The permission dated 16 January 2024 is relevant, but it cannot be treated as an exemption from the requirement under Section 6(1) that the Vice-Chancellor must be a whole-time officer. The letter dated 19 June 2025 is only a request for approval. The Respondent has not produced any separate written approval given in reply to that request before this Court. At the same time, the Petitioner has not established that merely because of the UGC letter, the Employment Agreement becomes void under Section 23 of the Contract Act. The UGC letter is not an order declaring the agreement to be void. The Petitioner has to show that the object or consideration of the agreement was forbidden by law or was of such a nature that allowing it would defeat the provisions of law. The requirement that the Vice-Chancellor must be a whole-time officer is certainly an important matter. However, what legal effect is to be given to the Respondent's outside employment and the earlier approval given by the Chancellor still requires consideration. On the material available, a final finding that the Employment Agreement is void under Section 23 cannot be recorded.

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The Allegation Of Misrepresentation And Rescission Under Section 19:

125. As another ground, the Company relies upon Sections 18 and 19 of the Contract Act. According to the Company, the Respondent had represented that he was qualified and entitled to accept the appointment as Chief Executive Officer. He had represented that performing his duties under the Agreement would not violate any law or require any permission. The Company says that these statements were not correct because the Respondent was holding the post of Vice-Chancellor. For this purpose, the Company relies upon Clauses 4.1(a), 4.1(c), 4.1(d), 4.1(e) and 4.1(f) of the Employment Agreement. These clauses contain statements and assurances regarding the Respondent's capacity to enter into the Agreement, his legal eligibility, the validity of the Agreement and the absence of any conflict with law or any other binding obligation. The Company has referred to the Respondent's consent letter dated 25 July 2025 and the appointment letter dated 5 August 2025. According to the Company, these documents again confirmed that the Respondent was eligible to hold the position of Chief Executive Officer.

126. The Respondent does not deny that these representations and warranties are part of the Employment Agreement. His answer is that the Company knew that he was the Vice-Chancellor of Shoolini University. He says that he never concealed this fact. According to him, the Company entered into the Agreement after the necessary permissions had been obtained from the University. Therefore, he submits that the Company cannot now describe a

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fact which was known to it from the beginning as a misrepresentation. The Respondent has relied upon the proviso to Section 19 of the Contract Act. This proviso becomes relevant where the party whose consent was obtained by misrepresentation had the means of finding out the truth by using ordinary diligence. In *Chander Kanta Bansal*, the Supreme Court explained the meaning of "due diligence" in paragraph 16 in the following words:

> "Due diligence" means doing everything reasonable, not everything possible. "Due diligence" means reasonable diligence; it means such diligence as a prudent man would exercise in the conduct of his own affairs."

127. This principle will have to be applied to the facts of the present case. The Respondent's position as Vice-Chancellor was not a secret or private fact. The Employment Agreement mentions his address at Solan, Himachal Pradesh. The Respondent says that the Company knew about his position in the University. He says that the Term Sheet permitted him to give reasonable time to Shoolini University and his family ventures. The Schedule of Identified Entities in the Employment Agreement refers to certain entities connected with Shoolini. These circumstances give some support to the Respondent's case that his association with Shoolini University was not hidden from the Company. However, knowing that the Respondent was the Vice-Chancellor and knowing the legal effect of holding that post are two different things. The Company may have known about his position in the University. But its case is that the Respondent had represented that he was entitled to accept the post of Chief Executive Officer. Whether the

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Company entered into the Agreement because of that representation, and whether it could have discovered the legal position by using ordinary diligence, will have to be examined by considering the negotiations between the parties, the Term Sheet, the permission letters and their conduct. At this stage, the Company has not established that the Respondent concealed his position as Vice-Chancellor. The Company has not shown what reasonable steps it took to verify the legal position before entering into the Employment Agreement, though the Respondent's office as Vice-Chancellor could have been discovered. On the other hand, the Respondent has not produced the actual permission letters to show that the Company knew their exact terms and scope. Therefore, on this issue, neither side has so far established its complete case.

128. It is necessary to consider that the Company continued the arrangement for a considerable period. The Respondent says that the Company accepted his work, reimbursed his travelling and hotel expenses and never complained that his presence at Solan was affecting its business. According to him, the issue was raised only after disputes started between the parties in March and April 2026. The Company's answer is that the legal difficulty became clear only after it received the UGC letter dated 23 September 2026. The UGC letter issued later cannot prove that the Respondent had made a false statement when the Employment Agreement was entered into. The letter may support the Company's understanding of the legal position. But whether the Respondent made a false representation, whether he knew it to be

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false and whether the Company entered into the Agreement because of that representation will have to be decided after considering the complete evidence. On the material available, the ground of rescission under Section 19 has not been established with sufficient clarity to grant the wide interim reliefs sought by the Company on that ground alone.

The Alleged Breach Of Clauses 12.4 And 12.5:

129. The Company has alleged that the Respondent committed breaches of Clauses 12.4 and 12.5 of the Employment Agreement. Clause 12.4 provides as follows:

> "The Executive shall dedicate a substantial portion of his time, resources, expertise, experience and effort in building the Company. The Executive agrees that unless his employment with the Company is terminated by the Company in accordance with the terms of this Agreement, the Executive shall continue to be employed with the Company as its chief executive officer until the expiry of the Lock-in Period."

130. The Respondent submits that this clause does not require him to give all his time exclusively to the Company. It only requires him to give a substantial part of his time and efforts to the Company's work. According to him, the Term Sheet had considered that he would continue to give reasonable time to Shoolini University and his family ventures. He says that the Company knew from the beginning that he was continuing as Vice-Chancellor and had accepted this arrangement. The Respondent has relied upon the work done by him for the Company. According to him, the Company's target was to establish eight branch

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campuses in association with foreign universities by the year 2034. He says that within about two years, eight Letters of Intent were obtained, and seven branch campuses were established in association with foreign universities. He has referred to the University of New South Wales, University of Liverpool, Illinois Institute of Technology, University of York, University of Aberdeen, University of Bristol and Victoria University. He says that admissions had started or were in the process of starting. The Company has not placed any clear material before this Court to show that the Respondent failed to give substantial time to its business or that the Company's work suffered because he continued as Vice-Chancellor of Shoolini University. The Respondent has stated that during the period when he was working as Chief Executive Officer, the Company never made any complaint that he was not giving sufficient time. The Company has not given a satisfactory answer to this particular submission at this stage.

131. The performance figures relied upon by the Respondent do not prove that he followed every condition of the Employment Agreement. A person may achieve business targets and still commit a breach of some other obligation. However, these figures are relevant for examining the allegation that the Respondent failed to give sufficient time and effort under Clause 12.4. On the material available, the Company has not made out a strong prima facie case that Clause 12.4 was breached.

132. Clause 12.5 is different. It places restrictions upon the Respondent's involvement in other organisations and business

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ventures. The relevant part of the clause provides:

> "For the avoidance of doubt, it is hereby clarified that nothing under Clauses 12.3(b) and 12.3(d), shall apply to the functioning and reasonable involvement of the Executive in the Identified Entities, as long as the Executive is not, or indirectly, acting in the capacity of a 'chief executive officer (or any other similar leadership or managerial position)' at any of these organizations and provided that such involvement, does not adversely impact, affect or impede any of the obligations, responsibilities, undertakings and covenants of the Executive towards the Company and/or Eruditus, as set forth in the Transaction Documents.
>
> Save and except as provided hereinabove, the Executive agrees that, on and from the Execution Date, he shall not, or indirectly, establish, launch, promote, or otherwise be involved in any manner in any other business, brand or venture other than the Business without obtaining the consent of Eruditus…"

133. This clause is wider than an ordinary condition requiring the Executive to give sufficient time to the Company. It refers to the position of Chief Executive Officer or any other similar leadership or managerial position in another organisation. It restricts the Respondent from becoming involved in another business, brand or venture without obtaining the consent of Eruditus, except in those cases which are permitted under the clause.

134. The Respondent's position as Vice-Chancellor is certainly a leadership position in Shoolini University. The fact that he was holding that position before entering into the Employment Agreement does not by answer whether he could continue in that position after the Agreement came into force. Clause 12.5 will

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have to be read along with the meaning of “Identified Entities” and the Schedule attached to the Agreement. The Schedule refers to “Acic Shoolini University” and certain other entities connected with Shoolini. However, from the wording of the Schedule, it is not shown that Shoolini University of Biotechnology and Management Sciences was included as an Identified Entity.

135. The Respondent says that Shoolini University is a statutory University and not a competing business venture. He says that the University was in existence and the Company knew about it. The Company's answer is that Clause 12.5 is not limited only to a business which competes with the Company. According to the Company, this clause prevents the Respondent from holding any other leadership or managerial position without obtaining the consent of Eruditus.

136. The Company's interpretation finds some support from the words used in Clause 12.5. The clause refers to a “chief executive officer (or any other similar leadership or managerial position)”. Therefore, it cannot be read as if it only prevents the Respondent from establishing a competing company. At the same time, the entire clause and the Schedule of Identified Entities will have to be considered together. Whether the continued office of Vice-Chancellor falls within the restriction relating to an “other business, brand or venture”, and whether the University or any related entity was covered by the Identified Entities exception, will require examination of the complete documents and the negotiations between the parties.

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137. The Respondent's submission that the Term Sheet permitted him to give reasonable time to Shoolini University is relevant. However, a general understanding recorded in the Term Sheet cannot prevail over the clear terms of a later written Employment Agreement. It will have to be shown that the Employment Agreement or the other surrounding documents permitted the earlier understanding to continue. This issue will have to be examined by the arbitral tribunal.

138. The question of consent is important. The Respondent relies upon permission said to have been given by the Chancellor of Shoolini University. If proved, such permission may show that the University allowed him to accept outside employment under its Statutes. But it does not by establish that Eruditus had given its consent under Clause 12.5 of the Employment Agreement. The permission of the University and the consent of Eruditus arise from different documents and different legal relationships. The Respondent will have to establish the terms of both, if he relies upon them. Therefore, the Company's case under Clause 12.5 raises a more serious issue than its case under Clause 12.4. The post of Vice-Chancellor is a leadership position. Clause 12.5 places restrictions on holding such positions in other organisations in the circumstances mentioned there.

139. The Respondent has submitted that under Clause 9.3(a) of the Employment Agreement, he was required to be given thirty Business Days to correct a breach of a Material Provision. The relevant part of the clause provides for termination where there is a breach of a Material Provision which is not corrected within

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thirty Business Days after receiving a written notice describing the breach. According to the Respondent, the Company did not give him any such notice and did not provide him an opportunity to correct the alleged breach.

140. The Company's answer is that these breaches were not capable of being corrected by the Respondent. According to the Company, he could not hold two whole-time offices at the same time. It says that if any warranty was wrong at the time when it was given, his later conduct cannot make that warranty correct. The termination letter dated 29 September 2026 states:

> "These breaches cannot be cured. A warranty that was untrue when given cannot be made good by later conduct. The breaches of covenant by you, which form the basis of your engagement, have continued throughout, and go to the root of the basis on which you were engaged."

141. This submission of the Company will have to be considered along with the actual words used in Clause 9.3(a). Under this clause, some time is required to be given for correcting a breach of a Material Provision. The meaning of Material Provisions is important. The Shareholders' Agreement considers the non-compete and non-solicit conditions of the Employment Agreement as Material Provisions. These restrictions are contained in Clause 12.5. Therefore, the Respondent's objection that he was entitled to thirty Business Days to correct the alleged breach cannot be ignored. At this stage, the Company has not explained why the time given under the Agreement for correcting a breach could be ignored in respect of the alleged breach of Clause 12.5. Merely saying that the breach was continuing or could not be corrected is

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not enough to avoid the requirement of Clause 9.3(a). The Company will have to show that the termination was justified under some other condition of the Agreement or under the Contract Act. It will have to show that the nature of the breach comes within the meaning of "Cause" used in the Agreement.

142. The Company has relied upon Sections 23 and 19 of the Contract Act as other grounds for taking its action. These grounds do not depend upon the correction period in the same manner as a termination for breach under Clause 9.3(a). However, the grounds under Sections 23 and 19 involve disputed facts and legal questions. At this stage, the Company has not shown that the objections raised by the Respondent are without any substance. Therefore, at this stage, there is not enough material to support the allegation that the Respondent committed breach of Clause 12.4. The allegation concerning Clause 12.5 raises a serious question. However, what will be the effect of the correction period and what is the actual meaning and extent of this clause will have to be decided in arbitration. This Court will not finally decide these questions in the present Petition.

On The Validity And Effect Of Subsequent Ratification By The Board Of Directors:

143. The Respondent has objected to the ratification made by the Board of Directors on 19 October 2026. According to him, when the letter dated 29 September 2026 was issued, there was no resolution of the Board authorising such termination. His case is that the Company could not first terminate his employment by a

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letter signed by two Directors and thereafter call a Board meeting by giving less than eight hours' notice only for making that letter valid. Therefore, according to him, the meeting so called cannot be considered as a proper meeting of the Board. In support of this objection, he has relied upon Section 173(3) of the Companies Act, 2013, Rule 8(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, Article 76 of the Articles of Association and Clauses 3.4(b), 3.4(c) and 3.4(d) of the Shareholders' Agreement.

144. The Petitioner submits that the letter dated 29 September 2026 was issued by the Company through its Directors and in the name of the Company. It was not a personal communication of the two Directors. According to the Petitioner, the Board had the power to terminate the employment of the Chief Executive Officer. Even if it is accepted that a prior resolution of the Board was necessary, the defect could be corrected by the Board giving its approval afterwards, since the Board had the required power. Accordingly, the Board held its meeting on 19 October 2026 and approved and ratified the decision taken in the letter dated 29 September 2026. Therefore, the Petitioner submits that the Respondent cannot now say that there is no decision of the Board for terminating his employment.

145. I have considered the submissions of both sides and the documents placed before the Court. In my view, two matters are required to be seen separately. First, whether the letter dated 29 September 2026 was issued by the Directors while acting for and on behalf of the Company. Second, whether the Board which approved that action afterwards had the power to give such

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approval and whether the meeting dated 19 October 2026 was properly called and held. If these requirements are not satisfied, the Petitioner cannot rely upon the principle of ratification.

146. The letter dated 29 September 2026 is addressed to the Respondent in the name of Daskalos Technologies Private Limited. In paragraph 1 of the letter, the Company has stated that the communication is being issued to the Respondent on behalf of the Company. It refers to the Employment Agreement dated 1 July 2025. Thereafter, the Company has stated that the agreement is void ab initio under Section 23 of the Contract Act and is liable to be rescinded under Section 19 of the said Act. In the alternative, it has stated that the agreement is terminated with immediate effect. The letter is signed by Ashwin Damera Venkata and Chaitanya Kalipatnapu as Directors and authorised representatives acting for and on behalf of the Company. These facts are required to be kept in view. The letter was not issued by any outsider or by any person who had no connection with the Company. It was not issued by a person who had ceased to hold office or had no role in the management of the Company. It was issued by two Directors in the name of the Company and for the purpose stated to be protecting the Company's interest. Whether these Directors had obtained prior approval of the Board before issuing the letter is another question. But only because such prior approval was not obtained, the act does not become an act of a different nature. The Directors had claimed to take the action for and on behalf of the Company. This is the first matter which is required to be considered for applying the principle of ratification.

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147. For deciding this issue, it is not in dispute that the Board has the power to remove the Chief Executive Officer. Section 2(51) of the Companies Act, 2013 includes the Chief Executive Officer in the definition of key managerial personnel. Rule 8(2) of the Companies (Meetings of Board and its Powers) Rules, 2014 provides that the power to appoint or remove key managerial personnel is to be exercised by the Board by passing a resolution in its meeting. The Respondent has relied upon this provision. He has referred to Article 76 of Part A of the Articles of Association, which, according to him, requires removal of the Chief Executive Officer through a Board resolution. Clause 9.3(a) of the Employment Agreement refers to the power of the Board to terminate the employment of the Executive when the stated termination events arise.

148. Thus, the authority to take a decision regarding removal of the Respondent from the post of Chief Executive Officer was with the Board of Directors. There is nothing on record to show that the Board had lost this power or had given up such power. The Board continued to exist and the Directors continued to hold their respective offices. It continued to have the authority to conduct the business of the Company under the Companies Act, the Articles of Association and the Shareholders' Agreement. Therefore, this is not a case where an outsider or a person having no connection with the Company assumed the power to terminate the Respondent. The position is that two Directors issued the letter in the name of the Company and on its behalf, but the formal decision of the Board was required to be recorded thereafter.

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149. The difference between an act which cannot be ratified and an act which can be approved by ratification afterwards has been explained by the Supreme Court. In *Maharashtra State Mining Corpn*, paragraph 7, the Supreme Court held:

> "7. The High Court was right when it held that an act by a legally incompetent authority is invalid. But it was entirely wrong in holding that such an invalid act cannot be subsequently "rectified" by ratification of the competent authority. Ratification by definition means the making valid of an act done. The principle is derived from the Latin maxim ratihabitio mandato aequiparatur, namely, "a subsequent ratification of an act is equivalent to a prior authority to perform such act". ratification assumes an invalid act which is retrospectively validated."

150. The Supreme Court applied the same principle in paragraph 10 of that judgment and observed as follows:

> "10. In the present case, the Managing Director's order dismissing the respondent from the service was admittedly ratified by the Board of Directors on 20-2-1991 and the Board of Directors unquestionably had the power to terminate the services of the respondent. On the basis of the authorities noted, it must follow that since the order of the Managing Director had been ratified by the Board of Directors such ratification related back to the date of the order and validated it."

151. The principle explained in these paragraphs applies to the present matter. The Board had the authority to take a decision for removal of the Chief Executive Officer. The action which is now sought to be ratified was taken by the Directors in the name of the Company and for the Company. It may be that on the date when

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the letter dated 29 September 2026 was issued, there was no formal resolution of the Board. Because of this, the action may not have been properly authorised at that time. But that does not mean that the Board, which had the power to take such decision, could not approve the action afterwards. The same principle has been explained by the Supreme Court in *Parmeshwari Prasad Gupta*, paragraph 14. The Supreme Court held:

> "Even if it be assumed that the telegram and the letter terminating the services of the appellant by the Chairman was in pursuance to the invalid resolution of the Board of Directors passed on 16-12-1953 to terminate his services, it would not follow that the action of the Chairman could not be ratified in a regularly convened meeting of the Board of Directors. The point is that even assuming that the Chairman was not legally authorised to terminate the services of the appellant, he was acting on behalf of the Company in doing so, because, he purported to act in pursuance of the invalid resolution. Therefore, it was open to a regularly constituted meeting of the Board of Directors to ratify that action which, though unauthorized, was done on behalf of the Company. Ratification would always relate back to the date of the act ratified and so it must be held that the services of the appellant were validly terminated on 17-12-1953."

152. The important point in this judgment is that though the Chairman had acted without proper authority, he had acted for and on behalf of the Company. The Board, which was properly constituted and had the necessary power, thereafter approved that action. The Supreme Court held that such later approval would relate back to the date when the original action was taken. The same principle is applicable here. The two Directors who signed

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the letter dated 29 September 2026 had claimed to act for Daskalos Technologies Private Limited. Thereafter, the Board considered that very letter and approved and ratified the decision stated in it.

153. The Respondent has submitted that there was no earlier resolution of the Board and that the Petitioner has not produced any such resolution. In my view, this submission alone cannot make the subsequent ratification ineffective. It may be accepted that no formal resolution of the Board was passed before issuing the letter dated 29 September 2026. But the resolution passed on 19 October 2026 does not require that some earlier resolution must be in existence. The very purpose of ratification is to approve an act which was done without proper authority at the time when it was done. If an earlier Board resolution was necessary to be in existence, there would be no need to apply the principle of ratification to an act which was originally done without authority. Therefore, merely because no earlier resolution was passed, the subsequent ratification cannot be held to be ineffective.

154. The Respondent has relied upon *Dhurandhar Prasad Singh*, paragraph 22. The Supreme Court has explained the difference between an act which is completely void and an act whose legal effect can be avoided by taking proper legal steps. The relevant observation is as follows:

> "One type of void acts, transactions, decrees are those which are wholly without jurisdiction, ab initio void and for avoiding the same no declaration is necessary, law does not take any notice of the same and it can be disregarded in

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collateral proceeding or otherwise."

155. The Supreme Court has held that there can be other acts which are not complete nullities and whose legal effect may be avoided by obtaining an appropriate declaration or by taking proper legal proceedings. Therefore, merely because an act suffers from some defect, it cannot in every case be treated as an act which is completely without jurisdiction and which can never be corrected.

156. In the present case, the letter dated 29 September 2026 was issued by the Directors of the Company claiming to act for and on behalf of the Company. The subject of the letter was a matter which the Board had the power to decide. The objection of the Respondent is that no earlier resolution of the Board was passed. Thus, the defect pointed out by him is regarding the manner in which the internal authority of the Company was exercised. This is not a case where an outsider, having no authority in the Company, took upon himself the power of the Board. It is not a case where the Board had no legal power to decide about the employment of the Chief Executive Officer. When the competent Board approved the action by passing a formal resolution in its meeting, the earlier defect in exercising the authority could be corrected. I am unable to accept the Respondent's submission that the letter dated 29 September 2026 was such a nullity that it could never be ratified.

157. The Respondent has relied upon the judgment in *The Agriculture Produce Market Committee*, paragraph 34. In that case, the Court considered Section 52B and held that the power to pass an eviction order was given to the Market Committee. The

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Dispute Sub-Committee had no jurisdiction under the statute to pass such an order. Therefore, the Court held that the order passed by the Dispute Sub-Committee was void ab initio and non est. Such an order could not be made valid by subsequent ratification. The Court described such an order as a "still born child to which life cannot be infused".

158. However, the facts of that case are different from the facts of the present matter. In that case, the authority which passed the eviction order had no power under the statute to pass such an order. The Market Committee, which was the authority having the necessary power, could not make an order passed by an authority having no jurisdiction valid merely by approving it afterwards. In the present case, the Board has the power to take a decision regarding removal of the Chief Executive Officer. The letter was issued by the Directors in the name of the Company and for the Company. The Board has not tried to ratify an act which was outside its own legal powers. It has approved an act which was done for the Company, though the required formal approval was not obtained at the earlier stage. Therefore, the principle laid down in The Agriculture Produce Market Committee is not applicable to the facts of the present case.

159. The judgment of this Court in *Ghanshyam Malhotra*, does not support the Respondent. In paragraphs 53, 55 and 57 of that judgment, this Court considered the difference between a case where an officer of an organisation acts beyond the power given to him and a case where the person taking the decision had ceased to hold the office in which he was acting. In that case, the Court

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found that the Administrator had ceased to have authority as an Administrator. He had no power to take the policy decision regarding termination of the lease of a member. On this basis, the Court held that the later ratification could not make such decision valid. The difference is that the Administrator in *Ghanshyam Malhotra* had ceased to hold the office in which he had acted. He had no authority to take the policy decision in question. In the present case, the persons who issued the letter dated 29 September 2026 continued to be Directors of the Petitioner Company. They acted in the name of the Company and for the Company. The Board had the power to take a decision regarding the Respondent's employment. Therefore, the facts of the present case are nearer to the decisions in *Maharashtra State Mining Corpn.* and *Parmeshwari Prasad Gupta*, and not to the facts considered in *Ghanshyam Malhotra*.

160. The Respondent has relied upon the principles regarding ratification explained by this Court in *Pravinkumar R. Salian*. The principle stated there is that the person whose act is to be ratified must have acted for and on behalf of another person; the person who gives ratification must have the authority to perform that act; and the ratification must be given with knowledge of the act which is being approved. I agree that these requirements are required to be examined. However, in the present case, all these requirements are satisfied. The letter dated 29 September 2026 states that it was issued on behalf of the Company. The Board had the authority to decide about the employment of its Chief Executive Officer. Further, the agenda for the meeting dated 19 October 2026

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referred to the letter dated 29 September 2026, and a copy of that letter was attached to the notice. Thus, the Board knew about the particular action which was placed before it for approval.

161. The resolution dated 19 October 2026 does not contain any general or uncertain approval. It states:

> "The Board notes, confirms, and ratifies its decision in the letter dated 29 September 2026, amongst others, terminating the employment agreement dated 1 July 2025 of Mr. Atul Khosla."

162. The resolution records that the Respondent was not entitled to vote on the said resolution. It refers to the filing of the present Petition under Section 9 of the Arbitration and Conciliation Act, 1996, and the ad-interim order passed by this Court on 15 October 2026. Therefore, the question of ratification was placed before the Board. The Board did not merely approve some general action taken by its Directors. It clearly approved and confirmed the decision which was contained in the letter dated 29 September 2026.

163. The Respondent has questioned the validity of the Board meeting dated 19 October 2026 on the ground that the notice of the meeting was sent by email at 9:37 a.m. on the same day, whereas the meeting was fixed at 5:30 p.m. He has relied upon Section 173(3) of the Companies Act, 2013, which ordinarily requires not less than seven days' notice in writing to every Director at the address registered with the Company. He has relied upon Clause 3.4(c) of the Shareholders' Agreement. This clause provides for seven days' prior written notice, unless the majority of

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the Directors have given written consent for holding the meeting at shorter notice. According to the Respondent, he had not given such consent. Therefore, he submits that the meeting dated 19 October 2026 was not a valid meeting.

164. The objection regarding notice is required to be considered by reading the complete provision of Section 173(3), and not only the first part of it. The same provision permits a Board meeting to be called at shorter notice when there is urgent business. The provisor equires that at least one independent Director, if any, should be present at such meeting. If no independent Director is present, the decision taken at the meeting is required to be circulated to all Directors and it becomes final only after ratification by at least one independent Director, if any. The words “if any” are important. They show that this requirement will apply only where the Company has an independent Director. The Board composition disclosed in the Shareholders' Agreement consists of the Founder Director and the Directors appointed by Eruditus. There is no material to show that the Company had any independent Director on its Board.

165. The notice dated 19 October 2026 was sent to the Directors through electronic means. The Respondent himself has accepted that he received the notice and had sent a detailed reply to it. Therefore, this is not a case where the Respondent had no knowledge of the meeting or where the notice was not received by him. In his letter dated 19 October 2026, he himself referred to the notice sent at 9:37 a.m. and the meeting fixed at 5:30 p.m. The notice was accompanied by the agenda and notes to the agenda.

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The notes informed the Directors that the meeting was being called at shorter notice and that the Board was required to take note of the proper circulation of such notice.

166. The Respondent has submitted that there was no urgency for calling the meeting at shorter notice. I am unable to accept this submission. The notes to agenda item 6 record that the Company had filed the present Petition under Section 9 of the Arbitration and Conciliation Act and that this Court had passed an ad-interim order on 15 October 2026. The Petition was fixed for final disposal on 23 October 2026. Thus, the Board meeting was called on 19 October 2026, only four days before the next date fixed by this Court. The Company was required to place before this Court the formal decision of its competent Board regarding termination of the Chief Executive Officer. Therefore, there was a real need to consider the question of authority of the Company before the next hearing of the Petition. This urgency was not created without any reason after calling the meeting. In the facts of the present case, the Board was entitled to consider the matter as urgent business under Section 173(3).

167. Clause 3.4(c) of the Shareholders' Agreement is required to be read together with Clauses 3.4(b) and 3.4(d). Clause 3.4(b)(i) provides that the presence of an Eruditus Director and the Founder Director is necessary for quorum, so long as the Founder continues to be employed as the Chief Executive Officer. On the other hand, Clause 3.4(d) provides that the Founder Director shall not be entitled to vote on a resolution relating to his own employment without Eruditus Consent. These clauses show that the Founder

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Director was not given an independent right to stop a decision concerning his own employment only by refusing to attend the meeting or by not giving his vote.

168. The letter dated 29 September 2026 had terminated the Employment Agreement with immediate effect. Thereafter, the Board meeting dated 19 October 2026 was called for confirming and ratifying that decision. Once the Board ratified the decision afterwards, such ratification related back to the date of the original act. Therefore, while considering Clause 3.4(b)(i), the Respondent cannot rely upon the alleged absence of an earlier resolution and say that he continued in employment for every purpose. At the same time, he cannot say that the decision which the Board had the authority to take could never be ratified. The requirement regarding presence of the Founder Director was connected with his employment as Chief Executive Officer. Once the Board ratified the decision, his employment stood terminated from 29 September 2026. In these circumstances, his presence was not necessary for completing the quorum of the subsequent Board meeting.

169. The Respondent continued to be a Director of the Company, subject to the provisions of the Shareholders' Agreement. Therefore, he was entitled to receive notice of the Board meeting. The record shows that he received the notice by email and gave his reply. However, his right as a Director to receive notice cannot be treated as a right to stop the Board from passing a resolution concerning his own employment. His right to vote on that matter was restricted by Clause 3.4(d) of the Shareholders' Agreement and Clause 9.4 of the Employment Agreement. The two Directors

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appointed by Eruditus formed the majority of the Board. The notice was issued by Chaitanya Kalipatnapu and the certified resolution was signed by Ashwin Damera Venkata. The agenda placed before the Board the question of taking note of proper circulation of the shorter notice. Thereafter, the Board passed the resolution approving and ratifying the decision contained in the letter dated 29 September 2026. On the material available before me, I find that the requirement for holding the meeting at shorter notice was complied with by the majority of Directors who were competent to take the decision.

170. The Respondent has submitted that the meeting should have been held physically at the registered office of the Company. This submission cannot be accepted. Clause 3.4(e) of the Shareholders' Agreement permits the Directors to take part and vote through telephone, video conferencing or other means of communication which allow them to communicate at the same time, in the manner permitted by law. The notice dated 19 October 2026 informed the Directors that the meeting would be held through video conferencing. There is no material placed before the Court to show that holding the meeting through video conferencing was not permitted for the business which was placed before the Board.

171. I have considered the submission that the notice did not contain the complete text of the Board resolution dated 17 February 2025. That resolution was regarding the general authority given to the Directors for signing contracts, affidavits and other documents for the Company. It is true that such general authority could not take the place of the resolution required under

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Rule 8(2) for removing a key managerial person. However, the Petitioner is not relying upon the resolution dated 17 February 2025 as the final authority for removing the Respondent. The formal decision regarding his removal is based upon the subsequent resolution dated 19 October 2026. The earlier resolution is relevant only for showing that the Directors who issued the letter dated 29 September 2026 were acting in the name of the Company and for the Company, and not in their personal capacity. Thereafter, the Board passed the resolution adopting and ratifying that decision.

172. The Respondent has referred to the earlier order passed by this Court on 15 October 2026. He has relied upon the observation that the material then available did not show whether a separate or corresponding Board resolution had been properly passed in a meeting for removing him as Chief Executive Officer. This observation was made on the basis of the documents which were available before the Court at that time. The certified resolution dated 19 October 2026 came into existence thereafter. It records that the Board met on 19 October 2026 and ratified the letter dated 29 September 2026. Therefore, the earlier order cannot be read as a final finding that such ratification could never be made. At that stage, the Court had only noticed that the Board resolution was not available on record. The subsequent resolution is required to be considered separately for deciding its legal effect.

173. I am conscious that the certified copy of the resolution dated 19 October 2026 is the main document produced by the Petitioner for showing the decision of the Board. The complete minutes and

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attendance record of that meeting have not been separately placed before the Court in the material relied upon. However, the certified copy states that it is a true copy of the resolution passed by the Board in its meeting held on 19 October 2026. It is signed by Ashwin Damera Venkata as Director and contains the exact resolution regarding the letter dated 29 September 2026. The notice of the meeting and the notes to the agenda mention the date, time, mode of meeting and the business which was proposed to be considered. The Respondent has produced his objection to the notice. However, he has not produced any material to show that the certified resolution was fabricated or that the Board had not passed such resolution. His objection regarding shorter notice has been considered and rejected for the reasons stated above.

174. The judgment in *Runciman*, has been placed before the Court. In that case, the Court considered whether the service contract of a Director had been determined by the other Directors in the manner required under the Articles of Association. The Court observed that when the Directors know about the matter and have an opportunity to object, but agree to the decision, the law does not in every case insist that their consent must be expressed in one particular form. The Court observed:

> "That directors, provided they act unanimously, can act informally appears clearly established."

175. The facts of that case are not similar to the present matter. Here, there is no need to depend upon any informal or implied consent in place of a formal decision of the Board. The Petitioner has produced a written resolution passed in a Board meeting. The

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judgment in *Runciman* is relevant only for showing that the internal decision-making of a Company has to be considered with reference to its Articles of Association and the agreement between its members. It does not mean that a Company can ignore any mandatory requirement of law. In the present case, the requirement under Rule 8(2) was complied with by the subsequent resolution passed by the Board.

176. The Respondent has referred to the Duomatic Principle considered by the Supreme Court in *Mahima Datla*, paragraphs 25 to 28. The Supreme Court explained that under this principle, a matter which could have been approved by a formal resolution of the members in a general meeting may, in certain circumstances, be approved informally if all the members who were entitled to attend and vote give their consent. The Supreme Court has made it clear that this principle applies only to bona fide transactions and that fraud is an exception.

177. In the present case, there is no need for the Court to apply the Duomatic Principle. The Petitioner is relying upon a formal resolution passed by the Board in its meeting dated 19 October 2026. The validity of that resolution is required to be considered under the Companies Act, the Articles of Association and the Shareholders' Agreement. This is not a case where the Petitioner wants the Court to treat an informal understanding between shareholders as a substitute for a Board resolution which is required under law. At the same time, the allegation of fraud or conspiracy made by the Respondent cannot make the ratification invalid. There must be some material to show that the ratification

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was fraudulent or that the Board had acted for some improper purpose. Such a finding cannot be made only because the Respondent disputes the allegations made against him in the termination letter.

178. The UGC letter dated 23 September 2026 states that the Vice-Chancellor of Shoolini University is a whole-time salaried officer and thereafter says that he cannot be employed by a private company while holding that office. The Respondent has disputed the authority, basis and legal effect of this communication. According to him, the letter was issued in reply to a communication made by a third person and without giving him or the University an opportunity of being heard. The Petitioner relies upon this letter as an expert clarification given by the UGC. However, for deciding the question of ratification, it is not necessary to decide the complete effect of this letter. Whether the Employment Agreement was prohibited by law, whether any representation made by the Respondent was false and whether the Company entered into the agreement on the basis of such representation are separate questions. The subsequent resolution of the Board cannot prove these allegations. Similarly, the dispute about the meaning of the University Statutes does not take away the power of the Board to ratify an act done on behalf of the Company.

179. The Respondent has relied upon Clause 9.3(a) of the Employment Agreement. According to him, under this clause, if there is a breach of any Material Provision, the Company must first give a written notice and allow 30 Business Days to correct the

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breach. Only if the breach is not corrected within that period, the Company can terminate the agreement on that ground. This is an important submission. The later resolution of the Board cannot be used for removing or avoiding a condition which the parties themselves had agreed upon in the Employment Agreement. If the Petitioner wants to justify the termination on the ground of breach of a Material Provision, it will have to show that the requirement of written notice and opportunity to correct the breach was followed. Alternatively, it will have to establish some other separate legal ground for termination. The ratification by the Board may establish the corporate authority of the Company to issue the letter. But it does not prove that every alleged breach had taken place, that such breach could not be corrected, or that the agreed period for correcting the breach was not required. In the same manner, the subsequent ratification by the Board does not establish that the Employment Agreement was void under Section 23 of the Contract Act or that it was properly rescinded under Section 19. These questions depend upon the actual prohibition under law, if any, the representations made by the Respondent, what was known to the Company and the material on the basis of which the Company entered into the agreement. The Board could approve the act of issuing the letter on behalf of the Company. But merely by passing a resolution, the Board could not make an act which was legally permitted into an illegal act. It could not prove a misrepresentation unless the necessary facts were established. These questions are separate from the question whether the corporate action was validly ratified by the Board.

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180. Therefore, the validity of the ratification and whether the grounds mentioned in the termination letter are correct have to be considered separately. The Respondent's submission that the absence of a Board resolution on 29 September 2026 makes later ratification impossible cannot be accepted. The Petitioner has shown that the letter was issued by two Directors acting for and on behalf of the Company. The Board had the authority to take a decision regarding removal of the Chief Executive Officer. Thereafter, on 19 October 2026, the Board passed a formal resolution adopting and ratifying the decision contained in the letter dated 29 September 2026. Therefore, the requirements explained by the Supreme Court in *Maharashtra State Mining Corpn.* and *Parmeshwari Prasad Gupta* are satisfied.

181. I hold that the resolution dated 19 October 2026 is a valid ratification made by the competent Board of Directors. Such ratification will relate back to the date of the original act, namely, 29 September 2026. The fact that no formal Board resolution was passed before issuing the letter dated 29 September 2026 does not make that action incapable of being ratified. Therefore, the objection of the Respondent that the Board had no power to make the action valid is rejected. However, this finding is limited to the legal effect of the subsequent ratification made by the Board. It establishes the corporate decision and the authority of the Company to issue the letter dated 29 September 2026. It does not prove that every allegation made against the Respondent is true. It does not establish that every alleged breach of the agreement has taken place or that Sections 18, 19 or 23 of the Contract Act apply.

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Those questions will have to be decided on the basis of the evidence and the terms of the agreements. The resolution of the Board cannot be treated as proof of facts which are still required to be established.

182. In view of the above discussion, my findings are that the action stated in the letter dated 29 September 2026 was taken by the Directors for and on behalf of the Company and was capable of being ratified; the Board of Directors had the authority to take a decision regarding removal of the Chief Executive Officer; the meeting held on 19 October 2026 and the resolution passed therein validly approved and ratified the earlier decision; such ratification relates back to 29 September 2026; and the objection of the Respondent based only upon the absence of an earlier Board resolution cannot be accepted. Therefore, the subsequent ratification is held to be valid and binding as a corporate decision of the Petitioner Company. At the same time, both parties will have the right to place their evidence before the Arbitral Tribunal on the separate questions as to whether the grounds stated in the termination letter are proved on facts and under law, whether the conditions of Clause 9.3(a) of the Employment Agreement were followed, and whether the Employment Agreement was void, rescinded or validly terminated on the main grounds stated by the Petitioner. The findings made above regarding ratification shall not be treated as deciding those separate questions only because the Board has subsequently approved the letter dated 29 September 2026.

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Whether The Respondent Can Continue To Hold Himself Out As Chief Executive Officer:

183. The Petitioner has stated that the Respondent is still showing his name as Chief Executive Officer on his LinkedIn profile. It is its case that, during the period of his suspension, he attended a launch programme with a partner university and there showed himself as the Chief Executive Officer of the Company. The Respondent has denied these allegations. According to him, merely because his LinkedIn profile shows that designation or he attended the said programme, it cannot be said that he was claiming any unauthorised power to act for the Company. He has denied that any third party entered into any transaction with him believing that he had authority to bind the Company. According to the Respondent, the Petitioner has not shown any actual loss, liability or confusion caused to it on this account.

184. From the material which is placed before me, it appears that in his letter dated 30 September 2026, the Respondent has stated that he would “continue to hold office as CEO of the Company”. This shows that he has not accepted the decision taken by the Company and his stand is that he continues to hold the said office. He is entitled to take this stand in the present proceedings and say that the termination is not legal. But only by making such statement, he does not get the authority to act for the Company or to make the Company bound by his acts. The question which is required to be seen is whether he can make such statements before third parties in a manner that they may understand that he is still authorised to act as the present Chief Executive Officer of the

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Company.

185. There is a difference between saying that the termination is disputed and claiming that one still has authority to act for the Company. The Respondent can state that he was appointed as Chief Executive Officer, that the Company issued the termination letter dated 29 September 2026 and that he is disputing the legality of that termination. He can say that his contractual rights are still pending for decision. He may describe himself as the former Chief Executive Officer and may take all legal remedies available to him, including claiming damages or other reliefs as permitted by law. But merely because he says that the termination is not valid, he cannot continue to give instructions to the employees, sign documents as Chief Executive Officer, make commitments for the Company or represent before any third party or public authority that he has authority to bind the Company. This difference is required to be kept in mind having regard to the facts of the present case. The Company has placed on record the formal resolution passed by its Board on 19 October 2026. By this resolution, the Board has ratified the decision which was recorded in the letter dated 29 September 2026. Thus, there is a record showing that the Company has taken a decision not to continue the Respondent's employment as Chief Executive Officer. The Respondent is still entitled to dispute the contractual grounds on which this decision was taken. But unless the said resolution is set aside, stayed or otherwise affected by an order of a competent forum, the Company is entitled to state its own corporate position and carry on its business through the persons whom it considers as

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authorised representatives. The Respondent cannot create another or competing executive authority only by continuing to claim that he holds the designation of Chief Executive Officer.

186. The balance of convenience requires that some limited restraint should be imposed. The Company is having business dealings with foreign universities, investors, employees, vendors, regulators and other persons. All such persons should be in a position to know who has authority to give instructions and make commitments on behalf of the Company. If the Company considers the Respondent as no longer being its Chief Executive Officer, while the Respondent continues to show himself publicly as the present Chief Executive Officer, there may be confusion about whose instructions are to be followed and who can bind the Company. The Company is not required to wait until some third party enters into a transaction with the Respondent or suffers any loss before approaching the Court for protection. The possibility of two different persons claiming executive authority itself requires a limited preventive order. However, such order should not decide the disputed contractual rights of the parties.

187. The submission of the Respondent that he continues as Whole-Time Director is correct to the limited extent discussed above. The present restraint cannot prevent him from performing his lawful duties as Director or exercising his rights as shareholder. It cannot prevent him from receiving notices of Board meetings, attending and participating in such meetings or asking for information which he is entitled to receive as Director. The Company will have to respect any separate right of access which

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the Respondent may have under law in that capacity. But his position as Director cannot be used as a reason for exercising the separate executive powers which belong to the Chief Executive Officer.

188. I have therefore considered separately the question whether the termination is valid and whether the Respondent can represent himself as having authority to act for the Company. So far as the first question is concerned, I find that the Petitioner has not been able to establish a prima facie valid termination under Clause 9.3(a) on the ground of breach of Clauses 12.4 and 12.5. This is because the agreed notice of 30 Business Days and opportunity to cure the alleged breaches were not given to the Respondent. The record does not show any final decision of the Third-Party Expert or the other authority mentioned in the agreement holding that Cause had occurred. The separate grounds under Sections 19 and 23 of the Contract Act do raise serious questions for consideration. However, the permissions given by the University, the fact that the Company knew about the Respondent's existing office and the limited nature of the UGC communication do not permit me to treat those grounds as finally established at this stage. The later ratification by the Board does not remove these defects in the substantive grounds on which the termination was made.

189. So far as the second question is concerned, I find that the Board has passed a formal resolution which, for the reasons recorded in the earlier part of this opinion, has been held to be a valid corporate act. This resolution gives a prima facie corporate record that the Company has adopted the decision to bring the

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Respondent's employment as Chief Executive Officer to an end. The Respondent has a right to challenge the termination. But that right does not give him unrestricted authority to represent before third parties that he is authorised to represent and bind the Company. Therefore, a limited injunction is required to be granted. Such injunction will not mean that this Court has finally held the termination to be legal or that the Respondent has no contractual remedy. It will only regulate the manner in which the Respondent can describe his position and exercise authority while the dispute is pending. In view of the above findings, the Respondent shall not represent himself before any third party, public authority, employee, university, investor, vendor or business partner as a person who is authorised to act as the Chief Executive Officer of Daskalos Technologies Private Limited. He shall not give instructions, sign documents, make commitments, enter into transactions or otherwise make the Petitioner Company bound by his acts by claiming authority as its present Chief Executive Officer, employee, authorised signatory or authorised representative. At the same time, the Respondent will be entitled to describe himself as the former Chief Executive Officer of the Petitioner Company. He may state that he is disputing the termination dated 29 September 2026 and that his contractual rights are pending for decision before the competent forum. Nothing in this order will prevent him from continuing the proceedings before the High Court of Himachal Pradesh, the arbitral tribunal, the NCLT or any other competent forum in accordance with law. He will be entitled to produce all documents relating to the permission given by the

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University and the Employment Agreement before those forums.

190. The above restraint will not affect the separate position of the Respondent as Founder Director, Whole-Time Director or shareholder of the Petitioner Company. The Company cannot rely upon this order for denying him any separate right which he may have in these capacities under the Companies Act, the Articles of Association or the Shareholders' Agreement. His right to attend and participate in Board meetings, obtain records as Director and exercise other corporate rights will continue to be governed by the applicable law and the relevant documents. The present restraint is only in respect of claiming or exercising the executive authority of the Chief Executive Officer. The prayer of the Petitioner for restraining the Respondent from showing himself as the present Chief Executive Officer is therefore allowed, but only to the limited extent stated above. It is made clear that this order does not finally decide whether the Employment Agreement was void under Section 23 of the Contract Act, whether it was properly rescinded under Section 19, or whether the Company will be able to prove any contractual breach after following the procedure agreed between the parties. The Respondent's claim that his termination was wrongful and the defence of the Company to that claim will remain open for decision in the appropriate proceedings. On the material available, the Petitioner cannot treat the later ratification by the Board as proof that all the substantive grounds stated for termination have been established.

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Prayer For Restraining Interference With The Management Of The Company:

191. Under prayer clause (b), the Company seeks an order preventing the Respondent from or indirectly interfering with, obstructing, delaying, vetoing or frustrating the management of the Company. According to the Company, unless such an order is passed, the Respondent may continue to interfere with the Company's working by claiming that he still holds the post of Chief Executive Officer.

192. The Respondent submits that this prayer is too wide. He says that he continues to be a director and shareholder of the Company and is entitled to exercise his rights under the Companies Act and the Shareholders' Agreement. He says that the Company has not shown any particular act of interference which would justify such a wide order.

193. The prayer, as it is worded, is not limited to the Respondent's conduct as Chief Executive Officer. It may prevent him from exercising his lawful rights as a director or shareholder. It may affect his right to receive notice of Board meetings, take part in such meetings, express his views, exercise his voting rights wherever permitted and take legal steps for protecting his shareholding. These rights cannot be taken away only because his employment as Chief Executive Officer has been terminated. The Company has not placed sufficient material to show that, after the termination letter, the Respondent has committed any particular act of interference with its management apart from claiming that

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he continues to be Chief Executive Officer. That particular concern is taken care of by the limited injunction granted under prayer clause (a). There is no need to pass another wide order which may create confusion regarding the Respondent's separate rights as a director and shareholder. Prayer clause (b) is rejected. This does not give the Respondent any permission to act as Chief Executive Officer or to bind the Company. It only means that his rights, if any, as a director and shareholder are preserved and may be exercised in accordance with law.

Prayer For An Anti-Suit Injunction:

194. The Company has asked for an order preventing the Respondent from filing or continuing any suit, writ petition, application, complaint or other proceeding before any Court, tribunal, statutory or regulatory authority in relation to the subject matter of the present Petition. The Company's case is that the Respondent has approached different forums and has in this manner tried to avoid the agreed arbitration process. The Company relies upon the proceedings before the Himachal Pradesh High Court, the proceedings before the NCLT and the Respondent's application seeking to restrain the Company from continuing the present proceedings. It relies upon the fact that the NCLT petition filed under Sections 241 and 242 of the Companies Act was dismissed on 28 October 2026.

195. The Respondent submits that Civil Suit No. 50 of 2026 was filed before the present Petition. According to him, that suit concerns the Board action dated 16 May 2026, his suspension and

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the appointment of the Third Party Expert. He relies upon the protective order passed by the Himachal Pradesh High Court on 18 August 2026. He says that the Company approached the Himachal Pradesh High Court in FAO (OS) No. 18 of 2026 and obtained a consent order dated 11 September 2026 for early disposal of its application under Section 8 of the Arbitration Act. He points out that the Company filed an application under Section 45 of the Arbitration Act. Therefore, according to him, the Company cannot now ask this Court to restrain the very proceedings in which it has taken part.

196. The Company answers that its application under Section 45 was only an objection to the jurisdiction of the civil Court and a request to refer the parties to arbitration. It says that filing such an application does not mean that it accepted the jurisdiction of the Himachal Pradesh High Court to decide the dispute on merits. This submission is correct to that extent. An application under Section 45 does not, merely because it is filed, mean that the party has accepted the jurisdiction of the civil Court to decide the dispute on merits. It is a request that the dispute be referred to arbitration.

197. However, the fact remains that the Himachal Pradesh High Court was dealing with proceedings concerning the earlier suspension and the appointment of the Third Party Expert. The Company has taken part in those proceedings and has asked for the dispute to be referred to arbitration. The present Petition concerns the later letter dated 29 September 2026. There may be some common issues in both proceedings, but the material does not show that both proceedings are the same. In *Modi*

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Entertainment Network, the Supreme Court has explained in paragraph 24 the principles which have to be considered before granting an anti-suit injunction. The Court must be satisfied that the person against whom the injunction is sought is subject to its personal jurisdiction. It must consider whether refusal of the injunction would defeat the ends of justice and cause injustice. The principle of comity between Courts must be kept in mind. The party seeking the injunction must establish that the other forum is forum non conveniens or that the proceedings before that forum are oppressive or vexatious.

198. The Company says that the Respondent is subject to the jurisdiction of this Court and that the parallel proceedings are defeating the arbitration agreement. However, all the other requirements must be fulfilled. The Respondent had filed the proceedings before the Himachal Pradesh High Court before the present Petition was filed. The Company has taken part in those proceedings and has filed applications asking for reference to arbitration. Therefore, the earlier proceeding cannot be described as vexatious only because the Company does not agree with the relief claimed by the Respondent.

199. The Company has relied upon the Anti-Suit Application filed by the Respondent before the Himachal Pradesh High Court. In that application, the Respondent has asked to restrain the Company from continuing parallel proceedings, including the present Petition. This conduct is relevant. It shows that both sides are seeking orders against each other in different proceedings. But this fact alone does not establish that the proceedings before the

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Himachal Pradesh High Court are oppressive or vexatious, or that the ends of justice require this Court to restrain them.

200. Section 41(a) of the Specific Relief Act provides that an injunction ordinarily cannot be granted to prevent a person from continuing a judicial proceeding which was pending when the injunction was sought, unless such restraint is necessary to prevent multiplicity of proceedings. Section 41(b) provides that an injunction cannot be granted to prevent a person from filing or continuing proceedings before a Court which is not subordinate to the Court granting the injunction. The relief sought by the Company is very wide. It wants to prevent the Respondent from approaching any Court, tribunal, statutory authority or regulatory authority in relation to the subject matter of the present Petition. Such an order may prevent the Respondent from pursuing statutory or constitutional remedies, or from taking other legal steps which may be necessary to protect his rights. The prayer is not restricted to any particular proceeding which has been shown to be vexatious or oppressive.

201. The Company has not established that the proceedings before the Himachal Pradesh High Court are causing such injustice that an anti-suit injunction is necessary. That High Court is dealing with the earlier dispute. The Company has approached that Court and asked for the dispute to be referred to arbitration. There is no reason to pass a general order preventing the Respondent from approaching the NCLT or any statutory authority where such authority has jurisdiction under law. The NCLT petition is stated to have been dismissed on 28 October 2026. Therefore, on the

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material shown, there is no pending proceeding before that forum. But this does not justify an order preventing the Respondent from filing any future proceeding which may be permitted by law.

202. The Court is not satisfied that the conditions laid down in *Modi Entertainment Network* have been fulfilled. The principle of comity requires the Court to act with care. The Company can place its application for reference to arbitration before the Himachal Pradesh High Court and seek proper orders there. If there is any conflict between the proceedings, the respective Courts can deal with it in accordance with law. This Court cannot pass a general order preventing the Respondent from filing or continuing proceedings before other Courts or authorities. Prayer clause (c) is rejected.

Prayer For Non-Disparagement:

203. The Company has asked for an injunction preventing the Respondent from making or publishing any statement which is disparaging or is likely to harm the reputation of the Company, its affiliates, investors, directors, officers, or employees. For this purpose, the Company relies upon a LinkedIn post allegedly published by the Respondent for his followers. In that post, he referred to his recent start-up as having been "hijacked". The Company says that this statement refers to the Petitioner Company and is likely to affect its reputation.

204. The Respondent disputes the meaning given by the Company to the post. He says that he has not made any false statement and is entitled to explain his grievance. He submits that the injunction

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asked for by the Company is too wide and may prevent him from making statements in legal proceedings or from approaching authorities in accordance with law.

205. Clause 11 of the Employment Agreement contains an obligation relating to non-disparagement. Therefore, the Company can rely upon that clause and ask for protection if there is a proved or threatened breach. However, the Court must examine the actual statement and the nature of the relief asked for. The word “disparaging” can have a wide meaning. Every statement which contains criticism of the Company cannot be prohibited. The Court must be satisfied that the statement is false, malicious or otherwise unlawful and that an injunction is necessary to prevent continuing or threatened injury. The material placed before the Court shows one LinkedIn post containing the expression “hijacked”. The context and meaning of that statement are disputed. The Company has not placed sufficient material to establish at this stage that the statement was false or that it caused actual damage to its business or reputation. A general order preventing every statement which may harm the Company's reputation would be too wide. Such an order may prevent the Respondent from making truthful statements or placing his case before Courts and authorities. However, the Respondent continues to be bound by the confidentiality obligations and other obligations under the Employment Agreement, to the extent they remain applicable. He cannot publish confidential business information or make statements which he knows to be false with the intention of harming the Company. But, on the material available, the Court

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does not find it necessary to pass a separate and general non-disparagement injunction in the terms asked for by the Company. Prayer clause (d) is rejected in its present form. This does not mean that either party is permitted to publish false statements or disclose confidential information in breach of law or any obligation which continues to apply. It does not prevent either party from making truthful statements in legal proceedings or before lawful authorities.

Protection of company property and confidential information:

206. The Company has asked for an injunction preventing the Respondent from accessing, using, disclosing or publishing its confidential information, business information, financial information, records, data, communications, and other material belonging to the Company. It has asked for a direction that the Respondent should hand over all company assets, property, records, books, and documents which are in his possession or control.

207. The Employment Agreement contains provisions regarding confidential information. Clause 7 requires the Respondent to protect and preserve the confidential information of the Company. Clause 10.1 requires him, after termination of employment, to hand over his responsibilities, documents, and the property of the Company. The termination letter dated 29 September 2026 called upon the Respondent to return the Company's property, documents, data and devices and to disclose the access credentials which remain with him. These obligations are separate from the

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dispute regarding the validity of termination. Even if the Respondent disputes the termination, he cannot use or disclose the Company's confidential information for any purpose which is not connected with his lawful rights and obligations. He cannot keep or use the Company's passwords, access credentials or records for interfering with its business. Protection of the Company's property and confidential information is necessary because any misuse or disclosure may cause injury which may be difficult to calculate or compensate at a later stage.

208. The Company has stated that an Apple MacBook laptop supplied to the Respondent for official use has not been returned. The Respondent, by his email dated 17 October 2026, has stated that no company-owned device, access credential or other company property is in his possession. Thereafter, by a letter through its advocate dated 29 October 2026, the Company again stated that the laptop had not been handed over.

209. There is a dispute about who is having the laptop. The Company has not placed sufficient material before this Court to conclusively show that the laptop is in the Respondent's possession. The Respondent has denied having any company property. In these circumstances, it would not be proper to record a finding that he has deliberately disobeyed the earlier ad-interim order. Such a finding can be made only when there is clearer material about the earlier direction, the laptop supplied and its present possession. However, the Respondent is required to make a clear statement on oath regarding all company property, documents, devices, and access credentials which remain in his

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possession or control. If any property of the Company is with him, he must return it. If the Apple MacBook laptop is in his possession or control, it must be returned. If it is not with him, he must state this fact in his affidavit. This will remove the uncertainty and will protect the Company's property.

210. The ad-interim protection granted by this Court on 15 October 2026, to the extent that it relates to preservation of the Company's property and confidential information, deserves to continue. The Respondent shall not access the Company's systems or use or disclose its confidential information. This direction will not prevent him from using the limited information necessary for obtaining legal advice or pursuing legal proceedings, subject to proper confidentiality safeguards. It will not prevent him from preserving documents which are necessary for his defence in arbitration or other lawful proceedings.

211. It is made clear that the findings recorded above are only for deciding the present application under Section 9 of the Arbitration Act. They shall not be treated as final findings regarding the validity of the Employment Agreement, the legality of the Respondent holding two positions, the validity of the permissions allegedly given by Shoolini University, the allegation of misrepresentation, the alleged breaches or the final validity of the Board resolution dated 19 October 2026. All these questions are kept open for decision by the arbitral tribunal or the competent forum, as may be applicable. Both parties will be free to rely upon all documents and evidence in the arbitration proceedings. Nothing stated in this order will prevent the arbitral tribunal from

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independently deciding the merits of the dispute. The Agreement provides for arbitration at Singapore under the SIAC Rules. Therefore, the Petitioner shall take steps to commence the arbitral proceedings in accordance with Clause 14 of the Employment Agreement. Under Section 9(2) of the Arbitration and Conciliation Act, 1996, the arbitral proceedings must be commenced within ninety days from the date of this order, if they have not commenced, unless this Court grants time.

212. In view of the foregoing discussion and for the reasons recorded hereinabove, the following order is passed.

213. The Arbitration Petition is partly allowed in the following terms:

(a) Until the arbitral proceedings are commenced and concluded, the Respondent is restrained from representing himself before any third party, employee, customer, bank, authority or any other person as the present Chief Executive Officer, authorised signatory or authorised representative of the Petitioner Company. He shall not sign any document, give any instruction or enter into any transaction in the name of the Petitioner Company in his capacity as Chief Executive Officer or authorised representative;

(b) The above direction shall not prevent the Respondent from stating that he disputes the termination dated 29 September 2026 or from pursuing his remedies before the arbitral tribunal, competent Court or any other lawful authority. It shall not affect his rights, if any, as a director or

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shareholder of the Petitioner Company. Such rights shall be exercised in accordance with law and the documents governing the Company;

(c) Prayer clause (b), (c) and (d) are rejected;

(d) The Respondent shall not access, use, disclose, publish, transfer or retain the confidential information, business information, financial information, records, data, communications or other proprietary material of the Petitioner Company. This direction will not prevent him from using the limited material necessary for obtaining legal advice or pursuing lawful proceedings, subject to proper confidentiality safeguards;

(e) Within seven days from the date of this order, the Respondent shall return to the Petitioner Company all its property, documents, records, data, devices, keys and access credentials which are in his possession or control. If the Apple MacBook laptop supplied for official use is in his possession or control, the same shall be returned within that period;

(f) Within the same period, the Respondent shall file an affidavit before this Court giving details of the company property, devices, documents and access credentials which were in his possession or control on the date of the termination letter. He shall state which of them have been returned. If the Petitioner claims that any item is with the Respondent but the Respondent says that it is not in his

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possession, he shall give a specific statement about that item on oath;

(g) If the arbitral proceedings have not commenced, the Petitioner shall commence them under Clause 14 of the Employment Agreement within ninety days from the date of this order, subject to Section 9(2) of the Arbitration and Conciliation Act, 1996;

(h) All other claims and objections regarding the merits of the Employment Agreement, the termination letter dated 29 September 2026, the permissions allegedly given by Shoolini University and the Board resolution dated 19 October 2026 are kept open for decision in the appropriate proceedings;

214. The Petition is disposed of in the above terms. There shall be no order as to costs.

(AMIT BORKAR, J.)

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