

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 2831
ANSWERED ON FRIDAY, THE 3RD AUGUST, 2018
SHRAVANA 12, 1940 (SAKA)**

INSOLVENCY PROCESS

2831. SHRI C.N. JAYADEVAN:

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

कारपोरेट कार्य मंत्री

(a) whether under the insolvency process the Government has allowed the lenders to accept Rs. 5,050 crore offer from a prominent bidder with regard to one of the bankrupt textile companies after taking a deep haircut of 83 percent of lenders claim amounting to Rs. 29,500 crore; and

(b) If so, the details thereof?

ANSWER

**THE MINISTER OF STATE FOR LAW
AND JUSTICE AND CORPORATE AFFAIRS
विधि और न्याय एवं कारपोरेट कार्य मंत्रालय में राज्य मंत्री**

(SHRI P.P. CHAUDHARY)

(श्री पी. पी. चौधरी)

(a) & (b)

No Madam. The Government does not play any role in Corporate Insolvency Resolution Process (CIRP) of a Corporate Debtor under provisions of Insolvency and Bankruptcy Code, 2016 (Code). CIRP is a market determined process of resolution of insolvency of a corporate debtor. All commercial decisions are to be taken by Committee of Creditors (CoC). The CoC approves a resolution plan for further approval by the Adjudicating Authority subject to its satisfaction that the provisions of the Code have been complied with.
