

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI

(APPELLATE JURISDICTION)

Company Appeal (AT) (CH) (Ins) No.368/2026
(IA No.1047/2026)

In the matter of:

**Vasudevan Sathyamoorthy,
Suspended Director & Anr.**

...Appellants

Vs

**Ozone Urbana Infra Developers Pvt Ltd
& 185 Ors.**

...Respondents

Present :

For Appellant	: Mr. P.H. Arvinth Pandian, Senior Advocate For Ms. Gayatri Virmani & Mr. Pranav Gopalakrishnan, Advocate
For Respondents	: Mr. C. K. Nandakumar, Senior Advocate For Ms. Lekha Chandrasekhar, Advocate for Financial Creditor Mr. S.K. Ravi, Advocate for R3 Mr. Reynold D Souza, Advocate for R68, R119, R174 & R116 Mr. Amarpal, RP Party-in-person Ms. Alvina Godwin & Mr. A S Vishwajith, Advocates for R2/IRP Mr. Abhijit Atur, Advocate for Impleading Applicant

ORDER
(Hybrid Mode)

06.08.2026: The issue herein is about a township project being developed by the corporate debtor. It appears that, for convenience, the corporate debtor has divided the said project into multiple sub-projects, but it continues to constitute one single township project. There are, in all, about 13 sub-projects, all of which are being either developed as residential

apartments or as residential plots, and there are a few financial creditors who have also advanced vast sums of money. We take note of the fact that the Hon'ble Supreme Court has engineered certain restructuring of this project, and therefore, here we are required to see how well the interest of each of the stakeholders in the project is protected.

2. Today, the learned counsel for the home buyers who has initiated the CIRP along with some of his clients appeared. The learned counsel for the financial institutions also appeared online.

3. The appellant's counsel submitted that he has certain proposal which may be beneficial to all the stakeholders of this project. It was mildly indicated to us that there could be a possibility of initiating a reverse CIRP of the entire project. While keeping this suggestion of initiating reverse CIRP in mind, we merely required the 1st appellant as well as his counsel to have preliminary discussions with the homebuyers and also parallelly start negotiating with the banks while adjourning.

4. When we took up the matter again, we were informed that the appellant has come forward with certain proposals. However, the homebuyers appeared to have requested certain details, and the appellant has agreed to share those details by 08.08.2026.

5. The learned counsel for the homebuyers, on instruction and in the presence of his clients, submitted that he would take specific instructions on the proposal and try to arrive at a viable and pragmatic solution to this problem.

6. Be that as it may, we also require the appellants to open a channel for negotiation on what he proposes to do with the financial institutions. It may be underscored that one of the financial institutions had already initiated a CIRP, but the same was dismissed by Ld. Adjudicating Authority, and its appeal came to be closed in view of the impugned order initiating CIRP against the corporate debtor.

7. Given the peculiar nature of this litigation, prima facie, we are of the view that saving the project from undergoing CIRP appears to be more advantageous to all the stakeholders. We therefore, require the resolution professional not to take charge of the corporate debtor. We also require the appellant to share all such information as the appellant would be duty-bound to do under Section 19 of IBC to the resolution professional.

8. The appellant is also directed not to divert any of the assets or funds of the corporate debtor by misusing its continuity in the management of the corporate debtor. It is also required to submit a fortnightly statement of its affairs to the resolution professional.

9. The appellant is also required to file an affidavit about the sharing of information to the resolution professional.

10. The earlier interim order passed on 29.07.2026 will also continue.

List the matter on **21.08.2026**.

[Justice N. Seshasayee]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

SN/MS/AK