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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% **Date of Decision: 30.04.2025**

+ W.P.(C) 2354/2025 & CM APPL. 11185/2025

M/S SUN MOBILITY PRIVATE LIMITED AND ANR.

.....Petitioners

Through: Mr. Rupesh Gupta and Ms. Kritika
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versus

GOVT. OF NCT OF DELHI AND OTHERSRespondents

Through: Ms. Avni Singh, Panel Counsel for
GNCTD with Ms. Prapti, Advocate
for R-1 & R-3
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CORAM:**HON'BLE MS. JUSTICE MINI PUSHKARNA****MINI PUSHKARNA, J (ORAL)**

1. The present writ petition has been filed for directions to respondents to allow the petitioners to inspect the batteries, which are lying in the impounding pits, and to return to Lithium-ion batteries owned by the petitioners.
2. Learned counsel appearing for the petitioners has drawn the attention of this Court to the judgment dated 12th December, 2024, passed in *W. P. (C) 12992/2024*, to submit that in similar circumstances, the respondents therein, had released the batteries to the petitioner, therein. Thus, he submits that in the present case, the respondents should release the batteries in question, in terms of the aforesaid judgment.



3. Learned counsel appearing for the respondent, i.e., Govt. of NCT of Delhi (“GNCTD”), submits that the petitioners are guilty of supplying batteries to the unregistered E-rickshaws. Therefore, she submits that the petitioners have committed a wrong, as their action could lead to further illegal operation of unregistered vehicles, undermining public safety, and therefore, the petitioners cannot be allowed to have the batteries, released to them. She further submits that the petitioners cannot benefit from their own wrong.

4. Having heard learned counsel appearing for the parties, this Court notes that *vide* judgment dated 12th December, 2024, passed in *W.P.(C) 12992/2024*, titled as “*M/s Upgrid Solutions Private Limited and Anr. Versus Govt. of NCT of Delhi and Ors.*” this Court has held as follows:

“xxx xxx xxx

15. It is pertinent to note that the Respondents now intend to dispose of the batteries recovered from the impounded e-rickshaws through a public auction. They have further argued that there is no legal provision mandating the return of any component of the impounded vehicles. In the opinion of the Court, these arguments are untenable for several reasons. First, it has already been established that the batteries have been segregated and preserved, while the e-rickshaws themselves have been destroyed. The fact that the Respondents are preparing to auction these batteries demonstrates that the batteries are not being treated as ‘end-of-life batteries’ under the Battery Waste Management Rules, 2022.

16. Second, the Court cannot ignore the environmental implications of improper battery disposal. Batteries used in e-rickshaws often contain hazardous materials such as lithium, cobalt, and nickel, which can be detrimental to the environment if not handled properly. Allowing the batteries to be returned to their rightful owner or leasing company would not only mitigate e-waste but also facilitate their proper recycling, contribute to resource conservation and compliance with government policies on waste management and recycling.

17. Third, batteries are a significant and valuable component of e-rickshaws, and the financial investment made by the leasing company must be protected. The leasing model presented by the Petitioners highlights that the batteries remain the property of the leasing company under the terms of the agreement. Returning the batteries would enable the Petitioners to either reuse them in



other vehicles, thereby recovering a portion of their investment.

18. Respondents have argued that the August 2020 MoRTH communication, which contemplates EVs without batteries, hinges upon a type approval certificate. They point out that in absence of type approval certificate, leasing batteries to unregistered and unfit vehicles compromises public welfare. In this regard, it is noted that while the State's concerns highlight valid regulatory and enforcement considerations, they must be balanced against the Petitioners' ownership rights and the evolving landscape of EV battery leasing models. The absence of a type approval certificate, while pertinent to the vehicles' registration, does not extinguish the Petitioners' proprietary stake in the batteries. Further, through suitable directions we can ensuring that future leases comply fully with all fitness and approval norms which would address the safety concerns pointed out by the Respondents. The remedy of buying back batteries through an auction, as suggested by the Respondents, would be manifestly unfair and economically irrational. It would amount to forcing the Petitioners to bid for what they lawfully own.

19. Further, the Petitioner's business model of leasing batteries to erickshaw owners is neither prohibited nor contrary to existing regulations; rather, it aligns with the central government's vision for advancing electric vehicle (EV) adoption in India. The Battery Swapping Policy, though currently at the draft stage, is being actively deliberated as a strategic initiative to address challenges in EV adoption. Ordinarily, EVs are sold with fixed batteries, requiring direct charging through a power supply while housed within the vehicle. This setup has been identified as a significant bottleneck for large-scale EV adoption, primarily due to the lack of reliable and widespread charging infrastructure. The draft policy identifies battery swapping as a viable alternative to fixed battery systems. Battery swapping allows for the exchange of discharged batteries with pre-charged ones, enabling users to charge batteries separately and ensuring minimal downtime for EVs. The Petitioner's business model based on this approach, promotes operational flexibility and efficiency.

20. In sum, the Court finds that the Petitioner is entitled to reclaim the Lithium-ion batteries leased out by them to the e-rickshaw owners. These batteries, clearly identified as leased property under specific agreements, were never owned by the e-rickshaw operators whose unregistered vehicles have been impounded. The Respondents' decision to segregate these batteries from the impounded vehicles reflects a recognition of this distinct ownership. Consequently, upon the Petitioner furnishing the requisite documents to substantiate their ownership, the batteries must be returned to them.

xxx xxx xxx”

(Emphasis Supplied)

5. Considering the finding in the aforesaid judgment, this Court is of the



view that since the petitioners are similarly situated, as the petitioner in the aforesaid writ petition, therefore, in parity, the same benefit needs to be extended to the petitioners herein, as well.

6. Accordingly, it is directed as follows:

- I. The petitioners shall file an undertaking before this Court unequivocally stating that they will lease or supply their Lithium-ion batteries only to E-rickshaw owners, who can furnish proof of valid registration, and fitness certification.
- II. The petitioners' representatives shall appear before the concerned Sub Division Magistrate ("SDM"), along with the requisite documentation, for proving their ownership of the batteries. After due verification of the documents of the petitioners, they shall be allowed to inspect the batteries recovered by the respondents in order to identify those batteries, which have been given by the petitioners for use under their respective Service Agreements/ Contracts.
- III. The identification of the recovered batteries shall be done by the petitioners' representative in the presence of the respondents.
- IV. After inspection and identification of the batteries, the same shall be released to the petitioners within a period of two weeks from the date of the said inspection.
- V. The aforesaid exercise, be carried out by the parties, within a period of four weeks from today.

7. Considering the fact that the petitioners have given out their batteries for use in E-rickshaws which were un-registered, it is directed that the petitioners shall pay a cost of Rs. 50,000/-, which shall be deposited with the DHC Bar Advocates Welfare Fund. The same shall be done within a period



2025:DHC:3191



of one week, from today.

8. The receipt, pertaining to deposit of the said cost, shall be submitted before this Court. For this purpose, list before the Joint Registrar on 15th May, 2025.

9. With the aforesaid directions, the present writ petition, along with the pending application, accordingly, stands disposed of.

MINI PUSHKARNA, J

APRIL 30, 2025

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