



IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, PRAYAGRAJ

IA NO.563/2025 & IA NO.564/2025
IN CP (IB) NO.101/ALD/2022

(Application filed under Section 60(5) of IBC read with Rule 11 of NCLT Rules, 2016)

IN THE MATTER OF:

1. LOKESH GARG

S/o Late Ram Avtar Garg,
R/o R-5/14, Raj Nagar, Ghaziabad.

2. GAURANG GARG

S/o Lokesh Garg,
R/o R-5/14, Raj Nagar, Ghaziabad

.....Applicants

Versus

1. ASSOCIATED MACHINERY CORPORATION

F-64 Site- 1, Bulandshahar Road Industrial Area,
Ghaziabad-201001 (UP)

.....Respondent No.1

**2. UTTAR PRADESH STATE INDUSTRIAL DEVELOPMENT
AUTHORITY (UPSIDA)**

C-2, 4th Floor, Mahaluxmi Mall,
RDC, Raj Nagar, Ghaziabad (UP)

.....Respondent No.2

3. M/S SUNDER ENGINEERING WORKS

through its proprietor Mr. Siddhant Jain,
27, Mohkampur Industrial Complex,
Delhi Road, Meerut (U.P) -250002.

.....Respondent No.3

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IN THE MATTER OF:

KAMAL SAHNI

S/o J.C. Sahni

R/o 13/56, Raj Nagar, Ghaziabad,
Kavi Nagar, Uttar Pradesh - 201022

.....Applicant

Versus

1. ASSOCIATED MACHINERY CORPORATION

F-64 Site- 1, Bulandshahar Road Industrial Area,
Ghaziabad-201001 (UP)

.....Respondent No.1

**2. UTTAR PRADESH STATE INDUSTRIAL DEVELOPMENT
AUTHORITY (UPSIDA)**

C-2, 4th Floor, Mahaluxmi Mall,
RDC, Raj Nagar, Ghaziabad (UP)

.....Respondent No.2

3. M/S SUNDER ENGINEERING WORKS

through its proprietor Mr. Siddhant Jain,
27, Mohkampur Industrial Complex,
Delhi Road, Meerut (U.P) -250002

.....Respondent No.3

AND IN THE MATTER OF:

M/S SUNDER ENGINEERING WORKS

Through Its Proprietor Mr. Siddhant Jain
27, Mohkampur Industrial Complex,
Delhi Road, Meerut (U.P.)-250002

.....Operational Creditor

Versus

ASSOCIATED MACHINERY CORPORATION LTD,

F-64 SITE-1, Bulandshahar Road Industrial Area,
GHAZIABAD-201001(UP)

.....Corporate Debtor

Order pronounced on: 22.07.2026

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Coram:

Sh. Praveen Gupta : Member (Judicial)
Sh. Ashish Verma : Member (Technical)

Appearances:

Sh. Shubham Agarwal, Adv. : For Applicant in IA No.563/2025
& IA No.564/2025
Sh. Gaurang Kulshreshtha, Adv. : For the UPSIDA
Sh. Mohit Nandwani with Ms. Adity : For the Respondent Corporate
Yadav, Sh. Aabhas Sukhramani and Debtor
Sh. Anant Prakash, Advs.
Mr. Prachi Johri with : For the Respondent No. 3
Sh. Sachin Jain, Advs.

ORDER

1. The instant applications, being IA Nos. 563/2025 and 564/2025, have been filed by Mr. Lokesh Garg, Mr. Gaurav Garg and Mr. Kamal Sahni (hereinafter collectively referred to as the “Applicants”) respectively on 19.08.2025 under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 11 of the National Company Law Tribunal Rules, 2016, seeking appropriate directions in respect of the order dated 23.01.2024 passed by this Adjudicating Authority in IA No. 17 of 2024.
2. Since both the applications arise out of the same Company Petition, namely CP (IB) No. 101/ALD/2022 and involve substantially common questions of fact and law concerning the effect of the order dated 23.01.2024 on the transfer process initiated in favour of the Applicants, both these applications are being adjudicated by way of this common order.

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3. The reliefs sought in the instant applications are as follows:

- a. *allow the present application;*
- b. *may please to direct UPSIDA/ Respondent no.2 to execute the lease deed of Plot No. F-67 and F-64/F-68, Industrial Area Site-1, B.S. Road, Ghaziabad in favour of applicant as these Plots are no more the assets of Respondent No.1/ Associated Machinery Corporation;*
- c. *may clarify that the order dated 23.01.2024 is not applicable on the land [Plot No. F-67 and F-64/F-68, Industrial Area Site-1, B.S. Road, Ghaziabad] purchased by applicants; or else the applicant shall suffer irreparable loss and injury.*
- d. *Interim Order, if prayed for Pending final decision of application the applicant prays for the following interim relief: That this Hon'ble Tribunal may be pleased to direct UPSIDA/ Respondent no.2 to execute the lease deed in favour of applicant.*

4. The brief facts relating to the present applications are as follows:

- a. The Applicants in the present applications state that they are engaged in manufacturing activities and were in search of industrial land for establishing their respective industrial units in Ghaziabad.
- b. It is submitted that the Corporate Debtor, namely Associated Machinery Corporation, was the lessee of industrial plots situated at Industrial Area Site-1, B.S. Road, Ghaziabad, including Plot Nos. F-64, F-67 and F-68. According to the Applicants, the Corporate Debtor was interested in transferring its leasehold rights in the aforesaid plots along with the structures standing thereon.
- c. The Applicants state that after negotiations with the Corporate Debtor, they agreed to purchase the structures along with the leasehold rights in the said plots. The Applicants in IA No. 563/2025 agreed to purchase

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Plot Nos. F-64 and F-67 for a total consideration of Rs. 3,67,00,000/-, whereas the Applicant in IA No. 564/2025 agreed to purchase Plot No. F-68 for consideration of Rs. 1,31,94,000/-, apart from transfer charges and other incidental expenses.

- d.** It is submitted that since the plots belonged to UPSIDA, the lessor of the industrial plots, applications were submitted by the Corporate Debtor to UPSIDA seeking permission for transfer of the leasehold rights in favour of the respective applicants.
- e.** The Applicants further state that the aforesaid plots were mortgaged with Bank of India and the original lease deeds were deposited with the bank as security. It is averred that the consideration paid by the applicants was utilized for liquidation of the dues of Bank of India, pursuant to which the bank issued No Objection vide letter dated 05.10.2023 and released the concerned properties from mortgage.
- f.** The Applicants submit that UPSIDA, vide letter dated 11.12.2023, granted permission for transfer of Plot Nos. F-64, F-67 and F-68 in favour of the respective applicants, subject to fulfilment of certain conditions, including payment of outstanding dues, surrender of allotment by the Corporate Debtor, submission of stamp papers for execution of lease deed and submission of sale deed in respect of the structures standing on the plots. The relevant excerpts of the letter dated 11.12.2023 from UPSIDA are reproduced as follows:

“Please refer to application of M/S ASSOCIATED MACHINERY CORP PVT. Ltd. dated 24/06/2023 regarding transfer of above noted plot in your favour for setting up of unit: MFG. OF LAMINATED PLYWOOD, BOARD & DOORS ETC. In above

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connection, we are pleased to permit the aforesaid request for transfer of plot subject to payment of transfer levy @10.00 % of prevailing premium i.e. Rs.16250 per square-meter on 66639 square meter on the following terms and conditions:

...

3. The existing allotment/transfer dated 26/08/1981 Agreement dated N/A Possession Memo. dated 19/07/1986 and Lease Deed Executed dated 19/07/1986 shall be surrendered by ex-allottee in favour of the UPSIDC/UPSIDA along with the possession of above noted plot.

...

8.You shall have to get lease deed executed in your favour on new terms & conditions within 60 days from the date of issuance of this letter by submitting stamps mentioned above alongwith other documents, you will have to submit NOC of pollution Control Board for proposed manufacturing item before execution of lease deed.”

- g.** It is stated that pursuant to the said permission, the Applicants deposited the requisite transfer charges and other dues demanded by UPSIDA. The Corporate Debtor on 18.12.2023 and 28.12.2023 thereafter executed sale deeds in respect of the structures standing on the plots in favour of the applicants in IA 564 and IA 563 respectively and also communicated to UPSIDA its surrender of leasehold rights through letter dated 20.12.2023 in the said plots while submitting the original lease deeds and other relevant documents.

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- h.** The Applicants further state that they submitted the requisite documents relating to the industrial units proposed to be established on the plots and completed all formalities required by UPSIDA. According to the Applicants, nothing further remained to be done except execution of the lease deeds by UPSIDA in their favour.
- i.** It is submitted that during the pendency of CP (IB) No. 101/ALD/2022 filed by M/s Sunder Engineering Works against the Corporate Debtor under Section 9 of the Insolvency and Bankruptcy Code, 2016, this Adjudicating Authority, vide order dated 23.01.2024 passed in IA No. 17 of 2024, restrained the Corporate Debtor from further alienating its immovable properties till disposal of the Company Petition.
- j.** The Applicants state that upon approaching UPSIDA for completion of the transfer process, vide letter dated 02.05.2024 they were informed that in view of the order dated 23.01.2024, no further action could be taken with regard to execution of the lease deeds in their favour.
- k.** The Applicants contend that the transfer process in respect of the aforesaid plots had substantially been completed prior to the order dated 23.01.2024, inasmuch as transfer permissions had already been granted by UPSIDA, the structures standing on the plots had been transferred by registered sale deeds, the leasehold rights had been surrendered by the Corporate Debtor and all requisite formalities had been completed by the applicants.
- l.** The Applicants further state that they were under the impression that appropriate proceedings would be initiated by the Corporate Debtor for clarification of the order dated 23.01.2024. However, upon subsequently learning that no such steps had been taken, the present applications came

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to be filed seeking appropriate directions with regard to completion of the transfer process and execution of lease deeds by UPSIDA.

m. It is the case of the Applicants that from the order dated 23.01.2024 it is clear that the Operational Creditor informed the Adjudicating Authority that since there is an alienation of the asset by the Respondent no. 1 (Corporate Debtor), so, no further alienation be done by the Respondent no. 1 and then in a very clandestine manner chose to use the order dated 23rd January, 2024 for stopping the formalities to be completed with regard to the assets which have already been sold by the Respondent no. 1 to the Applicants.

n. Therefore, it is contended that the conduct of UPSIDA is illegal and arbitrary for not appreciating the fact that the order dated 23.01.2023 has no applicability over the land in question.

FINDINGS AND ORDER

5. A perusal of the record reveals that no reply or rejoinder has been filed by either party in the present application. We, therefore, proceed to examine and adjudicate the application on the basis of the averments contained therein, the material placed on record, and the submissions made by the parties.
6. Having considered the reliefs sought, the material placed on record and the facts and circumstances of the present case, we are of the considered opinion that the Applicants have failed to make out any substantial ground for grant of the reliefs sought in the present applications. Since the Company Petition has been admitted by a separate order and the statutory moratorium under

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Section 14 of the Code has come into effect, any interim relief passed would therefore be governed by Section 14 of the Code and therefore, no further clarification or direction, as prayed for by the Applicants, is required to be issued.

7. Consequently, the reliefs sought in the present application do not merit consideration and are accordingly rejected.
8. Accordingly, the applications bearing IA No. 563 of 2025 and IA No. 564 of 2025 stand dismissed.

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(Ashish Verma)
Member (Technical)**

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(Praveen Gupta)
Member (Judicial)**

Date: 22.07.2026