

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS  
LOK SABHA  
UN-STARRED QUESTION NO. 4162  
ANSWERED ON MONDAY, MARCH 22, 2021/ CHAITRA 1, 1943 (SAKA)**

**BANKRUPT COMPANIES  
QUESTION**

**4162. DR. MANOJ RAJORIA:**

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

कारपोरेट कार्य मंत्री

- (a) the details of the number of companies declared bankrupt in the country after the lockdown was imposed due to Covid-19 pandemic, State –wise; and
- (b) the details of the efforts made by the Government to protect companies from bankruptcy in the country during the said period?

**ANSWER**

**THE MINISTER OF STATE FOR  
FINANCE AND CORPORATE AFFAIRS**  
वित्त एवं कारपोरेट कार्य मंत्रालय में राज्य मंत्री

**(SHRI ANURAG SINGH THAKUR)**  
(श्री अनुराग सिंह ठाकुर)

(a): As per Information from Insolvency and Bankruptcy Board of India (IBBI) , details for the period from 01.04.2020 to 31.12.2020 is as under:

- (i) 283 firms were admitted into corporate insolvency resolution process (CIRP).
- (ii) 76 CIRPs ended in resolution, 128 CIRPs were closed due to withdrawal/appeal or settlement and 189 CIRPs ended in liquidation.
- (iii) 30 corporate persons were dissolved/ sold as a going concern/undergone compromise or arrangement under section 230 of Companies Act, 2013 under liquidation process. Further, 59 corporate persons were dissolved under voluntary liquidation process.

The state-wise details is as per Annexure - A.

(b): The Ministry of Corporate Affairs (MCA) has raised the threshold of default under Section 4 of the Insolvency and Bankruptcy Code, 2016 (the Code/ IBC) to Rs. 1 crore (from the existing threshold of Rs. 1 lakh) vide Notification dated 24th March, 2020. This step was taken, inter alia, to assist and aid the functioning of Corporate Persons which might face default owing to the economic slowdown and unprecedented situation due to COVID19. Further, the Insolvency and Bankruptcy Code (Second Amendment) Act, 2020 with effect from 5<sup>th</sup> June 2020 provides for insertion of Section 10A to the Code for temporary suspension of initiation of corporate insolvency resolution process (CIRP) under Section 7, 9 and 10 of the Code for a period of six months or such further period not exceeding one year from 25<sup>th</sup> March 2020.

- (i) The benefit of the suspension is applicable to all those defaults of the corporate debtor that occur from 25<sup>th</sup> March, 2020 and till the end of period of suspension.
- (ii) Such defaults arising from 25<sup>th</sup> March, 2020 and till completion of suspension period will remain as nonest for the purpose of initiation of CIRP under the code as permanent carve out.
- (iii) Section 66 has been amended to provide protection to directors from personal liability for COVID period defaults.
- (iv) The time period under section 10A of the code has been extended vide notification no. SO-4638 (E) dated 22<sup>nd</sup> December, 2020 for a further period of three months from 25<sup>th</sup> December, 2020.

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**Annexure-A referred to in reply to part (a) of Lok Sabha Unstarred Q. No.4162 for 22.03.2021:**

**(a) Outcome of CIRP:**

State/ UT	Number of CIRPs Closed due to withdrawal/ settlement	Number of CIRPs appeal or	Number of CIRPs ending resolution in	Number of CIRPs ended in Liquidation
Andhra Pradesh		3	-	4
Bihar		1	-	-
Chandigarh		1	1	-
Chhattisgarh		1	-	-
Dadra & Nagar Haveli		-	-	2
Daman & Diu		-	-	1
Delhi		38	19	58
Goa		-	3	-
Gujarat		21	5	36
Haryana		2	5	1
Himachal Pradesh		-	-	2
Jharkhand		1	-	-
Karnataka		4	3	16
Kerala		3	2	3
Madhya Pradesh		3	3	4
Maharashtra		20	16	37
Meghalaya		-	2	-
Punjab		-	-	4
Rajasthan		3	-	-
Tamil Nadu		6	1	11
Telangana		10	5	5
Tripura		2	-	-
Uttar Pradesh		4	1	2
Uttarakhand		-	1	-
West Bengal		5	9	3
<b>Grand Total</b>		<b>128</b>	<b>76</b>	<b>189</b>

**(b): Segregated state-wise details of companies dissolved and of compromise and arrangement under Companies Act:**

Sl. No.	State	Companies dissolved/ sold as a going concern/ undergone compromise or arrangement under section 230 of Companies Act, 2013 through liquidation	Companies dissolved through Voluntary Liquidation
1	Andhra Pradesh		0
2	Delhi		13
3	Gujarat		10
4	Haryana		0
5	Karnataka		16
6	Kerala		1
7	Maharashtra		8
8	Madhya Pradesh		4
9	Punjab		0
10	Telangana		3
11	Tamil Nadu		3
12	West Bengal		1
	<b>Total</b>		<b>59</b>

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