GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

RAJYA SABHA
UNSTARRED QUESTION NO. 227
ANSWERED ON TUESDAY, JULY 21, 2026/ 30 ASHADHA, 1948 (SAKA)

IBC VALUE REALISATION

227 **Shri Kartikeya Sharma**:

Will the Minister of Corporate Affairs be pleased to state:

(a) the total value realised for creditors under the Insolvency and Bankruptcy Code since its enactment and the improvement in recovery from stressed assets compared to the pre-IBC regime;

(b) the manner in which the Insolvency and Bankruptcy Code (Amendment) Act, 2026, including the creditor-initiated resolution process and group and cross-border insolvency provisions, further streamlines resolution and helps creditors realise value faster; and

(c) the impact of the IBC on reducing the non-performing assets of banks and on protecting the interests of investors and depositors?

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): Since the inception of Insolvency and Bankruptcy Code, 2016 (IBC), 1,419 CIRPs (Corporate Insolvency Resolution Processes) have yielded resolution plans as on 31st March 2026. These cases have led to a recovery of ₹ 4.32 lakh crore to the creditors.

(b): The Insolvency and Bankruptcy Code (Amendment) Act, 2026 seeks to improve the operation, enhance effectiveness, clarify intent, and incorporate novel concepts in the Code. The amendments aim to reduce delays, maximise value for all stakeholders, and improve governance of all processes under the Code. The creditor-initiated insolvency resolution process (CIIRP) allows financial institutions to trigger insolvency out-of-court for genuine business failures, thereby reducing delays and ensuring quicker stabilisation under creditor oversight, while the provisions for group and cross-border insolvency prevent duplication of proceedings across interconnected companies and jurisdictions, ensuring coordinated resolution, minimising conflicting orders and maximising value recovery; together with time-bound approvals.

(c): As per RBI's Financial Stability Report (FSR), the Gross Non-Performing Assets (GNPA) ratio of Scheduled Commercial Banks has reduced to a low of 1.8% in March 2026. Further, the impact of the IBC on credit discipline has also been corroborated by a comprehensive study conducted by the Indian Institute of Management Bangalore (IIMB). The study finds that IBC has prompted borrowers to adhere to stipulated loan payment schedules. During the period under review, the study notes a significant reduction in loan accounts deemed '*Overdue*', both in terms of the Rupee amount as well as in terms of the number of accounts.

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