NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI

(APPELLATE JURISDICTION)

Company Appeal (AT) (CH) (Ins) No.400/2026
(IA Nos.1147, 1148 & 1149/2026)

In the matter of:

T Shyamprasad, Suspended Director of
Virgo Properties Pvt Ltd **...Appellant**
V
Phoenix ARC Ltd & Anr. **...Respondents**

Present :

For Appellant : Mr. R. Sankaranarayanan, Senior Advocate
For Ms. Arthi Fernandes, Advocate
For Respondents : Mr. E. Om Prakash, Senior Advocate
For Ms. Aishwarya S Nathan, Advocate for R1
Mr. Mayan H Jain, Advocate for R2

WITH

Company Appeal (AT) (CH) (Ins) No.404/2026
(IA Nos.1155, 1156 & 1157/2026)

In the matter of:

Virgo Realtors Pvt Ltd, Rep by it
Suspended Director **...Appellant**
V
Phoenix ARC Ltd & Anr. **...Respondents**

Present :

For Appellant : Mr. T.K. Bhaskar, Advocate
For Respondents : Mr. E. Om Prakash, Senior Advocate
For Ms. Aishwarya S Nathan, Advocate for R1
Mr. Mayan H Jain, Advocate for R2

ORDER
(Hybrid Mode)

14.08.2026:

These twin appeals are preferred by certain M/s. Virgo Properties Pvt Ltd and M/s. Virgo Realtors Pvt Ltd, two companies promoted by the same set of promoters belonging to a family. These companies were in the real estate business. While so, these companies approached M/s. LTHFL for a loan and the lender, vide its sanction letter dated 15.06.2017, sanctioned Rs.107 crores in all for the two companies. Eventually, there was a bilateral agreement on 23.06.2017, with the two appellants herein constituting as one party and the financier, M/s. LTHFL as the other party.

2. According to the financier, it had disputed the sum sanctioned in multiple stages between 30.06.2017 to 2021. Of the Rs.107 crores sanctioned, some Rs.56 crores were advanced to M/s. Virgo Properties Pvt Ltd and about Rs.44.7 crores were advanced to M/s. Virgo Realtors Pvt Ltd. There is, however, some dispute that the lender had advanced only Rs.98 crores, but that is a matter which need not concern us for the present.

3. Out of the loan amount so received, the M/s. Virgo Realtors Pvt Ltd had sold one of the secured assets with the assent of the

M/s. LTFL for a sum of about Rs.60 crores and paid a part of the sale proceeds into the loan account. According to the appellants, in all they have paid Rs. 134 crores.

4. Be that as it may, on 29.03.2019, the M/s. LTHFL assigned its debt component to one of its sister concern M/s. LTFL but not the security component. This document was executed in Punjab.

5. While things stood thus for default in the payment of interest M/s. LTFL, the above referred to assignee of debt, had issued a notice dated 26.08.2019, and thereafter on 03.09.2019. In between, some dispute arose between the appellant and M/s. LTFL.

6. While things stood thus, on 19.03.2021, there was a merger of M/s. LTHFL & M/s. LTFL. This had happened vide an order of the NCLT, Kolkata Bench. Subsequent thereto, a notice came to be issued by LTFL on 29.10.2021, which in effect is a notice for commencement of arbitral proceedings under Section 21 of the Arbitration and Conciliation Act, 1996. Thereafter, on 13.11.2021 LTFL declared the loan account as NPA. Eventually, the dispute between the parties landed before the arbitral tribunal, where the appellants are stated to have raised a demand for about Rs.23 crores as claim to the M/s. LTFL raised

a counterclaim for Rs.34 crores. Subsequently, thereto M/s. LTFL has assigned the debt to the respondent herein. And this respondent has initiated a proceeding under Section 7 of the I & B Code, 2016, and during the pendency of the proceeding the debt was assigned to M/s. Phoenix ARC Ltd.

7. Heard Mr. R. Sankaranarayanan, the learned senior counsel appearing for the appellant in Comp App (AT) (CH) (Ins) No.400/2026. He elaborated multiple aspects and contended that the order under challenge is erroneous.

8. Since this bench is not continued in the afternoon as one among us will be stuck in a special bench, and since other counsels are also waiting for their turn, and since this matter seems to take a little longer to understand his contention as we are yet to hear Mr. T.K. Bhaskar for M/s. Virgo Realtors Pvt Ltd. We require the Resolution Professional to maintain status quo as on today.

List the matter again under the same caption on **24.08.2026.**

[Justice N. Seshasayee]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

VG/MS/AK