IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.303
IA/181(AHM)2026
in
C.P.(IB)/199(AHM)2025

Under Section 60(5) IBC r/w Rule 11 NCLT

IN THE MATTER OF:

Keshav Khaneja RP of Gensol EV Lease Limited ....**Applicant**
V/s
Moeving Urban Technologies Pvt. Ltd ....**Respondent**

Order delivered on: 10/07/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

O R D E R
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

-Sd-

SANJEEV SHARMA
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)

BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-I, AHMEDABAD

I.A. No. 181/(AHM)/2026
in
C.P.(I.B.) No.199/(AHM)/2025

(An application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016)

In the matter of:

Indian Renewable Energy Development Agency Limited

.... Petitioner

VERSUS

GENSOL EV Lease Limited

.... Respondent

MEMO OF PARTIES

Mr. Keshav Khaneja,
Resolution Professional of:
Gensol EV Lease Limited
Having address at:
824, Sector 14,
Gurgaon, Haryana-122001.

.... Applicant

VERSUS

Moeving Urban Technologies Pvt. Ltd.
Having address at:
Plot No.130, Near Pole No. PC-47,
Bamnoli Village, Dhulsiras,
South West Delhi,
New Delhi, India – 110077.

.... Respondent

Order Pronounced On: 10.07.2026

C O R A M:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

APPEARANCES:

For the Applicant : Mr. Rishi Singhal, Advocate a.w. Mr. Keshav Khaneja, RP in Person

For the Respondent : Mr. Vikas Tiwari, Advocate

ORDER
(Per Bench)

1. This Interlocutory Application (IA/181(AHM)2026) has been filed on 04.02.2026 vide inward no. E-00331 by the Applicant/Resolution Professional of Gensol EV Lease Limited under Section 60(5) of the IBC, 2016 r/w Rule 11 of the National Company Law Tribunal Rules, 2016 with the following prayers: -

Allow the present application;

a. *"Direct the Respondent to forthwith return the 124 EV Vehicles to the Applicant as per the list annexed in Annexure A-9 of the application;*

b. *Direct the Respondent to pay the outstanding dues, which amount to Rs.1,75,57,174/- till September 2025 and Rs.1,04,97,837/- for the months of October 2025 to January 2026, along with all late payment charges, costs, etc., to the Applicant as per the Master Lease Agreement dated 01.09.2023;*

c. *Pass such other or further order(s) as may be deemed fit and proper in the facts and circumstances of the instant case."*

2. The Applicant has placed the facts through the I.A. and documents in the following manner: -

2.1 The Corporate Debtor, **M/s. Gensol EV Lease Limited** (CIN: U77100GJ2023PTC141416), was incorporated on 24.05.2023 under the provisions of the Companies Act, 2013. As per the records maintained by the Ministry of Corporate Affairs, its registered office is situated at Westgate Business Bay, 15th Floor, A Block, Makarba, Jodhpur Char Rasta, Ahmedabad, Gujarat – 380015. The Corporate Debtor is engaged in the specialized business of leasing electric vehicles (EVs) and providing allied infrastructure facilities, thereby contributing to the renewable energy and sustainable mobility sector.

2.2 The Respondent, **M/s. Moeving Urban Technologies Private Limited** (CIN: U34300DL2021PTC375861), is a private limited company incorporated under the Companies Act, 2013, having its registered office at Pole No.130, Near Pole No. PC-47, Bamnoli Village, Dhulsiras, South West Delhi, New Delhi – 110077. The Respondent is stated to be engaged in urban technology solutions, including logistics operations utilizing leased EV fleets.

2.3 It is submitted that on 01.09.2023, the Corporate Debtor entered into a Master Lease Agreement and a Fleet Management Service Agreement with the Respondent. Under these agreements, the Corporate Debtor acted as Lessor and retained absolute ownership of the EV motor vehicles, while the

Respondent, as Lessee, was granted only the right to use the vehicles for logistics operations, subject to strict contractual terms and conditions. Copies of the agreements are placed on record as Annexure A-3.

2.4 The Respondent initially complied with its contractual obligations and made regular payments of monthly lease rentals and fleet management charges until January 2024. However, from January 2025 onwards, the Respondent defaulted in making payments, thereby breaching the terms of the agreements.

2.5 Consequently, the earlier management of the Corporate Debtor issued a notice dated 18.04.2025, demanding payment of outstanding dues amounting to Rs.1,36,57,538.00ps. towards lease rentals. Despite service of the said notice, the Respondent failed to discharge its liability.

2.6 The Applicant, Resolution Professional, has maintained a running account of the Respondent. As per the contractual terms, the Respondent was obligated to pay monthly lease rentals and fleet management charges. Payments were duly made till January-2024, but defaults continued from January-2025 onwards. Sample invoices evidencing the defaults are placed on record as Annexure A-4.

2.7 In February-2025, a repayment plan was mutually agreed upon between the Applicant and the Respondent, whereby the Respondent undertook to pay Rs.5 lakhs weekly and a substantial amount of Rs.20–

25 lakhs in the last week of February-2025. The **Respondent failed** to adhere to this repayment schedule, thereby aggravating its default.

2.8 In view of continued defaults, the counsel for the Applicant, under instructions of the Resolution Professional, issued a **legal notice to the Respondent**, calling upon it to return the leased EV motor vehicles upon termination of the Master Lease Agreement dated 01.09.2023. The Respondent was informed that the Corporate Debtor was under CIRP and functioning under the supervision of the Adjudicating Authority, and that the vehicles constituted assets of the Corporate Debtor which the Resolution Professional was duty-bound to safeguard under the Insolvency and Bankruptcy Code, 2016. The Respondent was directed to return the vehicles forthwith. Copy of the notice and postal tracking are annexed as Annexure A-5.

2.9 Further, upon default dated 30.01.2025, the Resolution Professional (hereinafter as "RP") issued a **Demand Notice dated 10.09.2025** under Rule 5 of the IBBI (Application to Adjudicating Authority) Rules, 2016, seeking **payment within 10 days**. The notice was duly served at the Respondent's registered office on 13.09.2025 and at its place of business on 11.09.2025. Copy of the demand notice and tracking are placed as Annexure A-6.

2.10 The Respondent, vide reply dated 11.11.2025, did not deny the existence of outstanding operational debt. On the contrary, the Respondent admitted its liability by furnishing a payment schedule and acknowledging the outstanding dues. Copy of the reply letter is placed on record as Annexure A-7.

2.11 It is thus established that the Master Lease Agreement dated 01.09.2023 was executed for the purpose of enabling the Respondent to use the leased EV motor vehicles owned by the Corporate Debtor in its logistics operations.

Violation of the Terms of the Master Lease Agreement dated 01.09.2023

2.12 The Master Lease Agreement dated 01.09.2023 was executed between the Corporate Debtor and the Respondent for the purpose of enabling the Respondent to use the leased EV motor vehicles owned by the Corporate Debtor in its logistics operations. The Agreement clearly stipulated the relevant terms with respect to the lease period. Article 2.1 provided that the lease period would cease upon the occurrence of specific events, namely:

- expiry of contracted months;
- occurrence of an event of default under Article 10, not cured within 30 days of notice;
- mutual consent of parties; or
- theft or total loss of the vehicle.

2.13 As stated, the Article-10 of the said Agreement defined "Events of Default," including failure of the Lessee to pay lease rentals or any other payments when due, continuing for 14 days after written notice.

2.14 The Agreement further obligated the Respondent/ Lessee, that upon termination, to return the EV vehicles at its own cost and expense, in good working condition, along with all relevant documents including registration certificates, insurance policies, permits, and keys. **Clauses 2.2, 2.3, and 2.4** mandated immediate return of vehicles, reimbursement of costs in case of delayed return, liability for unfair wear and tear, and survival of accrued rights and obligations even after termination.

2.15 **Clause 2.5** of the Agreement provided that in case of premature termination or default, the Lessee was liable to reimburse the Lessor with lease rentals for the lock-in period or additional months depending on the stage of termination, along with costs, expenses, and damages incurred by the Lessor. The clause contained details as under:

Time Period of Closure / Premature Termination	**Default Lease Rental Payable**
01–24 months	Lock-in period
25–36 months	4 months of Lease Rental
37–48 months	3 months of Lease Rental
49–60 months	2 months of Lease Rental

(a) In the event of termination by the Lessee prematurely during the lock-in period, the Lessee was liable to pay lease rentals for the remainder of the lock-in period plus rentals for an additional four months, along with any outstanding rentals pending at the date of termination.

(b) In the event of termination on account of default under clause 2.1(ii), the Lessee was also liable to pay any other costs, expenses, or damages incurred by the Lessor.

2.16 It is stated that despite repeated communications and legal notices, the Respondent failed to comply with these obligations. The **Respondent neither returned the EV motor vehicles nor disclosed their location**, custody, or condition, thereby obstructing the Resolution Professional in discharging his statutory duty under the Insolvency and Bankruptcy Code, 2016.

2.17 The outstanding dues for lease rentals payable by the Respondent to the Corporate Debtor have been duly calculated in accordance with the Agreement. These amount to Rs.1,75,57,174 till September-2025, and Rs.24,41,363 per month for October-2025 to January-2026, aggregating to Rs.1,04,97,837 for the said four months. In addition, the Respondent is liable for penalties, damages, excess kilometer charges, and other costs.

2.18 It is stated that the EV motor vehicles presently in the custody/ possession of the Respondent constitutes part of the assets of the Corporate Debtor. Under the provisions of the Insolvency and Bankruptcy Code, 2016, the Resolution Professional is required to take control and custody of all assets of the Corporate Debtor, including those which may be in the possession of third parties. In particular, Section 18(f) mandates that the Interim Resolution Professional shall assume custody of any asset over which the Corporate Debtor has ownership rights, whether or not such assets are physically in its possession, and Section 25(2)(a) obligates the Resolution Professional to take immediate custody and control of all such assets. It is further stated that the Respondent continues to retain possession of 124 EV motor vehicles belonging to the Corporate Debtor.

3. Upon receipt of the notice, the Respondent, M/s. Moeving Urban Technologies Private Limited, in compliance of our order dated 20.02.2026, filed its reply on 23.03.2026 vide inward diary no. D-1940 as under:

3.1 As stated, present Interlocutory Application has been filed by the Resolution Professional under Section 60(5) of the Insolvency and Bankruptcy Code, 2016, inter alia, seeking directions for return of the vehicles and payment of alleged outstanding dues under the Master Lease Agreement dated 01.09.2023 executed between the Corporate Debtor and the Respondent.

3.2 The Respondent agreed and submitted that it had entered into the said Master Lease Agreement in the ordinary course of business for deployment of electric vehicles in logistics operations. The vehicles were deployed in accordance with the commercial understanding between the parties.

3.3 As stated for clarity by the Respondent, that the present Reply-Affidavit is confined to the first prayer of the Applicant, namely the prayer seeking return of the subject vehicles. Insofar as the monetary claims made by the Applicant are concerned, the Respondent disputes the same in entirety, specifically denying liability in view of material breaches of the Master Lease Agreement and substantial financial losses suffered by the Respondent as a consequence thereof.

3.4 The Respondent submitted that the vehicles in question are depreciating assets, the value of which diminishes with passage of time, usage, and lack of optimal commercial deployment. Continued uncertainty regarding the subsistence of the contractual arrangement or the status of the vehicles is causing financial and commercial prejudice not only to the Respondent but also to the Corporate Debtor and its stakeholders.

3.5 In such circumstances, the Respondent submitted that instead of precipitative termination of the contractual arrangement and immediate return of the vehicles, it seeks an opportunity to revisit and rationalize the terms of the Master Lease Agreement with the Committee of Creditors (hereinafter as "CoC") through the office of the Resolution Professional. The vehicles are part of the Respondent's core business operations, and sudden disruption without exploring commercially viable alternatives would cause severe operational and financial distress.

3.6 The Respondent further submitted that it has already suffered substantial financial strain on account of continued depreciation of the vehicles, breach of the terms of the Master Lease Agreement by the Corporate Debtor, mounting operational expenses, insurance and maintenance liabilities, and uncertainty surrounding the subsistence of the contract. This situation has placed the Respondent in commercial hardship, affecting its business continuity, workforce, and ongoing commitments.

3.7 The Respondent therefore beseeches before this Bench, stating bona fide intent and in good faith, to adopt a pragmatic and balanced resolution that safeguards the value of the assets while preventing irreversible loss to the Respondent. It is stated that revisiting the contractual terms under the supervision of the Resolution Professional and the CoC would better serve the interests of all stakeholders rather than abrupt termination.

3.8 It is stated that in the event the Resolution Professional decides to terminate the contract and repossess the subject vehicles, it is submitted that a clear and structured modality for handing over the vehicles may be proposed, including designation of an authorised representative to receive the vehicles at their respective locations.

3.9 It is further submitted that, in such event, at least five (5) clear days' prior written notice be given to enable it to make necessary logistical arrangements and ensure orderly and secure handover of the vehicles at their present locations.

3.10 It is submitted that in the interest of value maximisation and commercial prudence, if the Resolution Professional is willing to explore revisiting the terms of the contract, subject to approval of the CoC, a meeting be convened with the CoC to discuss revision or rationalisation of the terms of the Master Lease Agreement.

3.11 In compliance of our order dated 20.02.2026, the Respondent has annexed the details of the vehicles, including registration numbers and present locations, placed on record as Annexure R-1 to the present application.

3.12 It is submitted that the vehicles listed in the stated Annexure R-1 are currently deployed at their designated locations in the ordinary course of business and remains within the operational jurisdictions for which they were allocated at the time of induction.

3.13 The Respondent stated that subject to reasonable prior written notice and coordination, it has no objection to returning the vehicles if the Resolution Professional intends to discontinue the subsisting contract. The

Respondent is ready and willing to hand over the vehicles at their respective locations as shown in Annexure R-1.

3.14 The Respondent has prayed before this Bench to direct the Resolution Professional to convene a meeting with the CoC for revisiting the terms of the Master Lease Agreement, so that an amicable and commercially viable resolution may be explored in the interest of value maximisation of the assets. Further, in the alternative, if the Resolution Professional is not inclined for such arrangement, then he may be directed to adopt a structured and coordinated mechanism for repossession of the vehicles, upon giving at least five (5) clear days' prior written notice to the Respondent, to enable orderly and secure handover.

4. In response of the Reply of the Respondent, the Applicant /Resolution Professional has filed its Rejoinder-Reply on 30.03.2026 vide inward diary no. D-2796 as under:

4.1 The Applicant categorically denied the contents of the Reply as false, baseless, and without any foundation in fact or law. Nothing stated therein may be deemed admitted for want of traverse.

4.2 The Applicant reiterated the factual background:

- The Corporate Debtor entered into a Master Lease Agreement dated 01.09.2023 with the Respondent for providing 124 EV motor vehicles on lease.

- Since January 2024, the Respondent defaulted in payment of monthly lease rentals and fleet maintenance charges.
- A notice dated 18.04.2025 was issued demanding Rs.1,36,57,538 towards outstanding lease rentals.
- The Applicant has maintained a running account of the Respondent, who was obligated to pay monthly rentals and charges under the Agreement.
- Payments were made till January-2024, but defaults occurred from January 2025 onwards.
- A repayment plan agreed in February 2025 required weekly payments of Rs.5 lakhs and Rs.20–25 lakhs in the last week of February 2025, which the Respondent failed to comply with.
- The Applicant's counsel issued notice for return of the leased vehicles upon termination of the Agreement.
- A Demand Notice dated 10.09.2025 under Rule 5 of the IBBI Rules was served, seeking payment within 10 days.
- The Respondent, after receiving the demand notice, offered to pay dues in tranches and did not dispute liability. Between 22.09.2025 and 25.11.2025, the Respondent paid Rs.65,91,716. Copies of emails, offer letter dated 19.09.2025, and ledger account are annexed as Annexure-1.
- The Respondent's reply dated 11.11.2025 admitted liability by furnishing a payment schedule.

4.3 It is stated that the above narration represents the true and correct depiction of facts. The Applicant dealt with the specific paragraphs of the reply as under.

- Reply Para 1 – Matter of record; no rejoinder required.
- Reply Para 2 – Denied as false and frivolous.
- Reply Para 3 – Matter of record; no rejoinder required.
- Reply Para 4 – Matter of record; no rejoinder required.
- Reply Para 5 – Denied in toto. The Respondent is in breach of the Master Lease Agreement dated 01.09.2023, unlawfully retaining and using vehicles without payment, thereby causing financial prejudice to the Corporate Debtor.
- Reply Para 6 – Denied. The Respondent admits vehicles are depreciating assets but has failed to return them despite repeated notices. Continued retention is illegal and contrary to the CIRP framework.
- Reply Para 7 – Denied. The Respondent's plea to revisit terms of the Agreement is untenable and an afterthought. The Agreement has already been validly terminated by the Resolution Professional under the Code.
- Reply Para 8 – Denied. Allegations of breach by the Applicant are false. The Respondent alone is in continuous breach, failing to pay dues and return

vehicles. Losses claimed are consequences of its own defaults.

- Reply Paras' 9 & 10 – Denied. As stated, the Respondent's proposal was placed before the CoC and rejected in its commercial wisdom and stated that the Respondent remains liable to pay dues and return vehicles.
- Reply Para 11 – Denied. As stated, despite notices and reminders, the Respondent failed to return vehicles, causing delay in resolution.
- Reply Para 12 – Denied. Already dealt with in Para 13 of rejoinder.
- Reply Para 13 – Matter of record; no rejoinder required.
- Reply Para 14 – Denied. The Respondent has not provided exact details of vehicles. It continues to earn revenue from vehicles while intentionally withholding lease rentals.
- Reply Para 15 – Already dealt with in Paras 13–15 of rejoinder.
- Reply Para 16 – It is recorded that the Respondent verbally discussed a settlement in the 11th CoC meeting. Subsequently, by mail dated 24.03.2026, the Respondent proposed future lease rentals at 40% of present rates. The CoC, in its 12th meeting held on 24–25.03.2026, rejected the proposal. A copy of mail dated 27.03.2026 is placed on record as Annexure-2.

4.4 Thus, the applicant submitted that the Respondent's reply is untenable and misconceived and therefore prayed before this Bench to allow the application in terms of its reliefs sought.

5. We also carefully perused and noted the court proceedings in the course of hearing: -

5.1 The Respondent filed its reply on 27.02.2026, proposing settlement terms, which were placed before the Committee of Creditors (CoC). The CoC, however, rejected the proposal in its 12th meeting held on 24–25 March 2026, finding it commercially inadequate. The Respondent was asked to submit a revised offer, which was again considered but not accepted.

5.2 Subsequently, the Tribunal recorded that counteroffers and fresh proposals were exchanged between the CoC and the Respondent, but no amicable settlement was reached. On 09.06.2026, the Respondent expressed readiness to hand over all 124 vehicles within five working days, subject to modalities being worked out with the Applicant. Meetings were held on 17.06.2026 to discuss logistics of vehicle handover across multiple states.

5.3 On 24.06.2026 it was recorded in order that, in pursuance to the last order dated 09.06.2026, it has been apprised by both sides through their respective counsels that a meeting was held on 17.06.2026, wherein it was apprised that the vehicles in question are stationed at various locations across approximately 10 States. Today, we have heard the learned counsel for the Applicant/RP and learned counsel for the Respondent as well as perused the record

5.4 On 24.06.2026, after hearing both sides and perusing the record, the Division Bench reserved its order in IA/181(AHM)2026. Thus, the proceedings reflect repeated attempts at settlement, rejection of proposals by the CoC, and eventual readiness of the Respondent to return the vehicles, with the Tribunal reserving its decision after final arguments.

6. We have heard the Learned Counsel appearing for the parties at considerable length. We have also carefully perused the pleadings, reply affidavits, rejoinders, supplementary affidavits, written submissions, documents annexed thereto and the material available on record.

7. Upon consideration of the pleadings, affidavits, rejoinders, additional affidavits and documents placed on record, the following issues arise for determination: -

(i) Whether the present application filed by the Resolution Professional under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016 is maintainable before this Adjudicating Authority?

(ii) Whether the 124 EV motor vehicles forming the subject matter of the Master Lease Agreement dated 01.09.2023 constitute assets of the Corporate Debtor over which the Resolution Professional is entitled to take custody and control under Sections 18(1)(f) and 25(2)(a) of the Insolvency and Bankruptcy Code, 2016?

(iii) Whether the Respondent committed defaults under the Master Lease Agreement dated 01.09.2023 by failing to pay lease rentals and other contractual charges, thereby entitling the Resolution Professional to terminate the Agreement and seek repossession of the leased vehicles?

(iv) Whether the Respondent has established any legal right to retain possession of the leased vehicles or seek renegotiation of the Master Lease Agreement after its termination?

(v) Whether the Applicant is entitled to recover the outstanding lease rentals and other contractual dues in the present proceedings under Section 60(5) of the Insolvency and Bankruptcy Code, 2016?

(vi) To what reliefs, if any, are the parties entitled?

8. **Findings on Issue Nos. (i) to (iv):** Whether the present application is maintainable and whether the Resolution Professional is entitled to take custody of the leased vehicles.

8.1 The present application has been filed by the Resolution Professional under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 seeking directions against the Respondent for return of 124 EV motor vehicles belonging to the Corporate Debtor together with consequential reliefs.

8.2 The admitted factual position emerging from the pleadings is that the Corporate Debtor entered into the Master Lease Agreement dated 01.09.2023 with the

Respondent whereby the Corporate Debtor remained the owner of the leased vehicles and the Respondent was granted only a contractual right to use the said vehicles during the subsistence of the lease.

8.3 Articles 2.1, 2.2, 2.3, 2.4 and 2.5 of the Master Lease Agreement specifically provide that upon occurrence of an event of default, including failure to pay lease rentals, the Lessor is entitled to terminate the lease and the Lessee becomes liable to immediately return the leased vehicles together with the registration certificates, insurance documents, permits, keys and other accessories.

8.4 The record further reveals that the Respondent admittedly committed defaults in payment of lease rentals. Notices demanding payment of outstanding dues and return of the vehicles were issued by the Applicant after commencement of the Corporate Insolvency Resolution Process. Despite receipt of such notices, the Respondent neither cleared the outstanding dues nor returned the leased vehicles within the stipulated period.

8.5 The Applicant has placed on record the Demand Notice dated 10.09.2025, the Respondent's reply dated 11.11.2025, ledger accounts and other contemporaneous documents. The Respondent, while disputing the quantum of monetary liability, did not dispute that the vehicles belonged to the Corporate Debtor and continued to remain in its possession.

8.6 From the notices issued, the correspondence exchanged between the parties, the Respondent's reply dated 11.11.2025 and the material placed on record, it stands established that the Respondent committed defaults under the Master Lease Agreement by failing to pay the agreed lease rentals. Consequently, the Applicant was justified in terminating the Agreement and seeking return of the leased vehicles in accordance with its terms.

8.7 The Respondent has, in its Reply Affidavit, specifically stated that it has no objection to returning the vehicles if the Resolution Professional intends to discontinue the contractual arrangement. The Respondent further requested that a structured mechanism be adopted for repossession after giving five clear days' prior notice and also furnished the details of the registration numbers and present locations of the vehicles. Thereafter, during the course of hearing, the Respondent expressed its willingness to hand over all the vehicles and meetings were held between the parties for working out the logistics of such handover.

8.8 Thus, the Respondent has substantially accepted that the vehicles are liable to be returned to the Resolution Professional upon termination of the Master Lease Agreement. The only dispute sought to be raised by the Respondent pertains to revision of commercial terms and the outstanding monetary claims.

8.9 It is pertinent to note that the proposal submitted by the Respondent for revisiting the commercial terms of the Master Lease Agreement was placed before the Committee of Creditors by the Resolution Professional. The Committee of Creditors, in its commercial wisdom, rejected the proposal in its 12TH meeting held on 24.03.2026 and 25.03.2026. Once the commercial proposal has been considered and rejected by the Committee of Creditors, this Adjudicating Authority cannot substitute its own commercial wisdom for that of the Committee of Creditors.

8.10 Under Section 18(1)(f) of the Insolvency and Bankruptcy Code, 2016, the Interim Resolution Professional is required to take control and custody of all assets over which the Corporate Debtor has ownership rights, including assets which may be in possession of third parties. Similar obligation is cast upon the Resolution Professional under Section 25(2)(a) of the Code to preserve and protect the assets of the Corporate Debtor.

8.11 The 124 EV motor vehicles admittedly belong to the Corporate Debtor and merely remained in possession of the Respondent under the contractual arrangement. Such possession does not divest the ownership rights of the Corporate Debtor. Consequently, the Resolution Professional is under a statutory obligation to secure possession of the said vehicles for preservation of the assets during the Corporate Insolvency Resolution Process.

8.12 The statutory obligation cast upon the Resolution Professional under Sections 18(1)(f) and 25(2)(a) of the Code cannot be defeated merely because the assets of the Corporate Debtor remain in possession of a third party under a contractual arrangement. Once the ownership of such assets is undisputed, the Resolution Professional is duty bound to secure their possession for preservation of the value of the assets during CIRP.

8.13 The objection raised by the Respondent seeking renegotiation of the contractual terms cannot defeat the statutory duties cast upon the Resolution Professional under Sections 18 and 25 of the Code. The existence of an arbitration clause or contractual disputes between the parties does not denude this Adjudicating Authority of its jurisdiction under Section 60(5) of the Code to pass appropriate orders for preservation, protection and recovery of the assets of the Corporate Debtor which are required for conduct of the Corporate Insolvency Resolution Process.

8.14 We are therefore of the considered opinion that the present application, insofar as it seeks directions for return of the leased vehicles belonging to the Corporate Debtor, is maintainable and deserves to be allowed.

9. **Findings on Issue Nos. (v):** Whether the Applicant is entitled to recover the outstanding lease rentals and other contractual dues in the present proceedings?

9.1 The Applicant has prayed for a direction against the

Respondent to pay outstanding lease rentals amounting to Rs.1,75,57,174/- till September 2025 together with lease rentals of Rs.1,04,97,837/- for the period from October 2025 to January 2026, besides late payment charges, damages, penalties and other contractual dues in terms of the Master Lease Agreement dated 01.09.2023.

9.2 The Applicant contends that the Respondent committed continuous defaults in payment of monthly lease rentals despite repeated demands, legal notices and opportunities granted by the Resolution Professional. It is further submitted that the Respondent itself acknowledged the outstanding dues by its communications dated 19.09.2025 and 11.11.2025 and also made part payments aggregating to Rs.65,91,716/-, thereby acknowledging its liability. The Applicant therefore submits that the outstanding dues stand crystallised and deserve to be directed to be paid in the present proceedings.

9.3 Per contra, the Respondent has specifically disputed the monetary claims made by the Applicant. It has pleaded that the Corporate Debtor itself committed breaches of the contractual obligations resulting in financial losses to the Respondent and that the Respondent is entitled to raise reciprocal claims against the Corporate Debtor. The Respondent has also disputed the computation of lease rentals and other contractual charges and has denied its liability to pay the amounts claimed.

9.4 From the pleadings, it is evident that while the Respondent has not disputed the ownership of the vehicles or its obligation to return them upon termination of the Agreement, it has seriously disputed the quantum and extent of the monetary liability claimed by the Applicant. The pleadings disclose rival claims regarding outstanding lease rentals, penalties, damages and other contractual liabilities, which would necessarily require examination of the ledger accounts, invoices, correspondence, contractual stipulations, adjustments, if any, and reconciliation of accounts between the parties.

9.5 Although this Adjudicating Authority exercises jurisdiction under Section 60(5) of the Code, the present proceedings are not appropriate for adjudication of disputed contractual monetary claims requiring reconciliation of accounts and appreciation of evidence. The principal object of the present application is to enable the Resolution Professional to secure custody and control of the assets of the Corporate Debtor in furtherance of the CIRP.

9.6 We are, therefore, of the considered view that adjudication of the rival monetary claims, counter-claims, damages, penalties and reconciliation of accounts cannot appropriately be undertaken in the present proceedings under Section 60(5) of the Code.

9.7 Accordingly, the prayer seeking recovery of the outstanding lease rentals and other contractual dues is not adjudicated in the present proceedings. The rights and contentions of both parties in respect of their respective monetary claims, counter-claims, adjustments and reconciliations are kept open to be pursued before the appropriate forum or proceedings in accordance with law, subject to the provisions of the Insolvency and Bankruptcy Code, 2016.

10. Findings on Issue No. (vi): To what reliefs, if any, are the parties entitled?

10.1 In view of our findings recorded on Issue Nos. (i) to (v), we hold that the Applicant/Resolution Professional has established that the 124 EV motor vehicles covered under the Master Lease Agreement dated 01.09.2023 are assets owned by the Corporate Debtor and, consequently, the Resolution Professional is entitled to take their custody and control in discharge of his statutory obligations under Sections 18(1)(f) and 25(2)(a) of the Insolvency and Bankruptcy Code, 2016.

10.2 The record further reveals that during the pendency of the present proceedings the Respondent has expressed its willingness to hand over all the 124 EV motor vehicles and also furnished the particulars of their respective locations. Meetings were also held between the parties for working out the modalities of such handover. Thus, no dispute now survives regarding the Respondent's obligation to return the vehicles and what remains is only implementation of the modalities for their orderly repossession.

10.3 Insofar as the prayer seeking recovery of the outstanding lease rentals, contractual charges, penalties, damages and other monetary claims is concerned, the same involves disputed questions of fact requiring reconciliation of accounts and adjudication of reciprocal contractual liabilities. As already held while deciding Issue No. (v), the said relief is not liable to be adjudicated in the present proceedings under Section 60(5) of the Code. Accordingly, all rights and contentions of the parties in respect of such monetary claims are kept open to be pursued before the appropriate forum in accordance with law.

10.4 Consequently, the present Interlocutory Application is liable to be partly allowed to the extent of securing possession and custody of the assets of the Corporate Debtor, while leaving the disputed monetary claims open for adjudication in appropriate proceedings.

11. In view of the aforesaid discussion, the present Interlocutory Application is **partly allowed** in the following terms: -

(i) The Respondent shall hand over possession of all the 124 EV motor vehicles covered under the Master Lease Agreement dated 01.09.2023, together with the original Registration Certificates, insurance documents, permits, keys, chargers, accessories and all other documents relating thereto, to the Applicant/Resolution Professional within **fifteen (15)**

days from the date of this Order.

(ii) The Applicant/Resolution Professional shall issue an advance intimation of **five (5) clear days** to the Respondent indicating the proposed schedule for taking possession of the vehicles, and the Respondent shall extend full cooperation for their orderly handover at the locations already furnished by it or at such other locations as may be mutually agreed.

(iii) The Respondent shall extend full cooperation to the Applicant/Resolution Professional and his authorised representatives for taking possession of the vehicles and shall ensure that no obstruction or impediment is caused in completion of the repossession process.

(iv) The Respondent shall, within **seven (7) days** from the date of this Order, furnish an updated inventory containing the registration number, present location and present status of every vehicle which has not been handed over as on the date of furnishing such inventory, if any.

(v) In the event any of the vehicles are found to be in the possession of any contractor, driver, employee or any third party claiming through the Respondent, the Respondent shall take all necessary steps for securing their recovery and shall immediately hand over the same to the Applicant/Resolution Professional upon recovery.

(vi) Till the entire fleet is handed over, the Respondent, its directors, officers, employees, agents or any person claiming through it shall not alienate, transfer, create any third-party rights, encumber or otherwise deal with the said vehicles in any manner whatsoever.

(vii) The Applicant/Resolution Professional shall be at liberty to take all consequential steps permissible under the Insolvency and Bankruptcy Code, 2016 for taking custody, preservation, protection and realization of the assets of the Corporate Debtor.

(viii) The prayer relating to recovery of lease rentals, damages, penalties and other contractual dues is **left open** to be pursued in accordance with law, subject to the provisions of the Insolvency and Bankruptcy Code, 2016.

12. Accordingly, **IA No.181(AHM)2026** stands **partly allowed and disposed of**.

13. A certified copy of this Order be issued, if applied for, upon compliance with all requisite formalities.

-Sd-

SANJEEV SHARMA
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)

Alpesh (PS)