

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 986**

**ANSWERED ON MONDAY, THE 02nd of DECEMBER, 2024/
Agrahayana 11, 1946 (Saka)**

Political Appointments in NCLT and NCLAT

QUESTION

986. PROF. SOUGATA RAY:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Supreme Court has passed any comments on the political appointments in National Company Law Tribunal and National Company Law Appellate Tribunal;**
- (b) if so, the details thereof;**
- (c) the reasons behind the "lack of timely admission and disposal" of applications under the Insolvency and Bankruptcy Code (IBC), as opined by the Hon'ble Supreme Court;**
- (d) whether there is a "growing tendency" to disregard Supreme Court directions by the authorities of such bodies; and**
- (e) if so, the details thereof and 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**

(HARSH MALHOTRA)

(a) and (b): The process of filling up the posts of Members in the National Company Law Tribunal (NCLT) and the National Company Law Appellate Tribunal (NCLAT) is a dynamic, integrated, and continuous collaboration between the Executive and the Judiciary. Appointments are made based on the recommendations of the Selection Committee for NCLT and the Search-cum-Selection Committee for NCLAT. Both Committees, chaired by the Hon'ble Chief Justice of India or his nominee, are structured to ensure judicial dominance in the appointment process. The Chairperson of each committee holds a casting vote, reinforcing impartiality and maintaining the integrity of the selection process.

(c): Delays in case disposal are influenced by multiple factors such as the complexity of facts involved, cooperation of stakeholders, and procedural issues. Adjournments and the filing of numerous interim applications also contribute to delays.

(d): The Supreme Court, as the Apex Court of India, is the highest authority in the judicial hierarchy. Its orders and judgments are binding on all Courts and Tribunals across the entire territory of India, ensuring uniformity and consistency in the application of the law.

(e): Does not arise.
