

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 2764

ANSWERED ON TUESDAY, MARCH 17, 2026/ 26 PHALGUNA, 1947 (SAKA)

HAIRCUT IN IBC

2764. **Dr. V. Sivadasan:**

Will the Minister of Corporate Affairs be pleased to state:

- (a) the amount of haircut incurred under resolutions completed through the Insolvency and Bankruptcy Code (IBC) since its inception, year-wise;
- (b) the total claims admitted vis-à-vis the amount realised by banks and financial institutions during this period;
- (c) the effective loss borne by public sector banks due to such haircuts; and
- (d) whether any assessment has been made on the long-term impact of IBC resolutions on the financial health of banks?

ANSWER

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

[SHRI HARSH MALHOTRA]

(a) to (c): Year-wise details in respect of amount realised by all Financial Creditors including banks and financial institutions, through resolution plans under the IBC is placed at Annexure.

(d): IBC has played a crucial role in improving the overall health of India's banking sector. The Gross Non-Performing Assets (GNPAs) of banks have significantly declined from a high of 11.6% in 2018 to a low of 2.2% at the end of September 2025, as reported in the latest RBI Financial Stability Report (December 2025).

The IBC has also proven to be an effective channel for recovering NPAs for Scheduled Commercial Banks (SCBs). The RBI's Report on Trends and Progress of Banking in India for 2024-25 (released on December 29, 2025) highlights that in the total amount of ₹1,04,099 crore recovered by SCBs through various channels, the share of IBC increased to 52.4%.

Annexure to Rajya Sabha Unstarred Question No.2764 answered on 17.03.2026

Amount in Rs. crore

Sl. No	Period	Amount realised by Financial Creditors (in Rs. Crore)	Realisation as % of admitted claims
1.	FY 2017-2018	3,807	54%
2.	FY 2018-2019	1,07,337	55%
3.	FY 2019-2020	39,240	27%
4.	FY 2020-2021	27,102	27%
5.	FY 2021-2022	46,198	24%
6.	FY 2022-2023	54,125	39%
7.	FY 2023-2024	44,736	28%
8.	FY 2024-2025	53,718	38%