GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

LOK SABHA
STARRED QUESTION NO. 1195
ANSWERED ON MONDAY, JULY 27, 2026/SHRAVANA 5, 1948 (SAKA)

LOW RATE OF REALISATION UNDER IBC

QUESTION

1195. Shri Subbarayan K:
Com. Selvaraj V:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether it is a fact that the amount realised by the creditors under the Insolvency Bankruptcy Code (IBC) as a fraction of their total claims has hit a 15 quarter low of 20.02 percent in October-December, 2025 indicating an increase in the value of haircuts by financial and operational creditors; and

(b) if so, the details thereof and if not, the reasons therefor?

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)& (b): For the quarter October-December 2025, 80 CIRPs yielded resolution plans. For these plans, the realisation by creditors as a percentage of admitted claims was 20.02%. This realisation by creditors is 128.5% of the liquidation value and 85.7% of the fair value for the same quarter. The percentage of realisation against admitted claims varies from quarter-to-quarter reflecting the characteristics of the cases resolved in that quarter.

Realisations under the IBC depend upon the underlying asset quality and commercial viability of the distressed enterprise. Realisation for creditors also depends on several factors, like nature of business, business cycles, market sentiments and larger economic conditions.

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