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Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
Online End Semester Examination, December 2020

Course: Insolvency and Bankruptcy Code (Hons 7)	Semester: IX
Program: BB.A LL.B (Hons.) (Banking, Finance and Insurance Law)	Time 03 hrs.
Course Code: LLBL515	Max. Marks: 100

SECTION A

1. Each Question will carry 5 Marks
2. Instruction: Complete the statement

S. No.	Question	CO
Q 1	<p>True or false and fill in the blank (1 mark each)</p> <p>a. Anirudh is a businessman and was successfully doing his business till 2015, but from 2016 he started facing financial crises in the company due to which he had borrowed lots of money from the creditors and banker. He tried best to do the business well past few years but had failed and not able to pay back the money of the creditors and bankers. Anirudh declared himself as an insolvent and file a suit in the court. The proceeding in this matter will be of insolvency.</p> <p>b. Recovery of Debts Due to Banks and Financial Institutions Act, 1993 was the recommendation of the committee so that there is Special tribunal for recovery claims of financial institutions.</p> <p>c. India required a sound _____ resolution regime to essentially facilitate and develop a deep credit market prior to IBC.</p> <p>d. IBBI Regulation, 2018 included the provisions of bankruptcy to be applicable to _____ of corporate debtors.</p> <p>e. Banks lent's indiscriminately during the year-2008-2014 which led to review by RBI resulting into appointment of _____ in 2015.</p>	CO1
Q2	What is the eligibility criteria of Insolvency Professional according to IBBI Regulation 2016?	CO1
Q3	Clarify the concept of Mutual creditors and Set-off in bankruptcy process of the bankrupt.	CO2
Q4	Substantiate who all can initiate corporate insolvency resolution process under IBC, 2016	CO1
Q5	Elaborate the component of Resolution plan under IBC, 2016	CO2
Q6	Explain the Adjudicating Authority of Corporate person.	CO2

SECTION B

1. Each question will carry 10 marks

Instruction: Write short answers to the given problem applying the legal provisions

Q 7	<p>J K industries is a registered company which is manufacturing pharma equipment. Mr. Rajesh who is a supplier who is providing the goods to the J K industries. J K industries and Mr. Rajesh are in a business contract from past 10 years. But in 2019 onwards J K industries is not able to</p>	CO2
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	pay Mr. Rajesh for the goods and the outstanding amount against J K industries is 10 lakhs from 29 th January 2019 to 1 st March 2020. Mr. Rajesh demand the returns of the money by a demand notice in July, 2020. But J K industries take the defense of Pandemic Covid-19. What is the remedy available to both parties in this conditions? Justify the both sides with IBC provisions.	
Q 8	ABC company had filed for the CIRP the process was initiated by the Financial creditor, post that insolvency resolution professional was appointed. As per the provision of IBC, Committee of creditors (COC) was incorporate, later the resolution plan was passed by the COC with the majority of 55% voting share of financial creditors which was considered to be feasible and viable to apply. Can the CIRP go ahead in the given situation and what will happen to the CIRP of ABC company?	CO1
Q 9	Vidhisha Textile company is going through the liquidation process and the liquidator is being appointed for liquidation process named Mr. Dinesh. Firstly Mr. Dinesh take the charge and control of the liquidation estate of Vidhisha Textile company including moveable, immovable and actionable claims of the corporate debtor. During taking the custody of the liquidation estate of Vidhisha Mr. Dinesh also takes the custody of trust property of Anandita trust wherein Vidhisha company is holding Anandita trust as the trustee. Mr. Dinesh is also a close friend of Managing Director of Vidhisha Textile wherein Mr. Dinesh has invested in the shares of Vidhisha company. Validate the given problem under the IBC, 2016 and IBBI Regulations.	CO3
Q 10	Sunshine Chemical Ltd Company is manufacturing different industrial chemicals from 2010 onwards. They have filed for regular corporate insolvency resolution process on 5 th January 2020 under the IBC, 2016. On 4 th January, 2020 Central government has notified that the corporate debtor whose assets and income is below 5 lakh rupees. Sunshine Chemical Ltd Company has all its assets and income falling within the criteria as per the notification of the Central Government. In this situation which process needed to be followed by sunshine chemical ltd company? Verify in light of the insolvency mechanism available to it.	CO3
Q 11	Verdant is a partnership firm which is registered with the Registrar of the Limited Liability Partnership. Verdant was incorporated for a Project of government and after completing the project they want to go for the voluntary liquidation. Verdant is your client guide verdant is how they can proceed for voluntary liquidation process explaining step by step process for voluntary liquidation process.	CO2
Section C		
<p>1. Each Question carries 10 Marks.</p> <p>2. Instruction: Write long answer.</p>		
Q12	<p>a. Critically elaborate the waterfall mechanism and priorities given to different creditors and stakeholder in Insolvency Resolution Process and Liquidation with apt legal provisions under the Code.</p> <p>b. Describe the delving given under the code for process of Information Memorandum during the Insolvency Process.</p> <p style="text-align: center;">Or</p> <p>Critically analyze the need for Insolvency and Bankruptcy code in India even though we had various legislation with apt cases and illustration</p>	<p>CO2</p> <p>CO2</p> <p>CO1</p>

