

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 997
ANSWERED ON MONDAY THE 12TH DECEMBER, 2023
AGRAHAYANA 21, 1945 (SAKA)**

RESOLUTIONS MADE BY NCLT AND NCLAT

QUESTION

997. Ms. SAROJ PANDEY:

Will the Minister of **Corporate Affairs** be pleased to state:

- (a) the measures taken by Government to expedite and strengthen the process of insolvency resolution; and
- (b) the details of benefits of setting up of National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT)?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING; AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

[RAO INDERJIT SINGH]

- (a) The Insolvency and Bankruptcy Code, 2016 (IBC/Code) is an evolving economic law, and in keeping with the market needs, six amendments have been made till date. These include pre-packaged insolvency resolution process (pre-pack) framework, for corporate MSMEs in order to provide a quicker and cost effective insolvency resolution process, enactment of section 29A which bars ineligible persons from submitting resolution plans etc. These amendments addressed practical challenges, clarified provisions, streamlined processes, and addressed various legal issues which have strengthened the effectiveness of the insolvency resolution process. The Insolvency and Bankruptcy Board of India (IBBI, Regulator under the Code) has through regulations endeavored to streamline processes, reduce delays, and maximise the value of the assets of the Corporate Debtor.
- (b) National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) have been instrumental in faster resolution of corporate disputes and promoting ease of doing business in the country. These bodies are playing pivotal role in resolving insolvency of corporate businesses, not only in the terms of faster process but the better realisation rates also, compared to earlier regimes.
