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

+ **O.M.P.(I) (COMM.) 163/2025**

SMAS AUTO LEASING INDIA PVT LTD

.....Petitioner

Through: Mr. Rajshekhar Rao, Senior Advocate
with Mr. Aditya Bhattacharya, Mr. Mayank
Pandey, Ms. Simran Tandon, Mr. Sarthak Miglani
and Ms. Mehrunissa, Advocates.

versus

GENSOL ENGINEERING LIMITED & ORS.

.....Respondents

Through: None.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

07.05.2025

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1. This petition is preferred on behalf of the Petitioner under Section 9 of the Arbitration and Conciliation Act, 1996 ('1996 Act') seeking interim reliefs.
2. Issue notice to the Respondents, through all permissible modes, returnable on 22.07.2025.
3. As set out in the petition, case of the Petitioner is that Petitioner is a company involved in business of leasing vehicles and *inter alia* providing Fleet Management Services in respect of vehicles leased by it or otherwise as also providing other value added services. Respondent No.1 is a listed company engaged in providing Solar Consultancy Services, leasing of electrical vehicles, etc. and Respondent No.2 is an Indian ridesharing company providing India's first all-electric shared mobility platform and operating majorly in parts of Delhi, NCR, Bangalore, Mumbai and Dubai.

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4. It is averred in the petition that Petitioner and Respondent No.1 entered into a Master Lease Agreement ('MLA') dated 26.05.2021 for leasing Electric Vehicles ('EVs') and for availing Fleet Management Services offered by the Petitioner. Under the MLA, Petitioner leased 164 EVs to Respondent No.1 and Respondents No.3 and 4 executed Deeds of Guarantee dated 31.05.2021 in favour of the Petitioner providing an unconditional and personal guarantee in favour of the Petitioner ensuring due payment of rentals, interest and other monies owed by Respondent No.1 under the MLA. Petitioner and Respondent No.2 entered into MLA dated 23.09.2022 for leasing EVs and availing Fleet Management Services and in lieu of obligations of Respondent No.2, Letter of Guarantee dated 23.09.2022 was issued by Respondent No.2 under the MLA, Petitioner leased 46 EVs to Respondent No.2.

5. It is stated that on 05.04.2025, Petitioner issued several invoices to Respondent No.2 towards lease rent against 46 EVs and Fleet Management Services provided for the month of March, 2025, against which Respondent No.2 issued electronic fund transfer instructions under NACH mandate, however, on 05.04.2025 Petitioner received intimation from its Bank that the electronic fund transfer was dishonoured/failed for the reason 'Balance Insufficient'.

6. Mr. Rajshekhar Rao, learned Senior counsel for the Petitioner submits that Petitioner was constrained to issue legal notice dated 28.04.2025 under Section 25 of Payment and Settlement Systems Act, 2007 against Respondent No.1 for the outstanding amounts followed by termination notice dated 30.04.2025 to Respondents No.1 and 2, terminating the MLAs dated 26.05.2021 and 23.09.2022 as also for repossession of 164 and 46 EVs

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respectively and for clearing the outstanding amounts within 24 hours, but Respondents have failed to honour their commitments.

7. It is urged that Petitioner has been compelled to file the present petition for urgent interim measures to seek protection and preservation of the leased EVs which require routine maintenance and regular operation to remain in proper working condition. It is submitted that from media reports, Petitioner has learnt that Respondents have discontinued their business operations relating to Cab and Rideshare Transportation Services. Additionally, SEBI has passed an interim order dated 15.04.2025 against Respondent No.1 and its founders and promoters restraining them from holding key managerial positions and dealing in securities, due to violations of securities laws, including but not limited to siphoning of funds.

8. It is further submitted that Petitioner is indisputably the owner of the EVs and is entitled to repossess the same, especially considering that the EVs are entirely battery powered and their consistent use is critical for maintaining battery health and operational viability. In this backdrop, it is submitted that the Court may appoint Receivers to take charge of, preserve and maintain the EVs in order to ensure that the lithium-ion batteries, which power the EVs, do not deteriorate on being left without charge for prolonged duration. It is also urged that under Clause A.2(e) of MLA, Respondents are not entitled to transfer, assign or dispose of the EVs by way of mortgage, charge, sub-lease, hypothecation, licence, etc. and Petitioner has a reasonable apprehension that Respondents may alienate or transfer the EVs to third parties and therefore, rights of the Petitioner be protected till Petitioner takes recourse to arbitration in light of Clause C.5 of MLA, which is a dispute resolution clause providing for arbitration. Petitioner currently

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has no information on the location or status of the EVs and this creates a genuine apprehension that the vehicles, if not preserved, may disappear.

9. It is further argued that Respondents have defaulted in remitting the lease rentals and this default, along with a concerning downgrade in the credit rating of the Respondents, media reports of financial distress, urgently requires a direction for appointment of Receivers to take possession of the EVs and a restraint against the Respondents from encumbering the vehicles.

10. Having heard learned Senior counsel for the Petitioner, this Court is of the view that Petitioner has made out a *prima facie* case for grant of an interim relief.

11. It is accordingly directed that till the next date of hearing, Respondents shall not sell, alienate, transfer or encumber or in any manner create third party rights in respect of the aforementioned EVs, i.e. 164 and 46 under the respective MLAs.

12. Mr. Amit Singh, Mr. Ramesh Taneja and Mr. Hitesh Saini are appointed as Receivers, who will take possession of the EVs and make an inventory and take photographs etc. after inspection in the presence of the authorised representatives and/or counsels for the parties. It will be open to the Receivers to take all necessary steps to charge and preserve the EVs so that they remain in good and working condition. It is further directed that when called upon, Respondents will cooperate in identifying the locations where the aforementioned EVs are parked, within two days and will make no attempt to shift the EVs to any other location.

13. It is further directed that Respondents will permit the Receivers to peacefully carry out the execution of this order, without creating hinderance or obstruction of any kind. Receivers may take assistance of the local police

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station, if circumstances so require and if any assistance is sought, SHO of the concerned Police Station will render full cooperation.

14. Fee of the Receivers is fixed at Rs.5 lacs each, excluding the out-of-pocket expenses, to be paid by the Petitioner.

15. The Receivers will file the reports along with the inventory within four weeks from today.

JYOTI SINGH, J

MAY 7, 2025

S.Sharma

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