

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA  
UNSTARRED QUESTION NO. 24  
ANSWERED ON FRIDAY, THE 2<sup>ND</sup> FEBRUARY, 2018  
[MAGHA 13, 1939 (SAKA)]**

**INSOLVENCY CASES**

**24. SHRI CHANDRA PRAKASH JOSHI:**

**Will the Minister of CORPORATE AFFAIRS**

**कारपोरेट कार्य मंत्री**

**be pleased to state:**

- (a) the details of losses suffered due to corporate insolvency, corporate liquidation and individual bankruptcy during the last three years;**  
**(b) whether the said cases registered a sharp increase during the last three years; and**  
**(c) if so, the details thereof and the reasons therefor?**

**ANSWER**

**THE MINISTER OF STATE FOR LAW AND JUSTICE  
AND CORPORATE AFFAIRS**

**(SHRI P.P. CHAUDHARY)**

**विधि और न्याय एवं कारपोरेट कार्य मंत्रालय में राज्य मंत्री  
(श्री पी.पी. चौधरी)**

**(a) to (c)**

**Madam, the provisions related to insolvency resolution and liquidation of corporate persons as contained in Insolvency and Bankruptcy Code, 2016 (Code) have been made effective w.e.f. 1<sup>st</sup> December, 2016. Further, provisions related to insolvency resolution and bankruptcy for individuals and partnership firms in the Code are yet to be notified. The Code has been enacted to consolidate and amend the laws relating to reorganisation and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximization of value of assets of such persons. A corporate debtor will either go for insolvency resolution or liquidation depending upon decision taken by Committee of Creditors (CoC) of such corporate debtor considering its viability and other economic factors.**

**By December, 2017, 40 (Forty) transactions of Corporate Insolvency Resolution Process (CIRP) were completed. Out of these transactions, 10 (Ten) transactions resulted in resolution plans being approved by Adjudicating Authority and 30 (Thirty) transactions resulted into liquidation of Corporate debtors.**

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