

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 1626
ANSWERED ON FRIDAY, THE 27TH JULY, 2018
SHRAVANA 5, 1940 (SAKA)**

REVIEW OF IBC

1626. SHRI SHIVKUMAR UDASI:

**Will the Minister of CORPORATE AFFAIRS
be pleased to state:**

कारपोरेट कार्य मंत्री

- (a) whether any action has been taken by the Government against the wilful defaulters under Insolvency and Bankruptcy Code (IBC) and if so, the details thereof; and
- (b) the details of recommendations made by the Committee to take stock of functioning and implementation of IBC and the action taken by the Government thereto?

ANSWER

**THE MINISTER OF STATE FOR LAW
AND JUSTICE AND CORPORATE AFFAIRS**

(SHRI P.P. CHAUDHARY)

- (a) Section 29A was inserted in Insolvency and Bankruptcy Code, 2016 (Code) by Insolvency and Bankruptcy Code (Amendment) Act, 2018 which provides that a wilful defaulter in accordance with the guidelines of the Reserve Bank of India is not eligible to submit a resolution plan.
- (b) The Government constituted Insolvency Law Committee (ILC) on 16.11.2017. The ILC submitted its report on 26.03.2018 which is available in public domain. The Government after examining the recommendations of ILC passed an Ordinance dated 06.06.2018 to amend the provisions of the Code so as to balance the interests of various stakeholders in the Code, especially interests of home buyers and micro, small and medium enterprises, promoting resolution over liquidation of corporate debtor by lowering the voting threshold of committee of creditors and streamlining provisions relating to eligibility of resolution applicants.
