

KOLKATA: The Chairperson of Insolvency and Bankruptcy Board of India ([IBBI](#)) M S Sahoo on Saturday said that the focus on cases coming under Insolvency and [Bankruptcy Code](#)

(IBC) should be on resolution and not liquidation to maximise the value of corporate debtors.

He said that the soul of the Code was to keep the firm alive by balancing the interest of all stakeholders for which a successful resolution was needed.

Sahoo said that this was not happening at the moment.

Speaking at a CII event here, Sahoo said "this is not happening. But there is nothing to worry. Our effort will be on resolution. For that to happen, the resolution value has to be higher than the liquidation value".

To encourage resolutions to take place, the voting threshold had been lowered from 75 per cent to 66 per cent, he said.

He said that out of 850-odd cases which had been referred to the NCLT, 130 of them were either in the stage of a resolution or liquidation. One hundred of the 130 cases had been referred for liquidation, he said.

On the Committee of Creditors (CoC) which comprised mostly lenders, he said, it was a determining role to select suitable people in taking over a business and keep it running.

Sahoo said that regulations on non-entertainment of late bids and no negotiations with late bidders would be announced soon and would be in force with prospective effect.

K R Jinan, member of NCLT Kolkata bench, said that there had been instances of non-cooperation by the corporate debtors with the resolution professionals.

"Sometimes lenders refuse to finance the Resolution Professionals to see resolution is through as a going concern," he said.

Jinan said the implementation of the Code was at an initial stage. "It has to be implemented in its true spirit. For that, periodical review is needed for successful resolution of stressed assets".