

---

## COMMERCIAL WISDOM OF THE COMMITTEE OF CREDITORS UNDER THE IBC, 2016: SCOPE AND LIMITATIONS

---

Ms. Priya Yadav, Ph.D., Research Scholar at School of Law, Sushant University, Gurugram.

Dr. Anjali Sehrawat, Associate Professor, School of Law, Sushant University, Gurugram.

Dr. Deepak Miglani, Associate Professor, School of Law, Sushant University, Gurugram.

### ABSTRACT

By emphasizing creditor-driven decision-making, the Insolvency and Bankruptcy Code, 2016 (IBC) represents a revolutionary change in India's insolvency structure. The idea of the Committee of Creditors' (CoC) "commercial wisdom," which gives financial creditors priority when approving resolution plans and important choices during the Corporate Insolvency Resolution Process (CIRP), is fundamental to this framework. Indian courts have limited judicial intervention to procedural and statutory compliance, continuously upholding the superiority of CoC's commercial wisdom. Concerns about openness, treating stakeholders fairly, and safeguarding operational creditors and additional susceptible parties have been brought up by this approach, nevertheless. By analyzing legislative purpose, judicial interpretations, and new issues, this essay critically investigates the extent and constraints of the business wisdom concept under the IBC. The study comes to the conclusion that balanced oversight is required to maintain fairness and the goals of the IBC, even while business wisdom is crucial for guaranteeing efficiency and economic reality.

**Keywords:** Insolvency and Bankruptcy Code, Committee of Creditors, Commercial Wisdom, CIRP, Judicial Review.

## **Introduction**

A significant turning moment in the development of India's bankruptcy framework was the passage of the bankruptcy and Bankruptcy Code, 2016 (IBC). A variety of disjointed laws, including the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993, and the Sick Industrial Companies (Special Provisions) Act, 1985, governed India's insolvency and debt recovery landscape prior to the IBC. These rules were criticized for their protracted delays, ineffective procedures, overlapping authorities, and poor recovery rates, all of which further exacerbated the banking industry's growing non-performing asset problem. By combining insolvency laws into a unified, logical, and time-bound framework with the goal of guaranteeing effective resolution of financial crisis, the IBC attempted to address these shortcomings.

The IBC's transition from a debtor-in-possession and court-centric paradigm to a creditor-in-control structure is one of its unique characteristics. This concept gives creditors, not adjudicating authorities, the majority of the decision-making power during the Corporate Insolvency Resolution Process (CIRP). This structural change is founded on the realization that resolving insolvency is essentially a commercial and economic process that calls for risk assessment, market knowledge, and financial expertise-tasks that courts might not be institutionally prepared to perform. As a result, adjudicating bodies' duty under the IBC is mostly supervisory and restricted to making sure that statutory obligations are followed.

The CoC, it was created in accordance with IBC Section 21 and is mostly made up of the corporate debtor's financial creditors, is essential to this creditor-driven system. The CoC is given a variety of authority, like the ability to approve or reject resolution plans, appoint and replace the resolution professional, extend CIRP deadlines, and make decisions about liquidation. The concept of "Commercial Wisdom," which has developed via judicial interpretation to give the CoC's business judgment precedence in bankruptcy proceedings, serves as a guide for the use of these powers.

Judicial rulings have frequently emphasized that the commercial decisions of the CoC-particularly those pertaining to the viability and feasibility of resolution plans-are mainly free from judicial interference, even if the term "Commercial Wisdom" is not specifically defined under the IBC. Courts have emphasized that financial creditors are in the best position to assess

the business debtor's long-term viability, recovery prospects, and commercial realities. The goal of this judicial deference is to encourage market-driven outcomes, efficiency, and clarity in the settlement of insolvency.

But the widespread acceptance of the CoC's business acumen has also sparked a great deal of scholarly and legal discussion. The lack of transparency in CoC discussions, the marginalization of operational creditors, the unequal treatment of stakeholders in identical circumstances, and the narrow scope of grievance resolution have all drawn criticism. The almost total respect given to commercial wisdom has sparked questions about whether this strategy effectively strikes a balance between efficiency and justice and fairness, they are also essential objectives of the IBC.

In light of this, the current study aims to investigate the extent and constraints of the Committee of Creditors' commercial knowledge under the 2016 Insolvency and Bankruptcy Code. The study examines the legislative aim underlying creditor primacy, charts the development of court interpretation via significant rulings, and assesses critically how well judicial restraint in examining CoC rulings corresponds with the more general goals of bankruptcy resolution. The paper intends to add to the current discussion on establishing a fair and efficient insolvency system in India by examining the difficulties and ramifications of the notion of commercial wisdom.

### **Committee of Creditors under the IBC, 2016**

According to the Insolvency and Bankruptcy Code of 2016, the Committee of Creditors (CoC) is the primary decision-making body in the Corporate Insolvency Resolution Process (CIRP). The legislative intention to implement a creditor-in-control model, in which financial creditors are given the authority to make financial and commercial choices about the settlement of corporate insolvency, is reflected in the statutory framework governing the CoC. Compared to the prior system of insolvency, which was mostly court-driven and debtor-centric, this strategy clearly differs.

- **Constitution and Composition of the Committee of Creditors**

The creation of the Committee of Creditors following the acceptance of an insolvency application is outlined in Section 21 of the IBC. The CoC ensures impartiality and objectivity

in decision-making by include all of the corporate debtor's financial creditors, with the exception of linked parties. According to the Insolvency and Bankruptcy Board of India (IBBI) Regulations, the Code allows the formation of a committee made up of operational creditors in situations where a corporate debtor has no financial creditors.

Financial creditors are assumed to have greater financial competence, commercial acumen, and the capacity to evaluate the economic viability and feasibility of resolution plans, which accounts for their preponderance in the CoC. In order to ensure that decision-making authority reflects the degree of financial exposure and risk incurred by creditors, voting rights of CoC members are commensurate to the amount of debt owed to them.

- **Powers and Functions of the Committee of Creditors**

The Committee of Creditors is the most powerful participant in the insolvency resolution process since it has broad authority during the CIRP. The appointment, confirmation, and replacement of the Interim Resolution Professional or Resolution Professional under Section 22 of the IBC are some of its primary responsibilities. Subject to predetermined voting criteria, the CoC may also authorize the extension of CIRP deadlines beyond the original statutory period.

Most importantly, Section 30(4) of the IBC gives the CoC the authority to accept or reject resolution proposals presented by potential resolution applicants. After evaluating the suggested plan's viability, feasibility, and commercial soundness, this choice is made. Under Section 33 of the Code, the CoC may choose to liquidate the corporate debtor in the absence of an authorized resolution plan. These authorities highlight how crucial the CoC is in deciding the corporate debtor's destiny.

- **Decision-Making and Voting Mechanism**

The Committee of Creditors makes decisions using a voting procedure outlined in the IBC that calls for a certain majority of voting shares. Consensus-based remedies are encouraged since the requirement of collaborative decision-making guarantees that no single creditor can unilaterally dictate outcomes. The vote thresholds show how important the CoC's judgments are, especially when it comes to resolution plans and liquidation.

Since choices are supposed to be based on economic factors rather than legal formalities, the

voting process also exemplifies the idea of commercial wisdom. The IBC's insolvency framework's focus on the market is strengthened by this approach.

- **Role of the Committee of Creditors in Shaping Commercial Wisdom**

During the CIRP, the Committee of Creditors is the main venue for the application of business acumen. It assesses resolution plans according to criteria such future cash flows, repayment capacity, sustainability of corporate operations, and total value maximization. Given the lack of judicial expertise in financial matters, judicial authorities have consistently acknowledged that such determinations belong within the exclusive purview of the CoC.

The CoC's pivotal role in determining insolvency outcomes underscores the justification for restricting court involvement in business decisions. The IBC aims to prevent value erosion brought on by protracted litigation and guarantee prompt settlement by giving financial creditors decision-making authority.

- **Critical Perspective**

Although the Committee of Creditors is essential to accomplishing the IBC's goals, the concentration of authority in the hands of financial creditors has drawn criticism. Discussions about fair treatment and stakeholder balance have resulted from operational creditors' absence from meaningful involvement in the CoC. These concerns are very pertinent when considering the theory of commercial wisdom, since the CoC's wide latitude has a big impact on the equity and openness of bankruptcy settlement.

### **Concept of Commercial Wisdom**

A key component of the bankruptcy framework created by the bankruptcy and Bankruptcy Code, 2016 (IBC) is the idea of "commercial wisdom." The phrase has developed via judicial interpretation as a guiding principle that gives the Committee of Creditors' (CoC) business and financial judgment precedence during the Corporate Insolvency Resolution Process (CIRP), despite the fact that it is not specifically stated in the Code. The theory reflects the legislative intention to maintain market-oriented and time-bound insolvency resolution while shielding business decision-making from excessive judicial intrusion.

Fundamentally, financial creditors' collective evaluation of a resolution plan's viability,

practicality, and financial sustainability is referred to as commercial wisdom. The evaluation of risk, future cash flows, repayment ability, business continuity, and the corporate debtor's total value maximization are just a few of the intricate factors that go into such an assessment. Courts have acknowledged because these components are located outside the traditional purview of judicial adjudication and require specialized financial acumen and market understanding.

The IBC's adoption of the creditor-in-control paradigm is the foundation for the acceptance of commercial wisdom. The Code aims to guarantee that insolvency resolution is motivated by economic reasoning rather than procedural formality by shifting decision-making power from the defaulting management to financial creditors. Judicial authorities have generally maintained that the CoC is solely responsible for evaluating a resolution plan's merits and the commercial factors that led to its acceptance or rejection if it satisfies the legislative standards outlined in Section 30(2) of the IBC.

The concept of commercial wisdom has been solidified thanks in large part to the Supreme Court. The Court emphasized in *K. Sashidhar v. Indian Overseas Bank* (2019) that the adjudicating body lacks jurisdiction to contest the CoC's commercial decision, whether it concerns the acceptance or rejection of a resolution plan. In *Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta* (2019), the Court upheld this position by ruling that judicial review is restricted to assuring adherence to legal requirements and that the CoC's discretion extends to determining the manner of distribution under a resolution plan. Under the IBC, the idea of commercial wisdom accomplishes several goals. By avoiding protracted litigation and delays in the resolution of insolvency, it first increases efficiency. Second, by explicitly defining the roles of creditors and courts, it improves predictability and certainty. Third, it makes it possible to make financially sound decisions based on market realities rather than strict legal requirements, which promotes value maximization.

The notion of business wisdom is not unqualified, nevertheless. Courts have limited authority to guarantee that commercial judgments are not arbitrary, discriminatory, or in breach of necessary legislative requirements, even though they normally avoid meddling with such decisions. As a result, commercial wisdom functions inside a legal framework that aims to achieve equilibrium between regulatory compliance, fairness ideals, and creditor autonomy. All things considered, the IBC's definition of "commercial wisdom" reflects a purposeful

governmental decision to give economic knowledge and creditor trust top priority when resolving insolvency. It is a fundamental premise that governs the function and authority of the Committee of Creditors, and its judicial acceptance has greatly influenced the development of insolvency jurisprudence in India.

### **Judicial Recognition of Commercial Wisdom**

Insolvency jurisprudence under the Insolvency and Bankruptcy Code, 2016 (IBC) has been significantly shaped by judicial acknowledgment of the theory of business wisdom. Indian courts, especially the Supreme Court, have consistently construed the legislative structure as giving precedence to the commercial decisions of the Committee of Creditors (CoC) even despite the fact that the Code does not define or expound upon the concept of commercial wisdom. This judicial approach represents a deliberate policy decision to maintain the effectiveness and market-oriented goals of the insolvency framework while limiting court intervention in economic considerations.

In *K. Sashidhar v. Indian Overseas Bank* (2019), the Supreme Court initially defined the parameters of the doctrine of commercial wisdom. In this historic ruling, the Court determined that the Adjudicating Authority under the IBC lacks the authority to contest the merits of a business decision made by the CoC, such as the choice to accept or reject a resolution plan. The Court made it clear that judicial review is limited to confirming whether the resolution plan complies with the conditions outlined in Section 30(2) of the IBC. The notion that courts cannot replace the commercial judgment of financial creditors with their own evaluation was established by this ruling.

In *Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta* (2019), the Supreme Court categorically upheld the superiority of the CoC's commercial wisdom, thus solidifying the concept. The Court noted that only the CoC has the power to decide whether a resolution plan is viable and feasible, as well as how the revenues will be divided among creditors. Crucially, the Court ruled that unequal payments based on business factors are acceptable and that the equality principle does not require equal treatment of all debtors. The Court emphasized that judicial action is restricted to ensuring adherence to natural justice principles and statutory provisions.

The Supreme Court reaffirmed in *Maharashtra Seamless Ltd. v. Padmanabhan Venkatesh*

(2020) that the CoC's commercial sense cannot be questioned simply because a resolution plan gives less than the liquidation value. The Court ruled that unless there is an obvious breach of the IBC's provisions, the adjudicating body cannot intervene once the CoC has accepted a resolution plan in its commercial judgment. The idea that creditors' economic decisions are entitled to judicial deference was further supported by this ruling.

This strategy has been routinely applied in subsequent rulings by the Supreme Court and the National Company Law Appellate Tribunal (NCLAT), highlighting the judiciary's supervisory rather than appellate role under the IBC. The goals of prompt resolution and value maximization would be compromised by excessive judicial interference, as courts have frequently emphasized that insolvency resolution is a business activity. Thus, the scope of judicial review in insolvency proceedings has been severely limited by the judicial acceptance of commercial acumen. This limitation raises questions about accountability and transparency in CoC decision-making, even while it fosters efficiency, certainty, and creditor confidence. However, the current judicial stance solidifies commercial acumen as a fundamental tenet of the IBC, influencing the harmony between judicial supervision and creditor liberty.

### **Scope of Commercial Wisdom**

The Insolvency and Bankruptcy Code, 2016 (IBC) has a wide application of business sense, which is essential to the Code's adoption of the creditor-in-control paradigm. All business and economic choices made by the (CoC) throughout the Corporate Insolvency Resolution Process (CIRP) are considered to be part of commercial wisdom, according to judicial interpretation. The legal intention to guarantee that insolvency resolution remains market-driven, effective, and shielded from undue judicial involvement is shown in the broad scope granted to commercial wisdom.

The approval or rejection of resolution plans under Section 30(4) of the IBC is one of the main areas falling under the purview of commercial wisdom. The CoC has the authority to assess resolution plans according to their viability, feasibility, and ability to maximize the value of the corporate debtor's assets. Complex financial factors, such as anticipated cash flows, business continuity, restructuring suggestions, and long-term sustainability, are all part of this assessment. Courts have repeatedly ruled that these evaluations are solely within the purview of the CoC and are not subject to judicial review.

Commercial wisdom also applies to determining recovery rates and the amount of creditors' haircuts. If the CoC determines that the resolution plan offers a better value than liquidation based on its commercial assessment, it may choose to take large haircuts. Judicial authorities have emphasized that, as long as a resolution plan conforms with statutory criteria, courts cannot examine the adequacy of financial returns under the plan. This method emphasizes the idea that financial creditors, not adjudicating authorities, are the appropriate people to evaluate economic trade-offs.

The distribution of proceeds under a resolution plan is a significant component of the scope of commercial wisdom. The Supreme Court has made it clear that the CoC is the only body with the power to decide how different classes of creditors would be distributed. Since equality under the IBC does not require identical treatment but rather equitable treatment based on business concerns, different treatment among creditors is acceptable. The CoC can pursue value maximization while balancing conflicting interests thanks to its discretion.

Commercial sense also applies to the choice to liquidate the corporate debtor under Section 33 of the IBC. In order to stop further value degradation, the CoC may choose to liquidate the corporate debtor if it finds that no workable resolution plan is possible. Recognizing that the decision between resolution and liquidation is a business decision, courts have repeatedly avoided becoming involved in such choices.

Decisions about approving interim finance, extending CIRP deadlines, and appointing and replacing the Resolution Professional are also considered to be matters of commercial judgment. These choices are under the exclusive purview of the CoC since they have a direct bearing on the effectiveness and result of the bankruptcy procedure.

All significant economic decisions that influence the bankruptcy resolution process are essentially included in the scope of commercial acumen under the IBC. The IBC aims to guarantee prompt resolution, reduce judicial delays, and foster creditor confidence by giving the CoC broad discretion. However, in order to minimize arbitrariness and protect the interests of all stakeholders, the broad application of business acumen also calls for well-defined limitations—a crucial topic in insolvency jurisprudence.

### **Limitations on Commercial Wisdom**

The Committee of Creditors is granted broad authority under the notion of commercial acumen

under the Insolvency and Bankruptcy Code, 2016, however this discretion is not unqualified. To guarantee equity, openness, and conformity to the goals of insolvency resolution, the Code and judicial interpretation impose particular legislative and constitutional restrictions. These restrictions aim to strike a balance between the protection of stakeholders' rights and the rule of law and creditor autonomy.

One of the main obstacles to business wisdom is the requirement to adhere to the IBC's rules and regulations. The Adjudicating Authority must determine whether a resolution plan satisfies statutory requirements under Section 30(2) of the Code. These requirements include payment of costs associated with the insolvency resolution process, preservation of the interests of operating creditors, and compliance with applicable laws. Regardless of the CoC's business evaluation, any resolution plan that does not meet these conditions cannot be authorized. Therefore, commercial knowledge only functions inside the Code's specified legal context. Although it has a limited application, judicial scrutiny also serves as a significant constraint. Courts have the authority to determine whether the CoC's decision-making process is tainted by arbitrariness, mala fides, or material irregularity, even while they do not interfere with the merits of business decisions. Judicial intervention may be warranted for decisions that are discriminatory, illogical, or at odds with natural justice principles. This minimal monitoring guarantees that business acumen is used honestly and logically.

Another important restriction on the CoC's authority is the rights of operational creditors. The Supreme Court has made it clear that operational creditors must receive at least the minimum amount specified by the Code, despite the fact that financial creditors predominate in the CoC. Plans for resolution that completely ignore operational creditors or offer fictitious payments risk being rejected. Equitable treatment is nevertheless a guiding concept that limits unbridled commercial discretion, even though it is not required.

Furthermore, constitutional norms, especially Article 14 of the Indian Constitution, cannot be superseded by the notion of business rationality. Any CoC decision that is blatantly discriminatory or unreasonable may be corrected by a judge. Particularly in situations involving the public interest or significant economic ramifications, this constitutional restriction guarantees that business decisions do not lead to unfair results or abuse of authority. The goals of the IBC itself present another drawback. The Code aims to maximize value rather than just recovering money for creditors, and it places a higher priority on settlement than

liquidation. A CoC decision may be challenged on the basis that it goes against the spirit of the law if it clearly undermines these goals, for as by favoring liquidation without good reason. Therefore, commercial wisdom needs to be in line with the more general objectives of business continuity and economic regeneration.

Furthermore, growing concerns about accountability and transparency in CoC decision-making are reflected in the developing jurisprudence under the IBC. The necessity of reasoned discussions has been emphasized by courts, particularly in situations involving large haircuts or unequal treatment of creditors. Although thorough explanations are not required, the legitimacy of the CoC's business choices may be compromised by a total lack of a logical foundation.

In conclusion, even though the doctrine of commercial wisdom gives the Committee of Creditors significant authority, it is constrained by well-defined legal, judicial, and constitutional provisions. These restrictions are essential for preventing arbitrariness, protecting stakeholder interests, and maintaining the fairness, effectiveness, and legislative aim of insolvency resolution under the IBC. In the end, the IBC's efficacy rests on preserving this careful equilibrium between judicial supervision and creditor sovereignty.

### **Challenges and Criticisms**

The notion of business wisdom under the Insolvency and Bankruptcy Code, 2016 has faced serious difficulties and critiques notwithstanding the legislative goal to enhance efficiency and creditor autonomy. Time-bound insolvency resolution has been made easier by court deference to the Committee of Creditors (CoC), but it has also sparked questions about stakeholder protection, fairness, and openness.

The overwhelming concentration of power in the hands of financial creditors is one of the main critiques. Decisions frequently put the recovery of financial obligations ahead of the interests of operational creditors, employees, and other stakeholders because the CoC is primarily made up of financial creditors. This imbalance has given rise to claims that the creditor-in-control model undermines the inclusive goals of the IBC by marginalizing non-financial parties.

The lack of transparency in CoC decision-making is another significant issue. Due to judicial restriction, very little information about the rationale behind resolution plan approval or rejection has been made public. Although courts have ruled that thorough explanations are not

required, the lack of a clear explanation raises questions about arbitrariness and erodes stakeholder trust. In situations involving significant haircuts, where creditors accept sharp drops in claims without providing a public justification, this opacity becomes very troublesome.

Differential treatment of creditors in comparable circumstances has also drawn criticism. Inconsistent distribution methods have sparked concerns about justice and fairness even while court rulings allow for unfair treatment based on business motives. Perceptions of systemic bias within the insolvency framework have been reinforced in a number of instances where operational creditors have gotten disproportionately low recoveries in comparison to financial creditors.

The judiciary's excessive deference to business acumen has also been criticized for reducing the effectiveness of checks and balances. Efficiency is enhanced by minimum involvement, yet choices that are incorrect or shortsighted may remain unchecked if judicial review is overly insulated. Absolute respect, according to critics, runs the risk of legitimizing commercially unreasonable outcomes, especially when fast recovery is prioritized over long-term corporate sustainability.

The possible clash between value maximization and company revival presents another difficulty. In reality, CoC rulings frequently prioritize maximizing short-term recovery over guaranteeing the corporate debtor's lasting revival. This strategy might go against the IBC's primary goal, which is to maintain jobs and economic value while giving resolution precedence over liquidation.

Furthermore, there is also confusion about the exact limits of commercial wisdom due to the dynamic character of insolvency jurisprudence. Unpredictability has resulted from inconsistent interpretations by adjudicating authorities, even when landmark rulings have clarified some issues. Investor confidence is impacted by this uncertainty, which may discourage potential resolution applicants.

Last but not least, questions have been made about CoC members' proficiency and knowledge in making difficult restructuring decisions. Financial creditors might have recovery-focused experience, but they might not have the operational or industry-specific knowledge required to evaluate long-term viability. This problem is made worse by the lack of independent valuation

control or required professional advice.

In conclusion, the concept of commercial wisdom has improved creditor confidence and accelerated the settlement of insolvency, but it also poses significant issues with accountability, justice, and stakeholder involvement. To guarantee that the IBC continues to be a fair and efficient insolvency framework, these complaints must be addressed through calibrated judicial oversight and regulatory amendments.

## **Conclusion**

One of the most revolutionary aspects of the Insolvency and Bankruptcy Code, 2016 is the Committee of Creditors' (CoC) philosophy of commercial wisdom. The IBC has significantly changed India's insolvency landscape by transferring authority from judicial authorities to financial creditors, encouraging quick, effective, and market-driven decision-making. The creditor-in-control approach has been strengthened by court acceptance of commercial wisdom, guaranteeing that business and economic choices made during insolvency resolution are mainly shielded from undue judicial intervention.

The CoC is able to evaluate the viability and practicality of resolution schemes, calculate recovery values, authorize liquidation when required, and arrange creditor distributions thanks to the wide latitude granted to commercial wisdom. In the insolvency system, this autonomy has improved resolution timelines, increased predictability, and bolstered creditor trust. Financial creditors have the information and business sense necessary to make wise decisions about distressed assets, as courts have correctly recognized.

Unrestricted application of commercial acumen, however, is neither desirable nor intended. Stakeholder rights, judicial supervision, constitutional principles, and statutory safeguards under the IBC all serve as crucial restraints on the CoC's authority. These restrictions make ensuring that business actions are not discriminatory, arbitrary, or at odds with the Code's goals. A deliberate attempt by courts to strike a careful balance between creditor autonomy and legal accountability is seen in the developing body of jurisprudence.

Notwithstanding its advantages, the concept has drawn legitimate criticism for its lack of transparency, unfair treatment of stakeholders, and marginalization of operational creditors. Fairness and public trust in the insolvency process could be jeopardized by excessive judicial

deference combined with opaque decision-making. Furthermore, the larger objective of a lasting corporate resurgence may be jeopardized by an excessive focus on quick fixes.

In conclusion, the validity of the IBC depends on its responsible application, regulatory clarity, and limited but significant judicial scrutiny, even though commercial sense is essential to its efficient operation. Maintaining the balance that the legislature envisions would require strengthening transparency, guaranteeing fair treatment of stakeholders, and fine-tuning the parameters of judicial review. The IBC's future success depends on balancing commercial pragmatism with legal and constitutional ideals rather than total creditor sovereignty.

## References

1. Bankruptcy Law Reforms Committee. (2015). *The interim report of the Bankruptcy Law Reforms Committee*. Ministry of Finance, Government of India.
2. Bankruptcy Law Reforms Committee. (2015). *The final report of the Bankruptcy Law Reforms Committee*. Ministry of Finance, Government of India.
3. Insolvency and Bankruptcy Board of India. (2016). *Insolvency and Bankruptcy Code, 2016*. Government of India.
4. Insolvency and Bankruptcy Board of India. (2016). *Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016*. Government of India.
5. *Innoventive Industries Ltd. v. ICICI Bank Ltd.*, (2018) 1 SCC 407.
6. *Swiss Ribbons Pvt. Ltd. v. Union of India*, (2019) 4 SCC 17.
7. *Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta*, (2020) 8 SCC 531.
8. *K. Sashidhar v. Indian Overseas Bank*, (2019) 12 SCC 150.
9. *Maharashtra Seamless Ltd. v. Padmanabhan Venkatesh*, (2020) 11 SCC 467.
10. *Jaypee Kensington Boulevard Apartments Welfare Association v. NBCC (India) Ltd.*, (2021) 1 SCC 401.
11. *Ghanashyam Mishra and Sons Pvt. Ltd. v. Edelweiss Asset Reconstruction Co. Ltd.*, (2021) 9 SCC 657.
12. *Vidarbha Industries Power Ltd. v. Axis Bank Ltd.*, (2022) 8 SCC 352.
13. *Ramkrishna Forgings Ltd. v. Ravindra Loonkar*, (2023) SCC OnLine SC 123.
14. Reserve Bank of India. (Various years). *Report on trend and progress of banking in India*. RBI.

15. Adhikari, M., & Singh, P. (2020). Commercial wisdom of the committee of creditors under the Insolvency and Bankruptcy Code, 2016. *Journal of Corporate Law Studies*, 7(2), 45–62.
16. Goyal, A. (2019). Insolvency and Bankruptcy Code: A critical analysis. *Indian Journal of Law and Legal Research*, 1(3), 1–15.
17. Kumar, S. (2021). Judicial restraint and commercial wisdom under the IBC. *National Law School of India Review*, 33(1), 89–112.
18. Sengupta, R., Sharma, A., & Thomas, S. (2016). *Evolution of the insolvency framework in India*. Indira Gandhi Institute of Development Research.
19. Sharma, R. (2022). Stakeholder rights under the Insolvency and Bankruptcy Code: An analysis of judicial trends. *Journal of Business Law Review*, 14(2), 67–84.