

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO.1651**

**ANSWERED ON TUESDAY, THE 10th of DECEMBER, 2024/
19 AGRAHAYANA, 1946 (SAKA)**

Functioning NCLTs for a short duration

QUESTION

1651 SHRI A. D. SINGH:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that a number of NCLTs in the country are functioning for half-a-day or twice or thrice in a week;

(b) the reasons for these NCLTs functioning for such a short duration;

(c) whether the average time taken by NCLT to resolve insolvency is more than 700 days, whereas, the statutory provision for resolving a dispute is 270 days; and

(d) if so, the reasons therefor and the remedial efforts made in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS; AND MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

(HARSH MALHOTRA)

(a) and (b): The sanctioned strength of members in the National Company Law Tribunal (NCLT) is one President and 62 members. Currently, one President and 43 members are serving in the NCLT. The Government is aware of the impact of these vacancies on the full-time functioning of some of NCLT courts across the country. Filling up of vacancies is a continuous process.

(c) and (d): As per the information provided by the Insolvency and Bankruptcy Board of India (IBBI), the average number of days (excluding the time excluded by the Adjudicating Authority) from Insolvency commencement date to approval of plan is about 567 days, as on March 2024.

The reasons for the above are mainly on account of higher numbers of associated litigation reflected in increase in number of interlocutory applications, complexity of individual cases etc.

To facilitate expeditious disposal, Government is taking necessary steps on an ongoing basis, which include implementation of e-court and hybrid court project, regular colloquiums for capacity building of members, provisions of infrastructure, filling of vacancies etc.

The Government appointed 20 members in 2021, 14 members in 2022, and 20 members in 2023 for the NCLT.
