

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 1299  
ANSWERED ON MONDAY THE 28<sup>TH</sup> JULY, 2025/ SRAVANA 6, 1947 (SAKA)**

**AMENDMENTS IN INSOLVENCY AND BANKRUPTCY CODE (IBC)**

**QUESTION**

**1299. DR. MALLU RAVI:**

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

- (a) the key amendments recently finalized to the Insolvency and Bankruptcy Code (IBC) and their expected timeline for notification and implementation;**
- (b) whether the Prime Minister's Office reviewed these amendments and if so, the major concerns or modifications highlighted during the review; and**
- (c) the safeguards being introduced to ensure the amendments improve insolvency resolution timelines and reduce backlog in tribunals?**

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS AND MINISTER OF  
STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS  
[HARSH MALHOTRA]**

**(a): The Insolvency and Bankruptcy Code (Code/IBC) has undergone six legislative interventions since its enactment aimed at strengthening the insolvency framework and enhancing procedural efficiency in sync with the evolving market dynamics. The key amendments to the Code are given below:-**

**First Amendment (2017): Introduced section 29A to prohibit persons, who do not have credible antecedents, from submitting resolution plans or taking over companies in stress.**

**Second Amendment (2018): Lowered voting threshold to 66% for resolution plan approval and 51% for routine decisions. Allowed closure of CIRP with 90% approval of CoC, streamlined section 29A, and provided a one-year grace period for RAs.**

**Third Amendment (2019): Provided clarifications regarding restructuring through mergers, amalgamations, and demergers. Addressed voting impasses among creditors and made resolution plans binding on government entities.**

**Fourth Amendment (2019): Facilitated continuation of critical goods and services, introduced section 32A regarding ceasing of liabilities for offenses before CIRP, and protected property under approved resolution plans.**

**Fifth Amendment (2020): Introduced section 10A suspending insolvency applications for defaults from March 25, 2020, for period up to one year due to COVID-19.**

**Sixth Amendment (2021): Introduced Pre-packaged Insolvency Resolution Process for corporate MSMEs.**

**The Government has invited suggestions via a discussion paper released on 18<sup>th</sup> January, 2023 from public with a view to further strengthen the functioning of the Insolvency and Bankruptcy Code, 2016. A final decision has not been taken on the same.**

**(b) & (c): In view of the answer to part (a), the question does not arise.**

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