

PRESS RELEASE

Parliament of India
Lok Sabha Secretariat



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Parliamentary Standing Committee on Finance (2025-26)

Shri Bhartruhari Mahtab, Chairperson, Standing Committee on Finance presented today the following two Reports:

1. Twenty-Seventh Report on the subject 'Performance Review of National Statistical Commission' of the Ministry of Statistics and Programme Implementation; and
2. Twenty-Eighth Report on the subject 'Review of working of Insolvency and Bankruptcy Code and Emerging Issues' of the Ministry of Corporate Affairs.

Summary of some of the important Observations/Recommendations made by the Committee is as given below:

(i) Twenty-Seventh Report on the subject 'Performance Review of National Statistical Commission' of the Ministry of Statistics and Programme Implementation

Reco. No.	Title	Observation/Recommendation
1	Provision of statutory authority to NSC and empowering it as the nodal national body for statistics.	The Committee stressed the need for a strong, independent National Statistical Commission (NSC) with statutory authority to ensure credibility of official statistics. They noted that discrepancies between official and private data undermine trust due to lack of uniform standards. The Committee recommended empowering NSC as the nodal body to prescribe methodologies, harmonize data practices, and involve private agencies and experts through a permanent technical committee.
5	Integrating Artificial Intelligence into the National Statistical System and Capacity Building	The Committee recommended integration of AI in the National Statistical System to enhance efficiency, accuracy and timeliness of data and also stressed on the need of capacity building for work force with clear ethical framework and guidelines for responsible AI use.
6	Promoting International Collaboration	The Committee appreciated India's active global statistical engagements and adherence to international standards, however, noting the limited translation into tangible domestic

	and Research and Development Initiatives	outcomes, recommended the need for a comprehensive roadmap for international collaborations and research and development initiatives through MoUs, joint research and structured capacity-building programmes with reputed global institutions and universities.
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(ii) Twenty-Eighth Report on the subject ‘Review of working of Insolvency and Bankruptcy Code and Emerging Issues’ of the Ministry of Corporate Affairs.

Reco. No.	Title	Observation/Recommendation
2	Efficacy and Post-Resolution Challenges	<p>The Committee recommended the establishment of a transparent, online mechanism for issuing “no dues” certificates and statutory clearances immediately upon completion of a resolution plan, ensuring that revitalised corporate debtors truly start with a clean slate.</p> <p>The Committee emphasised that early intervention in stressed cases should continue to be promoted to preserve enterprise value, and that once a resolution plan is approved by the NCLT, its implementation should be prompt and monitored, with clear provisions to penalise non-compliance and ensure maximum recovery for all stakeholders.</p>
3.	Delays, Backlogs, and Judicial Capacity	<p>The Committee, strongly, recommended that the establishment of additional NCLT benches be expedited and that the Ministry of Corporate Affairs accelerate the operationalisation of the proposed Integrated Technology Platform (iPIE) for centralised case management, which is vital for strengthening the capacity and efficiency of the NCLT and NCLAT. To deter vexatious challenges, the Committee further recommended that the IBBI prescribe a mandatory upfront threshold deposit for unsuccessful resolution applicants filing appeals, and the minimum penalty for frivolous applications should be substantially raised.</p>
4.	Creditor Realisation and Asset Valuation	<p>The Committee observed that recovery is constrained by valuing assets based merely on liquidation potential rather than enterprise value, and by a limited pool of quality resolution applicants. The Committee, therefore, recommended that the system be evolved to value assets based on enterprise value to better reflect the corporate debtor’s potential. The Committee further recommended that to reduce ‘haircuts’ the process for competitive bidding be expanded through global outreach to enhance competition. The Committee also recommended that the role of liquidators and registered valuers must be strengthened with clear Standard Operating Procedures (SOPs), audit trails, and post-resolution valuation reviews, and that the option for fresh valuation to be carried out again after specific intervals should be explored.</p>

6.	Homebuyers Rights	The Committee, recommended that to give effective implementation to the Committee of Creditors (CoC) granted concession, the eligibility criteria for homebuyers must be reconsidered to make the concession meaningful and enable resolution plans from these groups. The Committee desired that the Ministry of Corporate Affairs explore ways to coordinate with other nodal Ministry/Department (like Ministry of Housing and Urban Affairs/RERA) to facilitate the inclusion of the necessary provisions to help homebuyers and also to address regulatory overlaps with other statutes.
7.	Cross-border insolvency Framework	The Committee, recommended that for making IBC 2016 instrumental in addressing the resolution of cross-border insolvency cases, the Ministry of Corporate Affairs may consider selective adoption of the UNCITRAL Model with some modifications, well suited for India's financial and legal framework to avoid the attached shortcomings.
8.	Advance Ruling Mechanism and Mediation	<p>The Committee, recommended that the Ministry of Corporate Affairs and the IBBI should urgently explore the feasibility and applicability of introducing a suitable advance ruling mechanism within the IBC framework to provide stakeholders with pre-admission clarity on key legal or factual issues, thereby significantly reducing unnecessary litigation and safeguarding the time-bound nature of the resolution process.</p> <p>The Committee, recommended that the integration of mediation as an alternative dispute resolution mechanism, drawing from international best practices, must be sufficiently promoted and its importance not to be undermined, as this would considerably reduce the burden on Adjudicating Authorities and expedite resolution.</p>
11.	Adjudicating Authority Rules	The Committee noted that the IBBI suggested the notification of dedicated Rules of Procedure specifically for IBC matters to ensure clarity, provide fixed timelines, and enhance the role of the Registry. The Committee recommended that immediate action be taken to notify dedicated Rules of Procedure specifically tailored for IBC matters.
13.	Waterfall Mechanism and Stakeholder Claims	The Committee, recommended that the Ministry of Corporate Affairs must expedite the review of the waterfall mechanism's impact on vulnerable stakeholder groups, particularly MSMEs and operational creditors, whose lower recovery often undermines their ability to sustain business. The Committee further recommended that based on the findings of the IBBI study, the Ministry should propose targeted amendments to the waterfall mechanism to strike a better balance, maximizing value while ensuring that the distribution framework does not unduly disadvantage MSMEs, which are critical to the economy.

14.	Strengthening the Capacity and Efficiency of NCLT	The Committee strongly recommended that the Government must review the strength of NCLT & NCLATs for the creation of additional Benches and consider enhancing the efficiency of existing NCLT benches, beside filling up the existing vacancies. Special designated fast track courts for a fixed time period may also be established to shoulder the burden and ensure expeditious disposal. To deter vexatious challenges, the Committee further recommended that the IBBI prescribe a mandatory upfront threshold deposit for unsuccessful resolution applicants filing appeals, and the minimum penalty for frivolous applications should be substantially raised.
15.	E-Court System	<p>The Committee recommended that to make the e-court system effective, the Adjudicating Officers must be adequately trained and made comfortable in navigating the e-court platform. The Ministry, in this regard, may explore options for tying up with capacity building institutions for imparting the requisite training.</p> <p>The Committee further recommended the creation of a dedicated cadre of IT professionals to support NCLT operations, the engagement of specialized personnel for the digital infrastructure and groundwork, and the adoption of international best practices to build a robust technological backbone, ensuring the e-court system functions efficiently.</p>
