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

ITEM No.304
IA/503(AHM)2026
in
C.P.(IB)/199(AHM)2025

Under Section 60(5) IBC r/w Rule 11 of NCLT Rules, 2016

IN THE MATTER OF:

Keshav Khaneja RP of Gensol Ev Lease Limited ....**Applicant**
V/s
Minder EV Logistics Pvt. Ltd & Ors ....**Respondents**

Order delivered on: 07/09/2026

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- -Sd-

SANJEEV SHARMA
MEMBER (TECHNICAL)

SHAMMI KHAN
MEMBER (JUDICIAL)

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

I.A. No. 503(AHM)2026
in
C.P (I.B.) No.199/NCLT/AHM/2025

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

<u>In the matter of:</u>
Indian Renewable Energy Development Agency Limited

.... Petitioner

VERSUS

Gensol EV Lease Ltd.

.... Respondent

<u>MEMO OF PARTIES</u>

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

.... Applicant/RP

VERSUS

1. **Minder EV Logistics Pvt. Ltd.**
Having address at:
91, Spring Board Business Hub Pvt. Ltd.
90-B, Delhi-Jaipur Expy. 18, DLF Ph-II,
Gurgaon, DLF Ph-II, Haryana,
India – 122008.

2. **Jasman Singh Chadha,**
90-B, Old Delhi Gurugram Road,
Sector – 18, Gurugram,
Haryana – 122008.

3. Ramandeep Kaur
91, Spring Board Business Hub Pvt. Ltd.
90-B, Delhi-Jaipur Expy. 18, DLF Ph-II,
Gurgaon, DLF Ph-II, Haryana,
India – 122008.

.... Respondents

Order Pronounced On: 07.09.2026

C O R A M:

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

A P P E A R A N C E S:

For the Applicant	: Mr. Rishi Singhal, Ld. Advocate a.w. Mr. Keshav Khaneja, RP in Person
For the Respondent	: Mr. Saumitra Chaturvedi, Ld. Advocate
	: Mr. Jasman Singh Chadha, R-2 in person

O R D E R
(Per Bench)

1. This Interlocutory Application (IA/503(AHM)2026) has been filed on 30.03.2026 vide inward no. E-00888 by the Applicant/Resolution Professional of M/s. Gensol EV Lease Limited under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016 seeking certain directions as prayed to this Tribunal as under: -

1. *Direct the Respondent to forthwith return the 70 EV Vehicles to the Applicant as per the list annexed in Annexure A-9;*

2. *Direct the Respondent to pay the outstanding dues which amounts to a sum of Rs 1,29,57,183/- (One Crore Twenty nine lakhs fifty seven thousand one Hundred and Eighty Three) till the month of February 2026 plus the penalty for delay payments, any cost/expenses/ damages incurred by the lessor,*

3. *Pass such other or further order / 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 Interlocutory Application and documents in the following manner under: -

2.1 It is stated that the Corporate Debtor is Gensol EV Lease Limited, incorporated on 24.05.2023, having its registered office at Westgate Business Bay, Ahmedabad, and engaged in leasing electric vehicles and related infrastructure. The CIRP was commenced pursuant to order dated 13.06.2025 in C.P. (IB) No.199(AHM)2025.

2.2 Mr. Keshav Khaneja was appointed as Interim Resolution Professional on 13.06.2025 and subsequently as Resolution Professional on 25.08.2025. The order commencing CIRP has been relied upon and annexed as Annexure A-1.

2.3 The Respondent, Minder EV Logistics Private Limited, is stated to be incorporated under the Companies Act, 2013, having its registered office at 91 Spring Board Business Hub Pvt. Ltd., 90B, Delhi-Jaipur Expressway, DLF Phase-II, Gurgaon, Haryana–122008. Its MCA master data is annexed as Annexure A-2.

2.4 The Corporate Debtor and Respondent entered into Master Lease Agreements dated 24.08.2023 and 02.08.2024 for leasing EV vehicles and fleet management services. Under the arrangements, 70 EV vehicles were provided, with the Corporate Debtor retaining legal and absolute ownership and the Respondent possessing only the contractual right of use. The agreements are Annexure A-3.

2.5 Article 2.1 of the agreements provides for cessation of the Lease Period upon expiry, an uncured Event of Default, mutual consent, or theft/total loss. Article 10 treats failure to pay lease rental or other contractual payments when due as an Event of Default, subject to the stipulated contractual cure mechanism.

2.6 Article 2.2 requires the Lessee, upon expiry or termination, to return the vehicles at its own cost in good condition, together with original registration/insurance documents, keys and accessories, and free from encumbrances and traffic challans. The contractual obligation is stated to operate immediately upon termination.

2.7 Under Article 2.3 of the 24.08.2023 Agreement, failure to return a vehicle results in continuation of lease rentals until compliance, besides liability for losses, damages and costs. The Lessor may also repossess the vehicle after the prescribed notice, with repossession expenses and contractual penalty recoverable from the Lessee.

2.8 The 02.08.2024 Agreement contains corresponding provisions requiring return of the EVs, documents, keys, charging equipment and accessories. In case of non-return, lease rentals continue and the Lessor may repossess the vehicles after three days' notice, with costs and contractual penalty payable by the Lessee.

2.9 The Applicant states that the Respondent was required to pay monthly lease rentals and fleet management charges and that payments were made only up to January, 2025. According to the Applicant, the Respondent thereafter defaulted in payment and failed to return the 70 EV vehicles despite repeated demands.

2.10 The Applicant issued an email dated 06.08.2025 calling upon the Respondent to clear the outstanding dues; the same is annexed as Annexure A-4. Further reminders dated 11.09.2025 and 22.09.2025 demanded payment or immediate handover of the vehicles and are annexed as Annexure A-5.

2.11 By communications dated 20.09.2025 and 15.10.2025, the Respondent is stated to have sought time, referred to technical issues and assured resolution of the outstanding matter. Copies of these communications are annexed as Annexure A-6. The Respondent subsequently made part-payment of Rs.5,00,000/- on 30.01.2026.

2.12 On 08.01.2026, the Applicant forwarded lease rental and Fleet Management Services invoices for November, December, 2025 and January, 2026 and again required payment and return of the vehicles. The said communication is annexed as Annexure A-7.

2.13 The Applicant maintains that the Respondent defaulted in payment of invoices from February, 2025 onwards and, despite repeated demands, neither returned the vehicles nor disclosed their location, custody or condition. The Applicant relies upon its running account/ledger, annexed as Annexure A-8, showing alleged dues of Rs.1,29,57,183/- up to February, 2026.

2.14 The Applicant further claims contractual liability towards delayed-payment penalty, costs, expenses, damages, book value recovery and Excess Kilometre Charges, wherever applicable. It relies upon Articles 2.1 to 2.6 of the agreements and contends that continued retention of the vehicles obstructs the RP's statutory obligation to take control and custody of the Corporate Debtor's assets under Sections 18(f) and 25(2)(a) of the Code.

2.15 The particulars of the 70 EV vehicles allegedly remaining in the Respondent's custody are annexed as Annexure A-9. The Applicant accordingly seeks directions for immediate return of the said vehicles and payment of Rs.1,29,57,183/- up to February, 2026, together with contractual penalty, costs, expenses and damages, and such further orders as deemed appropriate.

3. Upon issuance of the notice in the Interlocutory Application, the Respondent appeared and filed its reply on 05.03.2026 vide inward diary no. D-3844 denying various averments made in the Interlocutory Application. The contentions of the Respondent are mentioned hereunder: -

3.1 The Respondent stated that it is a company incorporated under the Companies Act, 2013, bearing CIN No. U31909HR2022PTC105706, having its registered office at Gurgaon, Haryana, and is engaged in providing end-to-end electric vehicle transportation solutions.

3.2 It was submitted that the parties executed Master Lease Agreements dated 24.08.2023 and 02.08.2024 for leasing up to 70 EV vehicles, against monthly lease rentals of Rs.9,33,077/-, subject to usage and contractual conditions, besides fleet management charges of Rs.1,57,138/- per month under the Agreement dated 02.08.2024.

3.3 The Respondent denied any wilful or deliberate default and contended that the Applicant failed, from March 2025 onwards, to provide contractual maintenance support despite repeated communications, resulting in several vehicles becoming non-operational.

3.4 Owing to the Applicant's alleged operational shutdown and absence of authorised personnel, the Respondent claimed to have undertaken maintenance at its own cost to preserve the vehicles, and thereafter sought reconciliation and adjustment of such expenditure from the Applicant/IRP.

3.5 The Respondent further alleged that several vehicles were supplied in poor condition and suffered technical defects, particularly 15 Bajaj vehicles having undersized cargo boxes. The complaints and follow-ups, including two emails dated 31.07.2025, were relied upon as **Annexure R-1 (Colly.)**.

3.6 It was further alleged that the Applicant breached Article 2.2(i) of the Fleet Management Agreement by failing to procure or renew insurance of the vehicles, resulting in several vehicles being uninsured or inadequately insured and consequently being stopped by authorities, with penalties/challans and grounding of vehicles.

3.7 In support thereof, the Respondent relied upon its undertaking dated 27.01.2026 and email dated 30.01.2026, stated to have been filed as **Annexures R-2 and R-3**, respectively, contending that the Applicant failed to take remedial steps.

3.8 The Respondent claimed substantial business and profit losses arising from non-operational, uninsured and inadequately maintained vehicles, including cancelled orders, contractual penalties, deterioration of client relationships and operation of available vehicles at sub-economic rates.

3.9 It was contended that immediate payment could not be demanded without reconciliation of mutual claims, since the Respondent had incurred maintenance and related expenses. Reliance was placed upon **Article 3.9 of the Master Lease Agreement** and **Article 9.2 of the Fleet Management Agreement** concerning set-off/adjustment.

3.10 The Respondent disputed the Applicant's claim of Rs.1,29,57,183/- up to February 2026, together with alleged penalties and costs, contending that invoices and supporting documents had not been annexed and, therefore, the claimed amount was unsubstantiated and unsustainable.

3.11 The Respondent denied that the Lease Agreements had been validly terminated, contending that no termination notice satisfying Articles 2.1(ii) and 10 had been served. Mere emails demanding payment, according to the Respondent, did not constitute valid termination notices or provide the stipulated cure period.

3.12 The Respondent asserted that it had consistently expressed willingness to resolve the dispute and clear legitimate dues after reconciliation, and relied upon its payment of **Rs.5,00,000/- on 30.01.2026** as evidence of its bona fide intention to settle the accounts.

3.13 It was further contended that under **Article 14 of the Lease Agreements dated 24.08.2023/ 02.08.2024**, the contractual arrangement was stated to subsist for four years, with a 48-month lock-in period and provisions concerning renewal. The Respondent denied that an event of default had validly arisen.

3.14 The Respondent stated that its entire business operations depended upon the 70 leased EV vehicles and that their repossession would result in cessation of business, defaults towards clients, loss of employment, and financial, operational and reputational consequences.

3.15 On balance of convenience, the Respondent contended that the Applicant's interest was essentially monetary and could be secured through reconciliation and payment, whereas return/repossessing the vehicles would cause irreparable prejudice. Reliance was placed upon **Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016**.

3.16 In its para-wise reply, the Respondent reiterated that the alleged non-payment was attributable to the Applicant's failure to maintain the vehicles, renew insurance and reconcile expenses, while also relying upon the correspondence dated 15.10.2025 and undertaking/email concerning physical verification, stated to be **Annexure A-6 and Annexures R-2 to R-4**, respectively.

3.17 The Respondent accordingly prayed for dismissal of the Application with costs and, without prejudice, sought reconciliation and adjustment of its maintenance/insurance-related expenses, performance of the Applicant's contractual obligations, and restraint against seeking possession of the vehicles or premature termination before expiry of the contractual term

4. The Applicant has also filed a Rejoinder on 11.05.2026 inward diary no. D-4067, denying most contentions raised by the Respondent in his reply and reiterated the case set out in the Application. The contents of the Rejoinder are reproduced as follows: -

4.1 It is submitted that the Corporate Debtor had executed the Master Lease Agreement dated 24.08.2023 and Master Agreement for Fleet Management Services dated 02.08.2024 with the Respondent, M/s. Minder EV Logistics Private Limited, for leasing vehicles.

4.2 The Applicant stated that CP(IB) No. 199(AHM)2025, filed by Indian Renewable Energy Development

Agency Limited under Section 7 of the Code against M/s. Gensol EV Lease Limited, was admitted, Mr. Keshav Khaneja was appointed as IRP and the Applicant was subsequently confirmed as RP.

4.3 According to the Applicant, the Respondent defaulted in payment of monthly lease rentals from March 2025 and failed to return the vehicles. Demands were issued through emails dated 06.08.2025, 11.09.2025 and 15.09.2025, followed by further communications regarding the defaults.

4.4 It is submitted that on 20.09.2025 the Respondent sought further time, assuring resolution, whereafter a final opportunity was granted on 22.09.2025 to clear the dues and return the vehicles. The Respondent cited technical issues and assured clearance of dues.

4.5 The Applicant stated that invoices for Lease Rental and Fleet Management Services for November 2025 to January 2026 were furnished along with intimation of proceedings. The Respondent paid Rs. 5,00,000/- on 30.01.2026, which was relied upon as acknowledgment of liability; however, the vehicles remained with the Respondent.

4.6 The Applicant denied the allegations concerning non-maintenance, deficiencies and operational issues, submitting that the Respondent continuously possessed and commercially utilised the vehicles without raising any contemporaneous dispute, issuing prior legal communication or invoking the contractual dispute-resolution mechanism.

4.7 It was further submitted that the Respondent continued retaining the vehicles while withholding outstanding dues and that its defence regarding operational deficiencies surfaced only after commencement of CIRP and demands for payment and repossession, and was therefore alleged to be an afterthought.

4.8 The Applicant contended that the Respondent had not denied execution of the Master Lease Agreement and Fleet Management Agreement and remained liable for lease rentals and return of the vehicles. The monthly invoices issued to the Respondent were annexed as **Annexure-I**.

4.9 With regard to termination, the Applicant submitted that repeated written communications were issued due to continuing defaults and that the Respondent failed to cure the breaches within 30 days despite reminders. The Applicant also relied upon the principle that the Respondent cannot **approbate and reprobate** after availing the contractual benefits.

4.10 The Applicant denied the Respondent's proposal for payment subject to reconciliation of alleged expenses, contending that such claim was raised only after commencement of CIRP and the present proceedings, without contemporaneous documentary evidence, contractual entitlement or adjudicated determination.

4.11 The Applicant submitted that continued unauthorised retention of the vehicles prejudiced value maximisation and creditors' interests and that, in discharge of its statutory duties under the Code, it was entitled to take custody and control of the Corporate Debtor's assets and recover outstanding dues. The Applicant therefore prayed for rejection of the Respondent's reliefs and allowance of the Application.

5. The Applicant has filed Written Submissions along-with judgments on 26.08.2026 vide e-filing No. 24011050 08882026/6. The major contentions of the Applicant are as follows: -

5.1 The Applicant/Resolution Professional submits that the Written Submissions have been filed pursuant to the order dated 25.08.2026 passed by this Adjudicating Authority in IA No. 503 of 2026. A copy of the said order has been annexed as **Annexure-1**.

5.2 It is submitted that the Corporate Debtor had entered into Master Lease Agreements dated 24.08.2023 and 02.08.2024 and a Fleet Management Service Agreement with the Respondent for leasing EV vehicles. Pursuant thereto, approximately 70 EV vehicles were provided to the Respondent from time to time.

5.3 The Applicant submits that the Respondent was required to comply with the contractual terms, including payment of lease rentals and fleet management charges and return of the leased vehicles upon termination. According to the Applicant, payments were made only up to January 2025, followed by continuing defaults.

5.4 With regard to maintenance, the Applicant relies upon Clause 2.2(iv) of the Fleet Management Service Agreement dated 24.08.2024. It is submitted that a maintenance pool was to be created at the request of the Lessee and charged along with the monthly lease rental, subject to the credit balance available therein.

5.5 The Applicant has placed the chronology of events on record, stating that the lease and fleet management agreements were entered into on 24.08.2023 and 02.08.2024 and that the Respondent stopped making regular payments from February 2025. An on-account payment of Rs.5,00,000/- was subsequently made on 30.01.2026.

5.6 It is further submitted that CIRP of the Corporate Debtor was initiated by order dated 13.06.2025. Thereafter, the Resolution Professional addressed communications dated 06.08.2025 and 11.09.2025 calling upon the Respondent to clear the outstanding dues and informing it of the consequences of continued default.

5.7 The Applicant states that on 20.09.2025 the

Respondent sought one week's time to submit a concrete plan, whereafter a final opportunity was given by email dated 22.09.2025 either to clear the dues or immediately hand over the vehicles. The Respondent subsequently referred to technical issues and sought revised lease rentals.

5.8 The Applicant submits that, as stated in the Application, approximately Rs.1,29,57,183/- remained outstanding towards lease rentals as of February 2026, apart from other amounts allegedly payable under the agreements, including penalties, book value recovery, costs, expenses, damages and excess kilometre charges, wherever applicable.

5.9 It is contended that despite repeated demands and opportunities, the Respondent neither cleared the outstanding dues nor returned the 70 leased EV vehicles to the Resolution Professional. According to the Applicant, such continued retention was contrary to the contractual obligation to return the vehicles upon termination.

5.10 The Applicant submits that the technical difficulties alleged by the Respondent do not justify withholding the agreed lease rentals or retaining the vehicles. It is further contended that, after availing the benefit of the leased vehicles, the Respondent could not unilaterally seek revision of the contractual terms.

5.11 The Applicant/Resolution Professional submits that he is duty-bound to protect and preserve the assets and interests of the Corporate Debtor. It is contended that continued retention of the vehicles and non-payment of dues is prejudicial to the Corporate Debtor and its stakeholders.

5.12 On the aforesaid grounds, the Applicant/Resolution Professional has prayed that the present IA No. 503 of 2026 in C.P. No. 199(AHM) of 2025 be allowed. The Written Submissions contain **Annexure-1: copy of the order dated 25.08.2026**.

6. The Respondent also filed Written Submissions along-with judgments on 31.08.2026 vide e-filing no. 2401105 008882026/7. The contentions of the Respondent are as follows: -

6.1 The Respondent No.1 submits that the present Application under Section 60(5) of the IBC seeks summary directions for return of 70 EVs and recovery of alleged outstanding dues of **Rs. 1,29,57,183/-**, besides penalty, costs and expenses. The Application is opposed on facts, contractual and jurisdictional grounds.

6.2 It is submitted that the Respondent is the Lessee under the **Master Lease Agreement dated 24.08.2024**, Addendum dated **02.08.2024** and Fleet Management Agreement dated **02.08.2024**, governing leasing, maintenance, repairs and operation of the EV fleet. The Respondent's business substantially depends upon the leased EVs.

6.3 According to the Respondent, from **March 2025** the Corporate Debtor failed to discharge its contractual obligations relating to servicing, maintenance, repairs and renewal of third-party motor insurance of the leased EVs. Consequently, several vehicles became non-operational and the Respondent incurred expenditure towards upkeep, repairs, insurance and related liabilities.

6.4 The Respondent relies upon **Annexure A-1**, comprising **32 contemporaneous e-mail threads** exchanged with the Corporate Debtor/RP between **14.01.2025 and 27.07.2026**, to demonstrate repeated complaints concerning vehicle quality, service, breakdowns, charging, battery, damage, insurance and maintenance. The correspondence is relied upon to establish that the disputes were pre-existing and contemporaneously raised.

6.5 The Respondent further relies upon the contractual provisions concerning the **48-month Lock-in Period**, termination, quiet enjoyment, maintenance and repair obligations. It submits that no valid termination of the agreements has been effected and, therefore, the demand for immediate return of the EVs is premature and contrary to the contractual arrangement.

6.6 It is contended that termination requires compliance with the agreed contractual procedure, including notice of the alleged event of default and the stipulated cure period. A demand for payment, without complying with the contractual termination mechanism, cannot constitute valid termination or entitle the Applicant to repossess the leased EVs.

6.7 The Respondent submits that the Applicant's claim of **Rs. 1,29,57,183/-** is disputed and cannot be treated as an admitted liability. The amount allegedly ignores the Respondent's claims, expenditure, contractual adjustments and the requirement of reconciliation of mutual accounts; the part-payment of **Rs. 5,00,000/- on 30.01.2026** was also stated to be subject to reconciliation.

6.8 It is further submitted that the disputes concerning lease rentals, maintenance, repairs, insurance, penalties, set-off and reciprocal obligations constitute genuine and pre-existing contractual disputes. The Respondent contends that such disputed claims require adjudication in accordance with the contractual dispute-resolution mechanism and cannot be summarily determined in proceedings under Section 60(5) of the IBC.

6.9 The Respondent relies upon the arbitration provision contained in the agreements and submits that mutual claims arising from the contractual relationship are required to be resolved through arbitration. Reliance is placed on the contractual provisions relating to **arbitration and set-off**, as forming part of the parties' agreed mechanism for resolution of their disputes.

6.10 On jurisdiction, reliance is placed upon *Tata Consultancy Services Ltd. v. Vishal Ghisulal Jain*, (2022) 2 SCC 583, to contend that the jurisdiction under Section 60(5) cannot be invoked for summary adjudication of purely contractual disputes which do not arise from or relate to the insolvency proceedings. The Respondent submits that such disputes fall outside the scope of the Tribunal's summary jurisdiction.

6.11 Reliance is also placed upon *Gujarat Urja Vikas Nigam Ltd. v. Amit Gupta & Ors.,* (2021) 7 SCC 209, to submit that Section 60(5) confers jurisdiction over matters arising out of or in relation to insolvency, but does not convert the Tribunal into a forum for determination of every contractual dispute between parties.

6.12 The Respondent relies upon *Mobilox Innovations Pvt. Ltd. v. Kirusa Software Pvt. Ltd.,* (2018) 1 SCC 353 and *K. Kishan v. M/s Vijay Nirman Company Pvt. Ltd.*, (2018) 17 SCC 662, submitting that insolvency proceedings cannot be utilised as a substitute for recovery proceedings where a genuine and pre-existing dispute exists between the parties.

6.13 Reliance is further placed upon *Embassy Property Developments Pvt. Ltd. v. State of Karnataka & Ors.,* (2020) 13 SCC 308, in support of the proposition that the Tribunal cannot adjudicate disputes which lie outside the insolvency jurisdiction and which require determination by an appropriate forum. The Respondent therefore disputes the maintainability of the present Application in its existing form.

6.14 Lastly, the Respondent submits that grant of the reliefs sought would cause serious prejudice to its ongoing EV-based operations, employees, drivers and associated business arrangements, particularly when the contractual relationship, dues and reciprocal obligations remain disputed. It accordingly prays for dismissal of the Application.

7. We have heard the Ld. Counsel for the Applicant and the Ld. Counsel for the Respondents and perused the Application, Reply, Rejoinder, Written Submissions, documents and material placed on record. The execution of the Master Lease/Fleet Management Agreements is not in dispute. The issues requiring consideration are the subsistence or termination of the contractual arrangement, the disputed monetary claim, the competing claims of maintenance/insurance and set-off, and the consequential prayer for return of the EVs.

8. The Applicant relies upon the Master Lease/Fleet Management Agreements and the correspondence, invoices, ledger and vehicle particulars forming part of Annexures A-3 to A-9 and Annexure-I to the Rejoinder. The Respondents rely upon the contemporaneous correspondence concerning maintenance, repairs, vehicle condition and insurance, the undertaking and email forming part of Annexures R-1 to R-3, and the documents and judgments annexed with their Written Submissions.

9. From the material on record, it is evident that the Corporate Debtor had leased EVs to Respondent No.1 and that the vehicles continued to remain with Respondent No.1. The Applicant asserts ownership of the vehicles on behalf of the Corporate Debtor, whereas Respondent No.1 claims a subsisting contractual right of possession and use under the agreements. No material has been placed before us establishing transfer of ownership of the vehicles to Respondent No.1.

10. The Applicant alleges default in payment of lease rentals and fleet management charges and claims Rs.1,29,57,183/- up to February 2026, besides contractual penalty, damages, costs, expenses and other charges. The Respondent disputes the computation and has raised claims relating to maintenance, repairs, insurance, operational losses and contractual adjustment/set-off. The payment of Rs.5,00,000/- made on 30.01.2026 is relied upon by the Applicant as part-payment, whereas its effect is disputed by the Respondent.

11. The record further discloses contemporaneous correspondence relied upon by Respondent No.1 concerning alleged deficiencies in maintenance, servicing, charging, battery, vehicle condition and insurance. The Applicant disputes the said allegations and contends that they do not justify withholding the contractual rentals or retaining the vehicles. The competing assertions therefore involve examination of reciprocal contractual obligations and supporting documentary evidence.

12. The contractual provisions relied upon by the parties contemplate payment of rentals and fleet management charges, maintenance and insurance obligations, consequences of default, notice and cure period, termination, and return or repossession of the vehicles.

The Applicant relies principally upon the provisions relating to default and return of vehicles, whereas Respondent No.1 relies upon the lock-in period, termination procedure, maintenance and insurance provisions, set-off and arbitration clauses.

13. The validity and effect of the alleged termination are specifically disputed. The Applicant relies upon its communications dated 06.08.2025, 11.09.2025 and 22.09.2025 and contends that sufficient opportunities were granted to cure the defaults. Respondent No.1 contends that the contractual notice and cure mechanism was not duly complied with and that the said communications did not constitute valid termination notices.

14. The question whether the aforesaid communications amounted to valid termination would require determination of the contractual conditions precedent, including the nature of the alleged event of default, the requisite notice and the stipulated cure period. Such determination is inseparably connected with the construction and application of the contractual terms and the disputed factual circumstances placed before us.

15. Section 60(5) of the Code confers jurisdiction upon the Adjudicating Authority over applications or claims by or against the Corporate Debtor and over questions of law or fact arising out of or in relation to the insolvency resolution process. The existence of a contractual element does not, by itself, exclude such jurisdiction; however, the statutory jurisdiction cannot be enlarged into a general forum for adjudication of every contractual dispute between the parties.

16. In *Gujarat Urja Vikas Nigam Ltd. v. Amit Gupta & Ors.*, (2021) 7 SCC 209, the Hon'ble Supreme Court recognised that the jurisdiction under Section 60(5)(c) may extend to a contractual dispute having a direct nexus with the insolvency resolution process. The jurisdiction is, however, to be exercised having regard to the nature of the dispute and its connection with the insolvency proceedings and does not confer an unrestricted power to adjudicate all contractual disputes.

17. In *Tata Consultancy Services Ltd. v. Vishal Ghisulal Jain*, (2022) 2 SCC 583, the Hon'ble Supreme Court reiterated that the residuary jurisdiction under Section 60(5)(c) cannot ordinarily be invoked for a contractual dispute arising dehors the insolvency proceedings. The Adjudicating Authority must, therefore, examine whether the dispute has the requisite nexus with the insolvency process and whether the relief sought requires determination of contractual rights falling outside the insolvency jurisdiction.

18. The existence of an arbitration clause in the agreements, by itself, does not oust the jurisdiction of this Adjudicating Authority where a matter otherwise falls within Section 60(5) of the Code. At the same time, where the dispute is essentially contractual, involves reciprocal claims and requires adjudication of disputed facts and contractual rights, the agreed dispute-resolution mechanism assumes relevance, particularly where no determination of such rights is necessary for conduct of the CIRP.

19. In the present case, the dispute regarding the quantum of lease rentals, maintenance expenditure, insurance liabilities, penalties, damages and adjustment/set-off is not an admitted or crystallised liability. Determination thereof would require examination of invoices, ledger entries, contemporaneous correspondence, expenditure incurred and the respective contractual obligations of the parties. We are therefore not inclined to finally adjudicate the disputed monetary claims in the present application.

20. Similarly, the question whether the agreements stood validly terminated and whether Respondent No.1's contractual right of possession consequently came to an end cannot be conclusively determined without adjudicating the disputed contractual obligations, notices and cure period. In the facts of the present case, such adjudication would travel beyond the limited determination necessary for protection of the insolvency process and is accordingly left open for determination in accordance with the contractual terms and applicable law.

21. The statutory duties of the Resolution Professional under Sections 25(1) and 25(2)(a) of the Code to preserve and protect the assets of the Corporate Debtor do not, by themselves, determine or extinguish a contractual right of possession asserted by a lessee. The Applicant's statutory obligation to protect the assets of the Corporate Debtor must therefore be harmonised with the contractual rights, if any, of Respondent No.1, without prejudging their final determination.

22. At the same time, it is undisputed that the Corporate Debtor is the lessor/owner of the vehicles and these vehicles are in the possession of Respondent No.1, as the lessee. Pending determination of the parties' respective contractual rights flowing from the **Master Lease Agreement dated 24.08.2024**, Addendum dated **02.08.2024** and Fleet Management Agreement dated **02.08.2024**, it is necessary to ensure that the said vehicles are preserved by the Lessee and are not dealt with other than as provided in the Lease Agreement. .

23. Respondent No.1 shall furnish to the Applicant, within 07 days from the date of this order, a vehicle-wise statement indicating the present location, registration number, condition and custody of each vehicle, if not already provided.

24. Respondent No.1 shall also permit the

Applicant/Resolution Professional or an authorised representative to carry out physical verification of the said vehicles upon giving at least 48 hours' prior written notice, during reasonable business hours. Such verification shall be confined to identification, location, condition and preservation of the vehicles and shall not be treated as repossession or as determination of the parties' contractual rights.

25. In view of the disputed question concerning the validity of termination and the consequential right of repossession, the prayer for immediate return/repossesssion of all 70 EV vehicles cannot, at this stage, be granted. Likewise, the claim of Rs.1,29,57,183/- up to February 2026 and the claims towards penalty, damages, costs, expenses and other charges are not finally adjudicated herein. The parties shall remain at liberty to pursue their respective contractual and other remedies available under law, including the agreed dispute-resolution mechanism.

26. As regards Respondent Nos.2 and 3, no independent contractual or statutory liability for the monetary claim has been established in the present Application. Accordingly, no personal liability is determined against them. The protective directions contained herein shall apply to them only to the extent that any of the subject vehicles are presently in their individual custody or control.

27. Accordingly, **I.A. No.503(AHM)2026** is **disposed of** in the aforesaid terms. No order as to costs.

-Sd-	**-Sd-**
SANJEEV SHARMA **MEMBER (TECHNICAL)**	**SHAMMI KHAN** **MEMBER (JUDICIAL)**

Alpesh Ps