

Insolvency and Bankruptcy Hotline

July 07, 2022

SUPREME COURT RULES ON COMMERCIAL WISDOM OF CREDITORS TO ALLOW WITHDRAWAL OF INSOLVENCY PROCEEDINGS

This article was originally published by IBC Laws on July 02, 2022.



INTRODUCTION

In Vallal RCK v M/s Siva Industries & Anr. *(2022) ibclaw.in 63 SC*, the Supreme Court ("SC") has once again given precedence to the commercial wisdom of the committee of creditors ("CoC"). The issue before the SC was whether the Adjudicating Authority could interfere with the CoC's decision to allow withdrawal of insolvency proceedings on the basis of a settlement plan. The SC held that the adjudicating authority, while deciding an application under Section 12A of the Insolvency and Bankruptcy Code ("Code"), cannot review the merits of a settlement plan approved by the CoC.

For complete article, please click [here](#).

– Adimesh Lochan, Arjun Gupta & Sahil Kanuga

(The authors would like to thank Aryan Sharma (Student, Institute of Law, Nirma University) for his contribution.)

You can direct your queries or comments to the authors

DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.

Research Papers

The Tour d'Horizon of Data Law Implications of Digital Twins

May 29, 2025

Global Capability Centers

May 27, 2025

Fintech

May 05, 2025

Research Articles

2025 Watchlist: Life Sciences Sector India

April 04, 2025

Re-Evaluating Press Note 3 Of 2020: Should India's Land Borders Still Define Foreign Investment Boundaries?

February 04, 2025

INDIA 2025: The Emerging Powerhouse for Private Equity and M&A Deals

January 15, 2025

Audio

CCI's Deal Value Test

February 22, 2025

Securities Market Regulator's Continued Quest Against "Unfiltered" Financial Advice

December 18, 2024

Digital Lending - Part 1 - What's New with NBFC P2Ps

November 19, 2024

NDA Connect

Connect with us at events, conferences and seminars.

NDA Hotline

Click here to view Hotline archives.

Video

Vyapak Desai speaking on the danger of deepfakes | Legally Speaking with Tarun Nangia | NewsX

April 01, 2025

**SIAC 2025 Rules: Key changes &
Implications**

February 18, 2025

