GOVERNMENT OF INDIA MINISTRY OF CORPORATE AFFAIRS

RAJYA SABHA UNSTARRED QUESTION NO. 2450

ANSWERED ON TUESDAY, DECEMBER 17, 2024 / 26 AGRAHAYANA, 1946 (SAKA)

IBC cases in NCLT courts

QUESTION

2450 SHRI A. D. SINGH:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the cases pertaining to Insolvency and Bankruptcy Code (IBC) have been added to the NCLT courts;

(b) whether, in view of this additional work, there is increase in the number of cases in the NCLT courts causing pendency;

(c) whether there is a shortage of manpower in NCLT due to this additional work and as a result, there is delay in admission and clearance of cases, if so, the details thereof; and

(d) what efforts are being made to increase the manpower in NCLT to expedite the clearance of cases?

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) to (d): As per the enabling provisions of sub-section (4) of section 419 of the Companies Act, 2013, the Central Government, effective from December 1, 2016, designated Benches of the National Company Law Tribunal (NCLT) to exercise the jurisdiction, powers and authority of the Adjudicating Authority conferred under Part II of the Insolvency and Bankruptcy Code, 2016.

As per information provided by NCLT, as on 30th September, 2024, a total of 12059 cases are pending under IBC and a total of 8142 cases are pending under Companies Act.

The sanctioned strength of members in the NCLT is one President and 62 members. Currently, one President and 43 members are serving in the NCLT. Filling up of vacancies is a continuous process.

National Company Law Tribunal (NCLT) acts as quasi-judicial body. There are several reasons for the pendency of cases in NCLT which, inter-alia depends on circumstances and complexity of each case, nature of evidence, large number of Interlocutory Applications (IA), stay by the appellate bodies in many cases, cooperation of stake holders and adjournments.

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