2026 INSC 1225

*Non-reportable*

**IN THE SUPREME COURT OF INDIA**

**CIVIL APPELLATE JURISDICTION**

**Civil Appeal No. 4171 of 2026**

**Birendra Kumar Agrawal … Appellant**

**versus**

**S2 Tech.com India Pvt Ltd and another … Respondents**

**with**

**Civil Appeal No. 4585 of 2026**

**J U D G M E N T**

**SANJAY KUMAR, J**

**1.** Challenge in these appeals filed under Section 62 of the Insolvency and Bankruptcy Code, 2016[1], is to the judgment dated 19.03.2026 passed by the National Company Law Appellate Tribunal at Chennai[2] in Company Appeal (AT) (CH) (Ins) No. 456 of 2024.

**2.** Civil Appeal No. 4171 of 2026 was filed against the said judgment by Birendra Kumar Agrawal, the Resolution Professional of Manjeera Constructions Limited (MCL), the corporate debtor, while Civil Appeal No. 4585 of 2026 was filed by Surya Treasure Island Pvt. Ltd., representing the consortium of Valentis Laboratories Pvt. Ltd. (VLPL) and Surya

Signature Not Verified
Digitally signed by Deepak Gupta
Date: 2026.04.11.16 18:25:58 IST
Reason:

1 For short, 'the IBC'
2 For short, 'the NCLAT'

Treasure Island Pvt. Ltd. VLPL is the successful resolution applicant in the corporate insolvency resolution process of the corporate debtor, MCL.

**3.** By the impugned judgment dated 19.03.2026, the NCLAT allowed the appeal filed by respondent No. 1 in these appeals, viz., S2 Tech.com India Pvt. Ltd., a financial creditor of the corporate debtor, MCL, and held that the order dated 30.07.2024 passed by the National Company Law Tribunal, Hyderabad Bench-II[3], rejecting its plea in IA(IBC) 1565/2024 in Company Petition (IB) No. 320/7/HDB/2022 was without application of mind and that, in consequence, the resolution plan of VLPL was liable to be declared as invalid. Various directions were also issued by the NCLAT to Birendra Kumar Agrawal, the Resolution Professional of MCL.

**4.** By order dated 13.04.2026 passed in these appeals, this Court stayed the operation of the impugned judgment dated 19.03.2026.

**5.** Corporate Insolvency Resolution Process was initiated against Manjeera Retail Holdings Private Limited, the principal borrower, and its corporate guarantor, MCL, under Section 7 of the IBC at the instance of Catalyst Trusteeship Limited, a financial creditor. Owing to default in repayment by both, the financial creditor initiated proceedings against them under the provisions of the IBC. Insofar as the corporate guarantor, MCL, is concerned, Company Petition (IB) No. 320 of 2022 was filed by the said financial creditor and it was admitted by the NCLT on 18.07.2023.

---

[3] For short, 'the NCLT'

**6.** S2 Tech.com India Pvt. Ltd., respondent No. 1 herein, was a financial creditor of MCL with a 3.3% voting share in its Committee of Creditors (CoC). Pursuant to the Invitation for Expression of Interest issued on 10.01.2024 by Birendra Kumar Agrawal, the Resolution Professional, four prospective resolution applicants, viz., Vasavi Realty Pvt. Ltd., VLPL, Boorugu Infra Projects Pvt. Ltd. and Gajjala Yoganand, submitted their resolution plans. The resolution plan submitted by VLPL was approved by the CoC at its 12th Meeting held on 10.06.2024 with a 91.64% voting share. While so, S2 Tech.com India Pvt. Ltd., respondent No 1, filed IA(IBC)1565/2024 in CP(IB) No. 320/7/HDB/2022 on 18.07.2024, seeking rejection of VLPL's resolution plan. One of the grounds raised by it was that the earnest money deposit was not remitted by VLPL within the due date, as required by the Request for Resolution Plan (RFRP). This application was rejected by the NCLT on 30.07.2024, opining that, as S2 Tech.com India Pvt. Ltd., with a 3.3% voting share in the CoC had participated in the meeting wherein VLPL's resolution plan was approved, it had no *locus* to challenge such approval by the majority. Noting that it still had to examine the resolution plan within the parameters of the IBC, the NCLT dismissed the IA.

**7.** As noted above, by the date of passing of this order, VLPL's resolution plan already stood approved by the CoC of the corporate debtor, MCL. Pursuant thereto, Birendra Kumar Agrawal, its Resolution

Professional, filed IA(IBC)(Plan) No. 14 of 2024 in CP(IB) No. 320/7/HDB/2022 seeking approval of VLPL's resolution plan under Sections 30(6) and 31(1) of the IBC. NCLT approved the said resolution plan, *vide* order dated 26.03.2025.

**8.** Meanwhile, S2 Tech.com India Pvt. Ltd., respondent No. 1, filed Company Appeal (AT)(CH)(Ins) No. 456 of 2024 assailing the order dated 30.07.2024 passed by the NCLT, dismissing IA(IBC)1565/2024. This appeal was filed by it on 14.09.2024. At that point of time, S2 Tech.com India Pvt. Ltd., the appellant therein, was well aware of the fact that the CoC had already approved VLPL's resolution plan but it did not implead VLPL, the successful resolution applicant, therein. Even after the approval of VLPL's resolution plan by the NCLT, the appellant did not get the successful resolution applicant made a party to the appeal. We are informed that an application was, in fact, filed by S2 Tech.com India Pvt. Ltd. in the said appeal to implead VLPL, the successful resolution applicant, but for some reason the same was not pursued and it was not even numbered by the time the appeal was disposed of on 19.03.2026.

**9.** In the judgment dated 19.03.2026 passed in the said appeal, the NCLAT went far beyond the issues raised by S2 Tech.com India Pvt. Ltd. in its application in IA(IBC)1565/2024 before the NCLT. However, we are not inclined to go into the validity of the said judgment in that context. We may note that, by its final decision, the NCLAT invalidated the resolution

plan submitted by VLPL, the successful resolution applicant, though VLPL was not even a party before it and despite S2 Tech.com India Pvt. Ltd., the appellant, failing to take steps to challenge the NCLT's order dated 26.03.2025 approving VLPL's resolution plan.

**10.** In essence, without even affording a hearing to the affected party, viz., VLPL, the successful resolution applicant, the NCLAT passed a judgment to its detriment and visiting it with dire civil consequences. This flagrant violation of the principle of *audi alteram partem* by the NCLAT is sufficient to render its judgment dated 19.03.2026 unsustainable in law.

**11.** We are informed that appeals have separately been filed against the NCLT's order dated 26.03.2025 approving VLPL's resolution plan. Gajjala Yoganand, one of the resolution applicants, filed Company Appeal No. 200 of 2025, while the homebuyers of MCL filed Company Appeal No. 7 of 2026. A third party, viz., Saasa Villa LLP, filed Company Appeal No. 348 of 2025. These appeals are pending consideration before the NCLAT.

**12.** We are further informed that the issue with regard to payment of the earnest money deposit within time by VLPL has also been raised in those appeals. As the NCLAT proceeded in ignorance of the approval of VLPL's resolution plan by the NCLT, but that intervening factor had a direct impact on the subject appeal before it, we are not prepared to remand the matter to the NCLAT for consideration afresh after giving an opportunity of hearing to VLPL. We are of the view that it would suffice at this stage to

set aside the NCLAT's judgment dated 19.03.2026 on the sole ground that it was passed in blatant violation of the principles of natural justice, as the most vitally affected party thereby, viz., VLPL, was not given a hearing, and allow all issues to be raised in the pending appeals filed against the order dated 26.03.2025 passed by the NCLT, approving VLPL's resolution plan. This, in our opinion, would serve the interest of justice while enabling all parties concerned to effectively put forth their respective stands in those duly constituted appeals.

**13.** The appeals are accordingly disposed of, setting aside the judgment dated 19.03.2026 passed by the National Company Law Appellate Tribunal at Chennai in Company Appeal (AT)(CH)(Ins) No. 456/2024. All issues are left open to be considered in the appeals pending before it, wherein the order dated 26.03.2025 passed by the National Company Law Tribunal, Hyderabad Bench-II, approving Valentis Laboratories Pvt. Ltd.'s resolution plan is subjected to challenge.

Pending applications, if any, shall stand disposed of.

Parties shall bear their own costs.

**....., J**
**SANJAY KUMAR**

**....., J.**
**SANJEEV SACHDEVA**

**November 16, 2026**
**New Delhi.**