IN THE NATIONAL COMPANY LAW TRIBUNAL

KOCHI BENCH

IA (IBC)(Plan)/07/KOB/2025

IN

CP (IB)/10/KOB/2024

(Under Section 30(6) of IBC, 2016)

Date of institution: 04.09.2025

Order delivered on: 02.06.2026

In the matter of:-

M/s. Pelican Biotech and Chemicals Labs Pvt Ltd.

Memo of parties:

Mr. Piyush Kisanlal Jani

Resolution Professional of Pelican Biotech and Chemicals Labs Pvt Ltd, Plot No. 212, 2nd Floor, Pragati Colony, Ring Road, Chhatrapati Square, Near Kalpavruksha Hospital, Nagpur - 440015.

... Applicant

Coram:

HON'BLE MEMBER (JUDICIAL) : SHRI. VINAY GOEL

HON'BLE MEMBER (TECHNICAL) : SHRI. RAVICHANDRAN RAMASAMY

Appearances:

For the Applicant : Mr. Georgie Johny, Advocate

O R D E R

1. The present application IA(IBC)(Plan)/07/KOB/2025 has been filed by Mr. Piyush Kisanlal Jani, Resolution Professional of M/s. Pelican Biotech and Chemicals Labs Pvt Ltd under Section 30(6) of the Insolvency and Bankruptcy Code, 2016, for approval of the Resolution Plan submitted by **Mr. Chuzattil Narayanan Manoj and Mrs. Kanakalatha**, Successful Resolution Applicants.

2. **ABOUT THE CORPORATE DEBTOR**

M/s. Pelican Biotech and Chemical Labs Private Limited (hereinafter referred to as the Corporate Debtor/ the Company), incorporated on 26 May 2008 under the Companies Act, 1956, is a research-oriented company primarily engaged in scientific research and development in the field of plant and animal biochemicals. The Corporate Debtor has undertaken extensive research and development activities leading to the development and patenting of innovative products and processes across multiple jurisdictions, including India, Australia, Europe, and the USA, particularly relating to chitin-based formulations and advanced microwave/radiofrequency processing technologies. The core objective of its operations was the development, validation, and commercialisation of novel biochemical products and processes through sustained research initiatives.

CIRP OF THE CORPORATE DEBTOR

3. The Corporate Debtor was admitted into the Corporate Insolvency Resolution Process vide order dated 28.05.2024 passed in CP(IBC)/10/KOB/2024 on an application filed by the Biotechnology

Industry Research Assistance Council (BIRAC) under Section 7 of the Insolvency and Bankruptcy Code, 2016, for default of an amount of Rs. 3,42,00,298.52/-. By the said order, this Adjudicating Authority commenced the Corporate Insolvency Resolution Process, declared the moratorium under Section 14 of the Code, and appointed the present Applicant as the Interim Resolution Professional, pursuant to which a public announcement inviting claims from the creditors of the Corporate Debtor was issued on 30.05.2024 in terms of Section 15 of the Code.

4. Pursuant to the public announcement, claims were received, verified, and collated. The admitted claims included BIRAC as Financial Creditor with an admitted claim of Rs. 3,54,37,313/- holding 95.61% voting share, and Federal Bank Ltd. with an admitted claim of Rs. 16,25,988/- holding 4.39% voting share. The Committee of Creditors was duly constituted, and the Applicant was confirmed as Resolution Professional in the first meeting. Thereafter, the Committee of Creditors resolved to invite Expressions of Interest, pursuant to which Form G was published on 27.07.2024, followed by issuance of the provisional and final list of Prospective Resolution Applicants and the Request for Resolution Plan, along with the Evaluation Matrix on 03.09.2024.
5. In response, two entities submitted Expressions of Interest, of which one consortium subsequently withdrew with the Committee of Creditors' approval. The remaining Resolution Applicant, being the Consortium of Mr. C.N. Manoj and Mrs. Kanakalatha, submitted its Resolution Plan on 07.10.2024. The Applicant examined the plan under Section 30(2) of the Code and found it compliant with the provisions of the Insolvency and Bankruptcy Code, 2016, and the CIRP Regulations.

6. During the Corporate Insolvency Resolution Process, a forensic audit by M/s Sidharth Gupta & Co. revealed preferential and undervalued transactions by the suspended directors linked to the Oswald group and the present Resolution Applicants. Consequently, IA(IBC)/141/KOB/2025 was filed under Sections 44 to 46 read with Section 60(5) of the Code, alleging undervalued sales of COMPOSORB (100 LTR) to a related party, M/s Pelican Kenterra Pvt. Ltd., at Rs. 300 per unit as against Rs. 862 per unit to unrelated parties, amounting to Rs. 5.56 lakhs.
7. Meanwhile, in the 12th Committee of Creditors meeting held on 05.07.2024, the Resolution Plan submitted by the Consortium of Mr. C.N. Manoj and Mrs. Kanakalatha was approved by 95.61% voting share through e-voting concluded on 25.08.2025.
8. **TOTAL CIRP EXTENSIONS**

Extension	**IA no.**	**Date from**	**Date to**	**Remark**
1.	IA (IBC)/30/KOB/2025	25.11.2024	22.02.2025	90 days
2.	IA (IBC)/296/KOB/2025	22.02.2025	23.04.2025	60 days
3.	IA(IBC)/429/KOB/2025	23.04.2025	22.06.2025	60 days
4.	IA (IBC)/430/KOB/2025	23.06.2025	06.09.2025	75 days
Total Days Extended				285 days

9. **BRIEF OUTLINE OF THE RESOLUTION PLAN OF THE SRA:**

a) The Resolution Plan proposes a total resolution value of Rs. 1,39,93,888/- supported by an infusion of Rs. 20,00,000/- by the Successful Resolution Applicants through a combination of additional investment, equity infusion, and internal accruals. To secure implementation, a Performance Guarantee of Rs. 13,99,389/- was furnished, out of which Rs. 8,99,389/- was deposited in the Corporate Insolvency Resolution Process account on 01.09.2025 after adjusting the earnest money deposit of Rs. 5,00,000/-. The plan further contemplates an overall infusion of about Rs. 1.60 Crores into the Corporate Debtor towards revival of operations, payment of Corporate Insolvency Resolution Process costs in priority, and settlement of creditor dues.

b) As per the approved distribution schedule, BIRAC, holding 95.61% voting share, is to receive Rs. 1.20 Crores in staggered tranches, with the first tranche payable within 60 days of approval and the balance in 35 monthly instalments. Federal Bank Ltd., holding 4.39% voting share, is to receive Rs. 5.50 Lakhs in two tranches. Operational creditors are to be paid within 60 days, including full payment of Rs. 3,53,661/- to EPFO and Rs. 3,91,720/- to ESI Corporation, along with settlement of dues of K & S Partners at Rs. 52,168/-. The plan ensures continuation of the Corporate Debtor as a going concern, retention of employees, and provides timelines for tranche-wise implementation. The Compliance Certificate records that the realisable value under the Resolution Plan represents 620% of the Fair Value and 689% of the Liquidation Value, amounting to 35.68% of the total admitted claims, thereby ensuring significant value maximisation.

c) For effective implementation, a Monitoring Committee has been constituted comprising one nominee of BIRAC, one nominee of the Successful Resolution Applicants, and the Resolution Professional or an insolvency professional nominated by BIRAC, to function for at least 60 days post-approval. The Committee will oversee upfront disbursements, initial payments to creditors, and settlement of operational dues, after which management of the Corporate Debtor shall be handed over to the Successful Resolution Applicants.

10. **DETAILS OF THE SUCCESSFUL RESOLUTION APPLICANTS**

a) Mr. Chuzattil Narayana Manoj and Mrs. Kanakalatha are the Successful Resolution Applicants. Mr. Chuzattil Narayana Manoj, the suspended Managing Director of the Corporate Debtor, claims himself an entrepreneur and innovator with professional experience in the phyto-pharma and biotechnology sectors. He was the founder of Pelican Biotech and Chemical Labs, a DSIR-recognised research laboratory engaged in developing sustainable and environmentally responsible products and processes.

b) It is further claimed that has been actively involved in promoting sustainable practices in waste management, organic agriculture, and water conservation across multiple states and has collaborated with various government and academic institutions such as DBT, DST, DRDO, ICMR, NCRMI, CUSAT, and Karunya University. It is also claimed that contributions have been recognised through several awards, including the Best Entrepreneur Award from the Ministry of Industries, Government of Kerala (2010), the National DBT-BIRAC Innovation Award (2012), and recognition under the Swachh Technology Challenge (2022).

c) Mrs. Kanakalatha is the other Successful Resolution Applicant, the mother of Mr. Chuzattil Narayana Manoj.

11. **FINANCIAL PROPOSAL UNDER THE RESOLUTION PLAN IS TABULATED BELOW:**

Total proposed Payment	Admitted Amount	Payment Proposed
Payment to Financial Creditors	37063301	12550000
Payment to operational Creditors	2158203	443888
Estimated CIRP Cost		1000000
TOTAL	39221504	13993888

Financial proposal for financial creditors:

Payment Date	Biotechnology Industry Research Assistance Council	Federal Bank OD
Total amount committed under Resoultion Plan	12000000	550000
Within 60 days of Receipt of NCLT Order	1500000	250000 and Balance Rs2.00lacswithin 3 Months after 1st tranche of Payment
After Handing Over of Business the Balance amount of Rs1050000/- can be paid back with a 35 monthly installments of Rs300000/-	300000	
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TOTAL	12000000	550000

Financial proposal for operational creditors:

S.No.	Name of the Operational Creditor	Classification	Total Claimed Amount	Total amount admitted	Settlement Proposed	Remarks
1	Employees Provident Fund Organisation	Unsecured Operational Creditor	3,80,147.00	353661	353661	Note-1
2	ESI Corporation Kollam	Unsecured Operational Creditor	7,61,188.00	761188	38059	Note-2
3	K & S Partners	Unsecured Operational Creditor	2143879	1043354	52168	Note-3
	TOTAL		32,85,214.00	1114849	**443888**	

1) CIRP Costs:-

The Resolution Applicants propose to pay the entire Corporate Insolvency Resolution Process Cost till the submission of the Resolution Plan to this Adjudicating Authority for its approval in priority of all other payments as envisaged under the Code. The estimated cost is Rs. 10,00,000/-(Rupees Ten Lakhs only).

2) Financial Creditor:-

The Resolution Plan provides for the settlement of the dues of the Biotechnology Industry Research Assistance Council (BIRAC) for a total amount of Rs. 1.20 Crores against the admitted claim of Rs. 3,54,37,313/-, representing approximately 34% of its admitted claim. The said amount is proposed to be paid in structured tranches, with the initial payment of Rs. 15,00,000/- (Rupees Fifteen Lakhs only) to be made within 60 days from the approval of the Resolution Plan, and the balance amount to be paid in phased monthly instalments. The balance amount of Rs. 1,05,00,000/- is proposed to be paid back with 35 monthly instalments of Rs. 3,00,000/-.

The dues of Federal Bank Ltd., dissenting financial creditor, are proposed to be settled for a total amount of Rs. 5.50 Lakhs against admitted claim of Rs.16,25,988/-, payable in two tranches, with the first tranche Rs. 2.50 Lakhs to be paid within 60 days from approval of the Resolution Plan and the second tranche Rs. 2.00 Lakhs within three months thereafter. Further, the Resolution Applicants, being personal guarantors to the financial creditors, have sought the extinguishment of all rights of financial and other creditors to invoke or enforce personal guarantees, corporate guarantees, or any third-party securities in relation to the debts of the Corporate Debtor as on the Insolvency Commencement Date. The settlement amount proposed under the Resolution Plan is stated to be inclusive of obligations arising out of such guarantees, and upon approval of the plan, all such rights, including rights of subrogation or any similar enforcement actions, shall stand extinguished to the extent of any unrecovered claim amount.

3) Operational creditors (Employees Provident Fund Organisation): -

The Resolution Applicant proposes to settle the entire dues of the Employees Provident Fund as admitted by the Resolution Professional with a repayment of 100% of the total admitted amount for a maximum amount of Rs 3 80,147-/- within 60 days of the approval of the plan and in priority in payment over financial creditors.

4) Operational creditors (ESI): -

The Resolution Applicants propose to pay 5% of the admitted amount to ESI, i.e., an amount of Rs 38,059/- as full and final settlement within 60 days of the approval of the plan and in priority in payment over financial creditors.

5) Operational creditors (K&S Partners): -

The Resolution Applicants undertake to make payment of 5% of the admitted amount to K & S Partners, i.e., an amount of Rs 52,168/- as full and final settlement within 60 days of the approval of the plan and in priority in payment over financial creditors.

6) Other creditors: -

The Resolution Applicants further undertake to settle any additional claims, if admitted, with a maximum outlay of Rs. 2.00 Lakhs, on a proportionate basis, within 60 days from approval of the Resolution Plan.

12. **REVIVAL PLAN & RATIONALE:**

i. The Corporate Debtor holds multiple patents and market-ready products, including four product patents granted in India and abroad, all of which are assigned to the company.

ii. The business operates in sectors such as waste management and organic agriculture, which continue to receive government focus and support, with emerging positive developments and opportunities.

iii. The revival plan seeks to restart operations that were halted due to floods, the COVID-19 pandemic, and related disruptions, notwithstanding the existence of patents and products ready for the market.

13. **FEASIBILITY AND VIABILITY OF THE PLAN**

Despite facing extraordinary and uncontrollable circumstances at an early stage, which led the Corporate Debtor into the Corporate Insolvency Resolution Process, the project has demonstrated inherent feasibility and viability, as reflected in its accounting records. The available data indicate an upward trend in revenue with a corresponding reduction in losses, placing the Corporate Debtor on the verge of a turnaround after overcoming initial bottlenecks. Within a short operational span, the company developed 13 patents in the areas of waste management, organic pesticides and food dehydration, which are of significant national importance and are expected to generate sustainable income in the near future. With these positive trends and ongoing discussions with prospective investors for further investment and acquisition of the patent portfolio, the Corporate Debtor is expected to achieve profitability in the coming year.

14. **SOURCE OF FUND FOR SETTLEMENT PROPOSED**

Required Investment	Amount in Rs
Total Infusion of additional fund for Settlement of Dues	14000000
Unforeseen cost	300000
Settlement of disputed dues and other critical dues for operation of Business	200000
Estimated Running Expenses for generating revenue from the Patents	1500000
Total Investment for revival of Corporate debtor	16000000
Source of Fund	
	Amount in Rs
Committed additional Investments by way of loan and Equity from existing shareholders and New Investors Over a period of 1 Year	4000000
Infusion of Additional Equity by the Resolution Applicants over a period of 1 Year	7000000
Expected internal accruals from the business	5000000
TOTAL	16000000

15. **IMPLEMENTATION AND MONITORING COMMITTEE**

i. **Term of the Resolution Plan and its Implementation Schedule: -**

The Resolution Applicants shall obtain all necessary approvals under applicable laws within one year from the date of approval of the resolution plan by this Adjudicating Authority, or within such period as prescribed under the relevant law, whichever is later, and the total plan implementation period shall be 36 months.

ii. **Management and Control of the business of the Corporate Debtor:-**

a) Upon approval of the Resolution Plan by this Adjudicating Authority and payment of the first tranche as per the plan, the Resolution Applicants may be permitted to take over the operations of the Company.

b) The Resolution Applicants are bound by the Performance Guarantee upon approval of the Resolution Plan, the Monitoring Committee is required only for the first 60 days, and it is requested that the business be handed over in entirety upon completion of the first tranche of payment, i.e., clearance of dues to operational creditors and part payment to financial creditors.

iii. **Role of Monitoring Committee: -**

The Committee shall function for a minimum of 60 days post-approval to oversee upfront disbursements, the first tranche of payments to creditors, and clearance of operational dues, after which the management of the Corporate Debtor shall be fully handed over to the Successful Resolution Applicants.

16. The Resolution Professional had annexed the Form H under the Corporate Insolvency Resolution Process Regulations along with the application.

17. The Resolution Professional has submitted the details of various compliances as envisaged by the Code and the Corporate Insolvency Resolution Process Regulations, which a Resolution Plan is required to adhere to, as follows:

Section/ Regulation	Requirement with respect to the Resolution Plan	Clause of the Resolution Plan	Compliance Yes/No
Section 25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC, having regard to the complexity and scale of operations of the business of the CD	The name of Resolution Applicant is duly mentioned in provisional list of PRA and Final List of PRA	Yes
Section 29A	Whether the Resolution Applicant is eligible to submit a resolution plan as per the final list of the Resolution Professional or Order, if any, of the Adjudicating Authority?	-	Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Annexure-1 of the Resolution Plan	Yes
30(2)	Whether the Resolution Plan- (a)Provides for the payment of insolvency resolution process costs? (b)provides for the payment to the	(a) Clause 6.1 (b) Clause 6.6	Yes Yes

	operational creditors? (c)provides for the payment to the financial creditors who did not vote in favour of the resolution plan? (d)provides for the management of the affairs of the corporate debtor? (e)provides for the implementation and supervision of the resolution plan? (f) contravenes any of the provisions of the law for the time being in force?	(c) Clause 6.4 (d) Clause 8.6 and clarification on monitoring committee (e) Clause 9, 10 and 11 (f) Clause 7 (Table 2) Page 16	Yes Yes Yes Yes
Section 30(4)	Whether the Resolution Plan (a)is feasible and viable, according to the CoC? (b)has been approved by the CoC with 66% voting share?	In the minutes of 12th CoC meeting along with e-voting Results	Yes Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Clause 8 and 11	Yes
Regulation 38(1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	Clause 6.6	Yes
Regulation 38(1A)	Whether the resolution plan include a statement as to how it has dealt with the interests of all stakeholders?	Clause 6.8	Yes

Regulation 38(1B)	Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?	Point No. 7 Page 14	No
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation	Clause 6.3 of plan Clause 9 and clarification attached to the plan Clause 9,10 & 11 and 8.4	Yes Yes Yes
Regulation 38(3)	Whether the resolution plan demonstrates that – (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the	(a) Clause 8.1 (b) Clause 8.2 (c) Clause 8.4 (d) Clause 8.3 (e) Clause 8.5 and affidavits of the consortium member	Yes Yes Yes Yes Yes

	resolution plan?		
Regulation 39(2)	Whether the RP has filed applications in respect of transactions observed, found, or determined by him	On 23.03.2025	Yes
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B	LOI was issued on 26.08.2025 and the Performance Guarantee was deposited into the CIRP bank account on 01.09.2025	Yes

18. The Resolution Professional has submitted the eligibility affidavit of the Resolution Applicant under Section 29A of the Code, which is annexed from page 407(a) to the application.

19. Valuation of the Corporate Debtor as provided in Form H is as follows:

Fair Value	Rs. 22,55,612.50/-
Liquidation Value	Rs. 20,29,759.50/-

20. The Resolution Professional has confirmed that the Resolution Plan provides for the revival of the business operations of the Corporate Debtor and ensures value to all stakeholders.

ANALYSIS AND FINDINGS

21. Have heard the submissions and perused the documents on record.

22. The Resolution Professional has submitted that the Resolution Plan is in compliance with the provisions of the Code and the Insolvency Resolution Process for Corporate Persons Regulations, 2016. The relevant compliance

details were also submitted in Form H along with the Application.

23. It is observed that the Corporate Insolvency Resolution Process of the Corporate Debtor had expired on 06.09.2025, and the Resolution Plan had been filed before this Adjudicating Authority prior to the expiry of the CIRP period.

24. It is further observed that one of the Successful Resolution Applicants, who was also the Managing Director of the Corporate Debtor, had been alleged to have been involved in certain undervalued transactions during the Corporate Insolvency Resolution Process, pursuant to which IA(IBC)/141/KOB/2025 was filed under Sections 44 to 46 read with Section 60(5) of the Code. However, the said application came to be dismissed by this Adjudicating Authority vide order dated 08.05.2026 and, consequently, the Successful Resolution Applicants are not rendered ineligible under Section 29A of the Code.

25. The Resolution Plan submitted by the Consortium of Mr. Chuzattil Narayana Manoj and Mrs. Kanakalatha was placed before the Committee of Creditors for detailed deliberation in its meetings, wherein the financial proposal, implementation mechanism, feasibility and viability of the plan, treatment of stakeholders, and revival prospects of the Corporate Debtor were examined. After due consideration and negotiations on the terms of the Resolution Plan, the Committee of Creditors, in exercise of its commercial wisdom, approved the Resolution Plan with 95.61% voting share through e-voting concluded on 25.08.2025. Federal Bank Ltd., a financial creditor holding 4.39% voting share in the Committee of Creditors, had dissented to the Resolution Plan.

26. It is observed that Federal Bank Ltd., being the dissenting financial creditor

holding 4.39% voting share in the Committee of Creditors, has been proposed an amount of Rs. 5.50 Lakhs against its admitted claim of Rs. 16,25,988/- under the Resolution Plan. The Resolution Applicants have undertaken, under Clause 6.7 of the Resolution Plan, to comply with the requirements of Section 30(2)(b) of the Insolvency and Bankruptcy Code, 2016, by ensuring that the amount payable to dissenting financial creditors shall not be less than the amount payable to such creditors in accordance with Section 53(1) of the Code in the event of liquidation of the Corporate Debtor. Hence, the payment proposed to the dissenting financial creditor is in compliance with the provisions of the Code and the CIRP Regulations.

27. The Hon'ble Supreme Court in the matter of **K. Sashidhar v. Indian Overseas Bank & Ors.,** *(2019) ibclaw.in 08 SC*, decided on 05.02.2019, wherein it is held as under;

> *19.......In the present case, however, our focus must be on the dispensation governing the process of approval or rejection of resolution plan by the CoC. The CoC is called upon to consider the resolution plan under Section 30(4) of the I&B Code after it is verified and vetted by the resolution professional as being compliant with all the statutory requirements specified in Section 30(2).*
>
> *55. Whereas, the discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 limited to scrutiny of the resolution plan ‚as approved‛ by the requisite per cent of voting share of financial creditors. Even in that enquiry, the grounds on which the adjudicating authority can reject the resolution plan is in reference to matters specified in Section 30(2), when the resolution plan does not conform to the stated requirements. Reverting to Section 30(2), the enquiry to be done is in respect of whether the resolution plan provides: (i) the payment of insolvency resolution process costs in a specified manner in priority to the repayment of other debts of the corporate debtor, (ii) the repayment of the debts of operational creditors in prescribed manner, (iii) the management of the affairs of the corporate debtor, (iv) the implementation and supervision of the resolution plan, (v) does not contravene any of the provisions of the law for the time being in force, (vi) conforms to such other requirements as may be specified by the Board. The Board referred to is established under Section 188 of the I&B Code. The powers and functions of the Board have been delineated in Section 196 of the I&B*

Code. None of the specified functions of the Board, directly or indirectly, pertain to regulating the manner in which the financial creditors ought to or ought not to exercise their commercial wisdom during the voting on the resolution plan under Section 30(4) of the I&B Code. The subjective satisfaction of the financial creditors at the time of voting is bound to be a mixed baggage of variety of factors. To wit, the feasibility and viability of the proposed resolution plan and including their perceptions about the general capability of the resolution applicant to translate the projected plan into a reality. The resolution applicant may have given projections backed by normative data but still in the opinion of the dissenting financial creditors, it would not be free from being speculative. These aspects are completely within the domain of the financial creditors who are called upon to vote on the resolution plan under Section 30(4) of the I&B Code.

58. Indubitably, the inquiry in such an appeal would be limited to the power exercisable by the resolution professional under Section 30(2) of the I&B Code or, at best, by the adjudicating authority (NCLT) under Section 31(2) read with Section 31(1) of the I&B Code. No other inquiry would be permissible. Further, the jurisdiction bestowed upon the appellate authority (NCLAT) is also expressly circumscribed. It can examine the challenge only in relation to the grounds specified in Section 61(3) of the I&B Code, which is limited to matters ‚other than‛ enquiry into the autonomy or commercial wisdom of the dissenting financial creditors. Thus, the prescribed authorities (NCLT/NCLAT) have been endowed with limited jurisdiction as specified in the I&B Code and not to act as a court of equity or exercise plenary powers.

28. The Hon'ble Supreme Court in ***Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta & Ors.,*** *(2019) ibclaw. in 07 SC,* held the following:-

42. Thus, it is clear that the limited judicial review available, which can in no circumstance trespass upon a business decision of the majority of the Committee of Creditors, has to be within the four corners of section 30(2) of the Code, insofar as the Adjudicating Authority is concerned, and section 32 read with section 61(3) of the Code, insofar as the Appellate Tribunal is concerned, the parameters of such review having been clearly laid down in K. Sashidhar (supra).

73. There is no doubt whatsoever that the ultimate discretion of what to pay and how much to pay each class or sub-class of creditors is with the Committee of Creditors, but, the decision of such Committee must reflect the fact that it has taken into account maximizing the value of the assets of the corporate debtor and the fact that it has adequately balanced the interests of all stakeholders including operational creditors. This being the case, judicial review of the Adjudicating Authority that the resolution plan as approved by the Committee *of Creditors has met the requirements referred to in Section 30(2) would include judicial review that is mentioned in Section 30(2)(e), as the provisions of the Code are also provisions of law for the time being in force. Thus, while the Adjudicating Authority cannot interfere on merits with the commercial decision taken by the Committee of Creditors, the limited judicial review available is to see that the Committee of Creditors has taken into account the fact that the corporate debtor needs to keep going as a going concern during the insolvency resolution process; that it needs to maximise the value of its assets; and that the interests of all stakeholders including operational creditors has been taken care of. If the Adjudicating Authority finds, on a given set of facts, that the aforesaid parameters have not been kept in view, it may send a resolution plan back to the Committee of Creditors to re-submit such plan after satisfying the aforesaid parameters. The reasons given by the Committee of Creditors while approving a resolution plan may thus be looked at by the Adjudicating Authority only from this point of view, and once it is satisfied that the Committee of Creditors has paid attention to these key features, it must then pass the resolution plan, other things being equal.*

29. The Hon'ble Supreme Court in ***India Resurgence Arc Private Limited v. Amit Metaliks Limited and Ors,*** *(2021) ibclaw.in 87 SC*, held that

10. As regards the process of consideration and approval of resolution plan, it is now beyond a shadow of doubt that the matter is essentially that of the commercial wisdom of Committee of Creditors and the scope of judicial review remains limited within the four-corners of Section 30(2) of the Code for the Adjudicating Authority; and Section 30(2) read with Section 61(3) for the Appellate Authority.

11. It needs hardly any elaboration that financial proposal in the resolution plan forms the core of the business decision of Committee of Creditors. Once it is found that all the mandatory requirements have been duly complied with and taken care of, the process of judicial review cannot be stretched to carry out quantitative analysis qua a particular creditor or any stakeholder, who may carry his own dissatisfaction. In other words, in the scheme of IBC, every dissatisfaction does not partake the character of a legal grievance and cannot be taken up as a ground of appeal.

12. The provisions of amended sub-section (4) of Section 30 of the Code, on which excessive reliance is placed on behalf of the appellant, in our view, do not make out any case for interference with the resolution plan at the instance of the appellant. The purport and effect of the amendment to sub-section (4) of Section 30 of the Code, by way of subclause (b) of Section 6 of the Amending Act of 2019, was also explained by this Court in Essar Steel(supra), as duly taken note of by the Appellate Authority (vide the extraction hereinbefore).The NCLAT was, therefore, right in observing that such amendment to sub-section (4) of Section 30 only amplified the considerations for the Committee of

> *Creditors while exercising its commercial wisdom so as to take an informed decision in regard to the viability and feasibility of resolution plan, with fairness of distribution amongst similarly situated creditors; and the business decision taken in exercise of the commercial wisdom of CoC does not call for interference unless creditors belonging to a class being similarly situated are denied fair and equitable treatment.*

30. In ***Vallal RCK vs M/s Siva Industries and Holdings Limited and Others***, *(Civil Appeal Nos. 1811- 1812 of 2022, (2022) ibclaw.in 63 SC)*, the Hon'ble Supreme Court held the following

> *21. This Court has consistently held that the commercial wisdom of the CoC has been given paramount status without any judicial intervention for ensuring completion of the stated processes within the timelines prescribed by the IBC. It has been held that there is an intrinsic assumption, that financial creditors are fully informed about the viability of the corporate debtor and feasibility of the proposed resolution plan. They act on the basis of thorough examination of the proposed resolution plan and assessment made by their team of experts*

31. On going through the Resolution Plan, we are satisfied and note that the Resolution Plan submitted by the Consortium of **Mr. Chuzattil Narayana Manoj and Mrs. Kanakalatha**, is in accordance with Sections 30 and 31 of the Code and also complies with Regulations 38 and 39 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

32. This Adjudicating Authority, having considered the Resolution Plan submitted by Mr. Chuzattil Narayana Manoj and Mrs. Kanakalatha, the Successful Resolution Applicants, and taking note of the deliberations and approvals of the Committee of Creditors, is satisfied that the Resolution Plan complies with the provisions of the Code and the relevant Regulations framed thereunder. The Resolution Plan provides for the revival of the Corporate Debtor, settlement of dues of all creditors and stakeholders, and ensures maximisation of value in a fair and equitable manner.

33. It is further observed that the Resolution Plan has been thoroughly examined for feasibility and viability, and the proposed mechanisms for implementation, monitoring, and management of the Corporate Debtor post-transfer are robust and comprehensive. The Resolution Plan provides for the settlement of all categories of creditors, including operational, financial, employees and government dues, thereby ensuring legal and financial certainty for all stakeholders.

34. This Bench has noted that the Liquidation Value of the Corporate Debtor, as determined by the registered valuers, is Rs. 20,29,759.50/-, while the Fair Value has been assessed at Rs. 22,55,612.50/-. In contrast, the Successful Resolution Applicants have proposed a total Resolution Plan outlay of Rs. 1,39,93,888/- under the approved Resolution Plan. The proposed Plan Value, therefore, represents approximately 689% of the Liquidation Value and 620% of the Fair Value of the Corporate Debtor, thereby demonstrating substantial value maximisation for all stakeholders. The significant enhancement in value offered under the Resolution Plan clearly indicates that the Corporate Debtor possesses considerable revival potential as a going concern, which has been duly recognised by the Committee of Creditors in exercise of its commercial wisdom. This Bench also takes note of the extensive deliberations, negotiations, and commercial assessment undertaken by the Committee of Creditors while evaluating the feasibility and viability of the Resolution Plan. In such circumstances, this Adjudicating Authority finds no reason to interfere with the commercial decision of the Committee of Creditors, which deserves due judicial deference under the scheme of the Insolvency and Bankruptcy Code, 2016.

35. The Successful Resolution Applicants have sought certain reliefs, concessions, waivers, and directions as enumerated in the approved Resolution Plan for the effective implementation and successful revival of the Corporate Debtor. The Resolution Applicants have further undertaken that the non-grant of any or all of such reliefs and concessions shall not, in any manner, affect the implementation of the Resolution Plan, and that the Plan shall remain unconditional, binding, and irrevocable. In view thereof, this Bench observes that all reliefs, concessions, waivers, and exemptions sought under the Resolution Plan shall be considered strictly in accordance with applicable law and shall be granted only to the extent legally permissible and enforceable.

36. The approval of the Resolution Plan shall not be construed as a waiver of any statutory obligations of the Corporate Debtor. Any such waiver or concession shall be subject to the approval of the competent authority in the light of the Judgment of the Supreme Court in ***Ghanshyam Mishra and Sons Private Limited v. Edelweiss Asset Reconstruction Company Limited*** *((2021) 13 S.C.R 737)*, which held as follows:

> *"on the date of approval of the Resolution Plan by the Adjudicating Authority, all such claims, which are not a part of resolution plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in, respect to a claim, which is not part of the resolution plan." "95. (i) Once a resolution plan is duly approved by the adjudicating authority under sub-section (1) of Section 31, the claims as provided in the resolution plan shall stand frozen and will be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority, guarantors and other stakeholders. On the date of approval of resolution plan by the adjudicating authority, all such claims, which are not a part of the resolution plan shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim, which is not part of the resolution plan; (ii) 2019 Amendment to Section 31 of the I&B Code is clarificatory and declaratory in nature and therefore will be effective from the date on which the Code has come into effect;*

(iii) consequently, all the dues including the statutory dues owed to the Central Government, any State Government or any local authority, if not part of the resolution plan, shall stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 could be continued."

37. Any relief sought in the Resolution Plan, where any contract, agreement, understanding, proceeding, action, notice, etc., not specifically identified, or is for a future contingency at this point in time, is rejected.

38. Accordingly, this Adjudicating Authority is satisfied that the Resolution Plan is fair, reasonable, and in the best interest of the Corporate Debtor, its creditors, and other stakeholders. We, therefore, **approve** the **Resolution Plan** submitted by the Consortium of **Mr. Chuzattil Narayana Manoj and Mrs. Kanakalatha**, and direct its implementation in accordance with the terms and conditions set out in the Plan.

39. The Resolution Plan is binding on the Corporate Debtor, its employees, members, and all its creditors, including but not limited to secured, unsecured, financial, and operational creditors, guarantors, government and statutory and local authorities and other stakeholders involved so that revival of the Corporate Debtor can come into force with immediate effect.

40. The Moratorium imposed under section 14 shall cease to have effect from the date of this order.

41. In case of non-compliance with this order or withdrawal of the Resolution Plan, the Committee of Creditors shall forfeit the Performance Guarantee amount already paid by the Successful Resolution Applicants.

42. The Resolution Professional shall stand discharged from his duties upon the constitution of the Monitoring Committee. However, he shall perform his

duties in terms of the Resolution Plan as approved by this Adjudicating Authority.

43. With effect from the date of this Order, the Resolution Applicants shall be entitled to take possession of and have access to all records, documents, assets, properties, and premises of the Corporate Debtor, and the Resolution Professional is directed to hand over the same forthwith to enable the Resolution Applicants to take necessary steps for implementation of the Resolution Plan and recommencement of the business operations of the Corporate Debtor.

44. The implementation of the approved Resolution Plan shall be carried out strictly in accordance with the terms, timelines, and conditions stipulated therein under the supervision of the Monitoring Committee. The Monitoring Committee shall oversee the effective implementation of the Resolution Plan and ensure that the same is completed within a period of **36 months from the date of this Order.**

45. The Monitoring Committee shall file a progress report regarding the implementation of the Plan before this Adjudicating Authority upon completion.

46. Liberty is hereby granted for moving any applications if required in connection with the implementation of this Resolution Plan.

47. Accordingly, **IA(IBC)(Plan)/07/KOB/2025 IN CP(IB)/10/KOB/2024** stands **allowed** and **disposed of** accordingly.

48. The Registry is hereby directed to send e-mail copies of the order forthwith to all the parties: Committee of Creditors, Resolution Professional, and

Successful Resolution Applicants, and their Learned Counsels for information and for taking necessary steps. The Applicant is directed to send a copy of this order to the Insolvency and Bankruptcy Board of India and Registrar of Companies, Kerala, and Lakshadweep, for their record.

49. Certified Copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

50. File be consigned to records.

Sd /-	Sd /-
RAVICHANDRAN RAMASAMY	**VINAY GOEL**
(MEMBER TECHNICAL)	**(MEMBER JUDICIAL)**

Signed on this the 2nd day of June,2026

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