



IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT- IV

I.A. No. 1162 of 2023
In
C.P. (IB) No. 3/ND/2020

IN THE MATTER OF:

IDBI Bank Limited

.....Financial Creditor

Versus

Amzen Transportation Industries Private Limited

....Corporate Debtor

AND IN THE MATTER OF:

Deepak Maini,

(Resolution Professional, Amzen Transportation Industries Pvt. Ltd.)

... Applicant/Resolution Professional

VERSUS

Dedicated Freight Corridor Corporation of India Limited

... Respondent

CORAM:

SHRI MANNI SANKARIAH SHANMUGA SUNDARAM,
HON'BLE MEMBER (JUDICIAL)
SHRI ATUL CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

Order Delivered on: 09.09.2025

Present:

For the RP

Mr. Abhishek Anand,

Mr. Karan Kohli, Advs.



**For the DFCCIL
For Railway Board**

Mr. Abhishek Kumar, Adv.
Mr. Avshreya Pratap Singh,
Ms. Usha Jamnal, Advs

ORDER

PER: MANNI SANKARIAH SHANMUGA SUNDARAM, MEMBER (J)

1. Under consideration is an application preferred on behalf of Mr. Deepak Maini, the Resolution Professional ("**Applicant**") of the Corporate Debtor i.e. Amzen Transportation Industries Private Limited under Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 ("**the Code**") read with Rule 11 of the National Company Law Tribunal Rules, 2016 ("**NCLT Rules**") with the following prayer:

- a) *To direct the Respondent to restore the Diamond Crossing adjacent to the plant of Corporate Debtor at Sadhugarh (the removal of the same had started on 17.02.2023 morning by the team of DFCCIL without any prior notice or communication.*
- b) *Pass Any order(s) in favour of the Applicant by this Hon'ble Tribunal as it may deems fit and Proper in the interest of justice.*

2. Briefly stated the facts of the present case as averred by the Applicant are:

- a) That the Corporate Debtor, *M/s Arnzen Transportation Industries Private Limited* ("Corporate Debtor"), had approached the Dedicated Freight Corridor Corporation of India Ltd. ("Respondent") seeking rail connectivity of its Private Siding near Sadhugarh with the Eastern Dedicated Freight Corridor (EDFC). The ex-management of the Corporate Debtor had submitted a proposal for such connectivity, pursuant to which the Respondent granted 'In-Principle Approval' ("IPA") on 21.10.2013 vide letter no. HQ/OP/EDFC/AMTEK.



- b) It is submitted that, upon preliminary examination of the revised proposal submitted by the ex-management vide letter no. ATIPL/Con/DFC/2019/2 dated 17.02.2020, and further correspondence dated 18.03.2020 bearing the same reference number, seeking clarifications from the Respondent, the Competent Authority of DFCCIL accorded a fresh 'In-Principle Approval'—superseding the earlier IPA dated 21.10.2013—for connectivity of the Corporate Debtor's Private Siding at Sadhugarh with the EDFC, vide letter dated 13.05.2020 bearing no. HQ/OP&BD/EDFC/AMTEK.
- c) That, as per Clause 3 of the letter dated 13.05.2020 bearing no. HQ/OP&BD/EDFC/AMTEK, the concept plan of the Private Siding Owner ("PSO") was agreed to *in principle*, subject to the following provisions:

Interim Phase: A diamond crossing shall be provided by the Private Siding Owner to facilitate movement of DFC machinery during the construction phase.

Final Phase: The existing two holding lines of M/s AMTEK (now M/s AMZEN), each having a CAL of 790 meters, shall be connected to the DFC through suitable points and crossings, and the existing connectivity with the JR (Sadhugarh station of Northern Railway) shall be discontinued.



Based on the letter dated 13.05.2020, the Respondent provided a diamond crossing to the Corporate Debtor to facilitate the movement of DFC machinery during the construction phase.

- d) That, on 12.01.2023, the Respondent convened a meeting with the Applicant, during which it was stated that retaining the diamond crossing would constitute a violation of the IPA, as the said crossing was a temporary arrangement to be removed once the Dedicated Freight Corridors (**'DFC'**) became operational. The Respondent further noted that, since operations on the DFCCIL main line were expected to commence shortly, the continued existence of the temporary diamond crossing would hinder section commissioning and affect the overall effectiveness of this nationally important DFC project, thereby necessitating its removal in compliance with the terms of the IPA. On the same day, the Applicant requested the Respondent to submit its claim for an amount of Rs. 27,58,307/-.
- e) Thereafter, the Resolution Professional apprised the CoC that two members of his team had visited the factory premises at Sadhugarh on 17.02.2023. During the visit, they were informed that a team from DFCCIL, led by Mr. Pankaj Gupta from Ambala Cantt., along with approximately 20 members, had arrived to commence removal of the diamond crossing, which had been provided only as an interim measure. The Applicant sought an explanation for the absence of prior notice and expressed that such action was in violation of the moratorium. Consequently,



the Applicant immediately approached the DFCCIL Corporate Office to meet with its officials and apprised them that the CIRP of the Corporate Debtor was at a critical stage, with four Resolution Applicants expected to submit their Resolution Plans by 21.02.2023. It was further conveyed that any such unilateral and uninformed action by the Respondent could discourage participation by the Resolution Applicants or lead to lower bid values.

- f) In light of the powers and duties vested in the Applicant under the Code to preserve and maximize the value of the Corporate Debtor and safeguard its assets, the Applicant requested the Respondent to withdraw or defer the proposed removal of the diamond crossing until the Resolution Plan of any one of the Resolution Applicants was approved by the Committee of Creditors.
- g) The Applicant submitted that the Ministry of Railways initiated the formation of a Special Purpose Vehicle for the construction, operation, and maintenance of the Dedicated Freight Corridors, resulting in the establishment of the Dedicated Freight Corridor Corporation of India Limited (DFCCIL). DFCCIL was incorporated on 30th October 2006 as a Schedule 'A' company under the Companies Act, 1956, with the mandate to undertake planning and development, mobilization of financial resources, construction, operation and maintenance, and business



development of the Dedicated Freight Corridors. The mission of the Respondent/DFCCIL is:

- (i) To construct a corridor with appropriate technology enabling Indian Railways to regain its freight transport market share by creating additional capacity and ensuring efficient, reliable, safe, and cost-effective mobility options for customers;
- (ii) To establish multimodal logistics parks along the Dedicated Freight Corridor to provide integrated transport solutions; and
- (iii) To promote ecological sustainability by encouraging the use of railways as the most environmentally friendly mode of transport.

3. REPLY ON BEHALF OF RESPONDENT i.e. DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED

- a) The Respondent is a Public Sector Undertaking under the Ministry of Railways, Government of India, incorporated on 30 October 2006 under the Companies Act, 1956, to plan, develop, finance, construct, operate, and maintain the Dedicated Freight Corridors (“DFC”), a project of national importance. Conceived in response to India’s growing rail freight demand, the Ministry established it as a Special Purpose Vehicle to develop the Eastern and Western DFC routes.



- b) The Corporate Debtor, formerly M/s AMTEK Railcar Industries Pvt. Ltd., sought rail connectivity of its private siding near Sadugarh with the Eastern Dedicated Freight Corridor (EDFC) and submitted a proposal for the same. The Respondent granted 'In-Principle Approval' (IPA) vide letter No. HQ/OP/EDFC/AMTEK dated 21.10.2013. Subsequently, after its name was changed to M/s AMZEN Transportation Industries Pvt. Ltd., the Corporate Debtor requested reconsideration of the connectivity and resubmitted a revised proposal vide letter No. ATIPL/Con/DFC/2019/2 dated 17.02.2020.
- c) Upon preliminary examination of the revised proposal received vide letter No. ATIPL/Con/DFC/2019/2 dated 18.03.2020, the Respondent granted 'In-Principle Approval' (IPA) vide letter No. HQ/OP&BD/EDFC/AMTEK dated 13.05.2020 for a private siding with Sadhugarh Station (IR), proposed to be connected with the EDFC, to be developed entirely at the Corporate Debtor's cost.

The IPA dated 13.05.2020 stipulated the following:

Interim phase: A diamond crossing was to be provided by the Private Siding owner to facilitate machine movement of DFC during the construction phase.

Final phase: Existing two holding lines of Corporate Debtor having 790 mtr CAL was to be connected to DFC



with suitable points and crossings and the connectivity with IR (Sadhgarh station of NR) was to be disconnected.

- d) Thereafter, vide letter No. HQ-OPBD/BD (PSP)/1/2020 dated 23.12.2020, the Respondent directed the Corporate Debtor (Applicant herein) to deposit the interim cost for laying a diamond crossing. In compliance, the Corporate Debtor, on 28.12.2020, deposited ₹25,00,000/- (Rupees Twenty-Five Lakh only) with the Respondent (CGM/Ambala) towards this interim cost. The said letter also stated that the final cost would be communicated upon completion of the work.
- e) As per the IPA, the Corporate Debtor was required to submit a Detailed Project Report (DPR) and pay overhead charges in accordance with the DFCCIL Private Siding Rail Connectivity Policy. However, the Corporate Debtor neither submitted the DPR nor paid the overhead charges, and both remain outstanding.
- f) Despite multiple correspondences, personal meetings, and telephonic interactions, the Corporate Debtor failed to initiate the process of depositing the cost for the diamond crossing or submitting the DPR. The Respondent issued several reminder emails on 20.04.2021, 04.05.2021, 02.06.2021, 25.06.2021, 08.07.2021, 11.08.2021, 30.08.2021, 28.09.2021, 25.10.2021, 04.12.2021, 11.01.2022, 22.02.2022, 23.03.2022, 21.04.2022, and 12.05.2022, but no action was taken.
- g) On 15.03.2021, a meeting was held between the Respondent and the Corporate Debtor regarding rail connectivity of the private



siding with the EDFC at New Sadhugarh. During the meeting, the Corporate Debtor informed that the mechanical work had been completed, electrification was in progress, and the work was being executed by DFCCIL. The Respondent once again advised the Corporate Debtor to expedite submission of the Detailed Project Report (DPR) for the rail connectivity.

- h) However, due to the Corporate Debtor's continued non-responsiveness and considering the critical requirement of NTC machine movement for EDFC track linking, the Respondent was left with no option but to proceed with the work of providing the diamond crossing at its own initiative, while keeping the Corporate Debtor informed that the final cost—payable by the Corporate Debtor, would be communicated upon completion of the work.
- i) The Respondent executed the work of laying the diamond crossing at the SDY yard, incurring a total cost of ₹52,58,307/- (Rupees Fifty-Two Lakh Fifty-Eight Thousand Three Hundred Seven only) as per IR requirements. Since the Corporate Debtor had already deposited ₹25,00,000/- on 28.12.2020 as an interim payment, the Respondent, vide letters CGM/UMB/AMTEK Siding/2020 dated 20.01.2022 and HQ-OPBD/BD (PSP)/1/2020 dated 03.02.2022, requested payment of the balance ₹27,58,307/-. However, the Corporate Debtor failed to make any payment towards the outstanding amount, which remains unpaid to date.



- j) Further, on 15.11.2023, the Respondent submitted a representation regarding the execution of work carried out by DFCCIL and the treatment of dues arising from such execution in the context of the CIRP of the Corporate Debtor. The Respondent also made it clear that, in the absence of the aforesaid requisitions, it would be constrained to disconnect the existing connectivity (diamond crossing), as the same is required for commissioning the DFC alignment in accordance with the IPA Final Phase compliance.
- k) The Respondent submitted that, in this context, it is pertinent to note that failure to remove the diamond crossing would constitute a violation of the In-Principle Approval (IPA) dated 13.05.2020. Clause 1 of the IPA stipulates:

"Presently, the rail connectivity of the Private Siding (PS) is with Sadhugarh station (Ambala–Ludhiana section) of Ambala division of Northern Railways (NR). After commissioning of the EDFC section, the connectivity of the Private Siding will be with New Sadhugarh Station/ Cabin of EDFC only, and the connectivity with Sadhugarh station of NR will be disconnected."

- l) Accordingly, the temporary connection through the diamond crossing must be removed once the DFC becomes operational. Since operations on the DFCCIL main line are expected to commence shortly, the continued existence of this temporary



connection would hinder section commissioning and adversely affect the overall effectiveness of the DFC project, a project of national importance. Therefore, the removal of the diamond crossing is warranted in strict compliance with the terms of the IPA granted to the Corporate Debtor.

m) That vide letter/representation dated 17.02.2023, the Respondent reiterated to the Applicant that, as per the IPA dated 13.05.2020, the “Interim Phase” involving provision of the diamond crossing during the construction stage stood completed, and its removal was underway owing to the commissioning of the DFCCIL project. The “Final Phase” under the IPA, connecting the Corporate Debtor’s two holding lines (790 m CAL) to the DFC with suitable points and crossings, had commenced, but the requisite proposal from the Corporate Debtor was still awaited. In line with the IPA, the Corporate Debtor was required to submit a Detailed Project Report (DPR) and pay overhead charges as per the DFCCIL Private Siding Rail Connectivity Policy; both remained pending.

n) Consequently, due to the conduct of the Corporate Debtor, the Respondent filed a claim in the prescribed form for the balance outstanding amount of ₹27,58,307/- (Rupees Twenty-Seven Lakh Fifty-Eight Thousand Three Hundred and Seven only). This claim was subsequently admitted in full by the Applicant, as confirmed via email dated 02.05.2023, wherein the entire amount was acknowledged as part of the CIRP cost.



- o) Further, it is submitted by the Respondent that the removal of the present connectivity (diamond crossing), necessitated for commissioning the DFC alignment due to non-payment of its laying cost, does not amount to *“recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor”* under Section 14(d) of the IBC, as the Corporate Debtor was never in actual or constructive possession of the diamond crossing laid by the Respondent.
- p) DFCCIL’s projects are of national importance and bound by deadlines set by the Ministry of Railways. The diamond crossing, sanctioned for a tenure of two years, must now be removed in compliance with the IPA dated 13.05.2020 to complete the project. This action is not punitive but in accordance with the IPA, which also envisages connecting the Corporate Debtor’s holding lines to the DFC under Phase-II, an added value for any prospective resolution applicant. Hence, the removal of the diamond crossing is both indispensable and legitimate.

4. REJOINDER ON BEHALF OF APPLICANT

- a) The Applicant submits that the Respondent has overlooked the fact that the Corporate Debtor is undergoing CIRP pursuant to order dated 04.05.2022 passed by this Adjudicating Authority, and that a moratorium under Section 14 of the IBC, 2016 stands imposed. The object of Section 14 is to grant the Corporate Debtor



protection from recovery proceedings and litigations, thereby affording an opportunity for revival and resolution.

- b) It is Applicant's contention that Section 14(1)(d) of the Code prohibits recovery of any property by an owner or lessor where such property is in the possession of the Corporate Debtor. Despite being aware that the Corporate Debtor is under CIRP, the Respondent has unilaterally removed the Diamond Crossing adjacent to the Corporate Debtor's plant at Sadhugarh without notice or intimation. The Applicant, in discharge of duty under Section 20 of the Code to keep the Corporate Debtor as a going concern and to maximize its value, specifically requested the Respondent not to remove the Diamond Crossing. However, the Respondent disregarded such request and proceeded with the removal, jeopardizing the CIRP process.

ANALYSIS AND FINDINGS

5. This Adjudicating Authority has heard the arguments advanced by Learned Counsels for the parties and perused the pleadings, submissions, and documents placed on record.
6. On perusal of the record, it is noted that the present application has been filed by the Applicant seeking restoration of the Diamond Crossing adjacent to the Corporate Debtor's plant at Sadhugarh, which as per the averment of the Applicant is an essential for rail connectivity of its Private Siding with the EDFC. The ex-management of the Corporate Debtor had initially submitted a proposal for such connectivity.



Subsequently, upon submission of a revised proposal by the ex-management through letters dated 17.02.2020 and 18.03.2020, and after due examination, the Respondent/Competent Authority of DFCCIL accorded a fresh *In-Principle Approval* for connectivity of the Corporate Debtor's Private Siding at Sadhugarh with the EDFC.

7. That the *In-Principle Approval* (IPA) dated 13.05.2020 accorded to the Corporate Debtor provided as follows:

Interim Phase: The Private Siding owner was to provide a diamond crossing to facilitate DFC machine movement during the construction phase.

Final Phase: The existing two holding lines of the Corporate Debtor (790 mtr CAL) were to be connected to the DFC with suitable points and crossings, while the connectivity with IR (Sadhugarh station of NR) was to be discontinued.

That the Respondent, vide letter dated 23.12.2020, directed the Corporate Debtor to deposit the interim cost for laying the Diamond Crossing. In compliance, the Corporate Debtor deposited Rs. 25,00,000/- on 28.12.2020 with the Respondent (CGM/Ambala). As per the IPA, the Corporate Debtor was also required to submit the Detailed Project Report (DPR) and pay overhead charges under the DFCCIL Private Siding Rail Connectivity Policy; however, both remain outstanding.

8. That subsequently during the course, the Corporate Debtor was admitted under Corporate Insolvency Resolution Process ("**CIRP**") owing to the financial constraints of the Corporate Debtor, vide order dated 04.05.2022



- 9.** That the Respondent executed the work of laying the Diamond Crossing at SDY yard at a total cost of Rs. 52,58,307/-. Since the Corporate Debtor had already deposited Rs. 25,00,000/- on 28.12.2020, the Respondent, vide letters dated 20.01.2022 and 03.02.2022, requested payment of the balance amount of Rs. 27,58,307/-,
- 10.** That on 15.11.2023, the Respondent submitted a representation regarding execution of the Diamond Crossing work and treatment of related dues under the CIRP of the Corporate Debtor, requesting the Applicant to:

- a) treat the outstanding Rs. 27,58,307/- as *insolvency resolution process costs* under Section 5(13) of the IBC, to be accorded priority under Section 53;
- b) provide assurance/commitment towards approx. Rs. 45 crores for the new Sadhoogarh station as operational cost, considering the Applicant has stepped into the shoes of the Corporate Debtor; and
- c) convene a meeting to deliberate on these issues and determine the future course of action.

- 11.** It was further clarified that failure to comply with the above requisitions would compel the Respondent to disconnect the present Diamond Crossing, as required for commissioning of the DFC in terms of the IPA Final Phase. Subsequently, the removal of the Diamond Crossing adjacent to the Corporate Debtor's plant at Sadhugarh was commenced by the team of Dedicated Freight Corridor Corporation of India Limited



(DFCCIL) on 17.02.2023, without any prior notice or communication, despite the Corporate Debtor being under CIRP and the moratorium being in force.

12. We further note that pursuant to the *In-Principle Approval* (IPA) dated 13.05.2020, the Respondent executed the work of laying the Diamond Crossing at SDY yard at a total cost of Rs. 52,58,307/-. The Corporate Debtor had deposited Rs. 25,00,000/- as an interim payment on 28.12.2020. The Respondent, vide letters dated 20.01.2022 and 03.02.2022, requested payment of the balance amount of Rs. 27,58,307/-, which remains outstanding. **On perusal of the record, it is further observed that the initial phase of the project was completed prior to the commencement of the Corporate Insolvency Resolution Process of the Corporate Debtor on 04.05.2022.**

13. We are inclined to place reliance on Section 14 of the Code for the sake of brevity. The Section 14 of the Code is reproduced herebelow

"14. Moratorium. -

(1) Subject to provisions of sub-sections (2) and (3), on the insolvency commencement date, the Adjudicating Authority shall by order declare moratorium for prohibiting all of the following, namely: -

(a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority;



(b)transferring, encumbering, alienating or disposing off by the corporate debtor any of its assets or any legal right or beneficial interest therein;

(c) any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);

(d)the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

14. It is well-settled proposition that the protection of moratorium under Section 14 of the Code extends only to the assets and properties owned by the Corporate Debtor. Properties which do not belong to or are not under the lawful ownership or control of the Corporate Debtor fall outside the purview of the moratorium. The intent of Section 14 is to preserve the assets of the Corporate Debtor for the purpose of insolvency resolution and to prevent disruption to the corporate insolvency process; it does not, and cannot, operate to restrain actions in respect of third-party properties. Therefore, any actions taken in relation to assets not owned by the Corporate Debtor cannot be construed as violations of the moratorium provisions under the Code, and such actions remain legally permissible notwithstanding the ongoing CIRP.

15. Further, as per the submission of the Respondent, several communications were made to the Corporate Debtor for compliance and execution of Phase II of the project, in accordance with the *In-Principle*



Approval dated 13.05.2020 for the rail connectivity of M/s AMTEK (now M/s Amzen Transportation Industries Private Limited) siding with the EDFC.

16. Further, it is the Respondent's contention that the DFCCIL projects are of national importance and must be completed within the deadlines set by the Ministry of Railways. The Diamond Crossing laid for the Corporate Debtor was intended for a tenure of only two years. Its removal is now indispensable for completing the EDFC project in accordance with the *In-Principle Approval* dated 13.05.2020 and any restoration if allowed would cause significant prejudice to the public by delaying or obstructing the commissioning of this nationally important project.

17. Therefore, we do not find any merit in the contentions of the Applicant.

In view of the foregoing submissions, the present application i.e. **I.A. No. 1162 of 2023** is accordingly dismissed.

Sd/-

ATUL CHATURVEDI
MEMBER (TECHNICAL)

Sd/-

MANNI SANKARIAH SHANMUGA SUNDARAM
MEMBER (JUDICIAL)