

Enrolment No:



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**

**End Semester Examination, May 2019**

**Course: Insolvency & Bankruptcy Laws**

**Semester: II**

**Programme: LLM (Business Law)**

**Sub Code: CLCL7010**

**Time: 03 hrs.**

**Max. Marks: 100**

**Instructions:**

**SECTION A**

**10**

S. No.	(Solve any FOUR Questions)	Marks	CO
Q. 1	Mention the purpose of IBC Code 2016	2.5	CO1
Q. 2	Who can be considered as information utility?	2.5	CO1
Q. 3	Distinguish between 'Information Professional' and Information Professional Agency under the IB Code	2.5	CO1
Q. 4	What is financial information as per Sec 3 (13) of the IB Code	2.5	CO1
Q. 5	Who can be a corporate applicant	2.5	CO1

**SECTION B**

**(Solve any TWO Questions)**

**20**

Q. 6	Discuss the Initiation of Corporate Insolvency Resolution Process as per Section 4(1) of Insolvency & Bankruptcy Code, 2016	10	CO2
Q. 7	To what extent the role of Committee of Creditors takes a major control in entire CIRP under IB Code.	10	CO2
Q. 8	Explain the requirements of resolution plan, who approves the resolution plan, can the resolution plan be challenged, ?Justify your answer based on relevant case law on the subject.	10	CO2

<b>SECTION-C</b>											
<b>(Solve all TWO Questions)</b>			<b>20</b>								
<b>Q. 9</b>	Discuss the Insolvency Resolution Process Applicable to a Operational Creditor as per IB Code 2016.	<b>10</b>	<b>CO2</b>								
<b>Q. 10</b>	Mention briefly the process of Initiation of Liquidation as per IB code	<b>10</b>	<b>CO2</b>								
<b>SECTION-D</b>											
<b>Solve all THREE Questions</b>			<b>50</b>								
<b>Q.11</b>	Analyse the Supreme Court Observations in K.Sashidhar Vs Indian Overseas Bank & Ors 2019 SCC Online SC 257 on the role of Judicial Scrutiny in the Corporate Insolvency Resolution Process on a commercial decision taken by the Committee of Creditors COC to approve or reject a resolution plan taking into account the previous decision of the Court.	<b>20</b>	<b>CO3</b>								
<b>Q.12</b>	Critically Examine the Supreme Court observations in Essar Steel IBC case pertaining to the eligibility criterion for resolution applicant	<b>15</b>	<b>CO3</b>								
<b>Q.13</b>	<p>The assets of XYZ Ltd has to be distributed amongst the eligible claimants in pursuance of the liquidation order under the Insolvency and Bankruptcy Code, 2016. The liquidator after realization of the assets has an amount of Rs. 28,00,000/- at his disposal for payment. The list of claims are as follows:</p> <table style="margin-left: 40px; border: none;"> <tr> <td style="padding-right: 20px;">Dues to secured creditors</td> <td style="text-align: right;">Rs. 10,00,000/-</td> </tr> <tr> <td>Dues to workers</td> <td style="text-align: right;">Rs. 5,00,000/-</td> </tr> <tr> <td>Liquidation costs</td> <td style="text-align: right;">Rs. 5,00,000/-</td> </tr> <tr> <td>Unsecured creditors</td> <td style="text-align: right;">Rs. 15,00,000/-</td> </tr> </table> <p>Explain the procedure to be followed for payment under the Insolvency and Bankruptcy Code, 2016</p>	Dues to secured creditors	Rs. 10,00,000/-	Dues to workers	Rs. 5,00,000/-	Liquidation costs	Rs. 5,00,000/-	Unsecured creditors	Rs. 15,00,000/-	<b>15</b>	<b>CO3</b>
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**Instructions:**

**SECTION A**

S. No.	(Solve all FOUR Questions)	Marks	CO
<b>Q. 1</b>	Define the word “Debt” under the IB Code	<b>2.5</b>	<b>CO1</b>
<b>Q. 2</b>	Whether the IB Code can be applicable to Individual? What is the Current status of the same	<b>2.5</b>	<b>CO1</b>
<b>Q. 3</b>	Distinguish between ‘winding up’ under the Company Law & IB Code	<b>2.5</b>	<b>CO1</b>
<b>Q. 4</b>	Mention the entities/persons who are not entitled to initiate insolvency resolution process under the IB Code 2016.	<b>2.5</b>	<b>CO1</b>

**SECTION B**

**(Solve any TWO Questions)**

<b>Q 5</b>	Discuss the Vishwanathan Committee report for the formation of Insolvency & Bankruptcy Code,2016	<b>10</b>	<b>CO2</b>
<b>Q. 6</b>	Explain the role of Insolvency Professional Agency & Information Professional as well as their qualification mentioned in the IB Code.	<b>10</b>	<b>CO2</b>
<b>Q.7</b>	Discuss the Role and function of IBBI	<b>10</b>	<b>CO2</b>

**SECTION-C**  
**(Solve all TWO Questions)**

<b>Q. 8</b>	Mention briefly the Insolvency Resolution Process Applicable to a Corporate Debtor as per IB Code 2016.	<b>10</b>	<b>CO2</b>
<b>Q. 9</b>	Can a Corporate Debtor make back entry to the defaulting corporate debtor through associate Companies or defaulting connected persons? Support your answer with the development of law on the subject.	<b>10</b>	<b>CO2</b>

**SECTION-D**

**Solve all THREE Questions**

<b>Q. 10</b>	Mr. Ranjit Sharma deposited a sum of Rs. 35 Lakhs to Arvind Builders Limited on 05 February 2019 for purchasing a flat. He was promised to allot the flat till 25 August 2019. But in the meanwhile Arvind Builders Limited became insolvent. Will Mr. Ranjit Sharma be included in the COC during the Insolvency Proceedings of Arvind Builders Limited?	<b>15</b>	<b>CO3</b>
<b>Q. 11</b>	Discuss the entire Fast Track Insolvency and bankruptcy Proceeding, its basis and utilisation as per Insolvency & Bankruptcy Code	<b>15</b>	<b>CO3</b>
<b>Q. 12</b>	. <i>Radheysham Sitaram India Ltd.</i> is a company incorporated under the Companies Act, 1956 having a share capital of Rs. 25 crores. The company wanted to expand and took a loan of Rs. 60 crores (25 + 15 + 20) from ICICI Bank, HDFC Bank and SBI Bank for a real-estate project in the year 2015. The company was performing well until 2016 when the real estate law came up and the company had to work upon the number of compliances. While <i>Radheysham Sitaram India Ltd</i> continued to pay the loan instalments to the banks, it withheld payment to its employees for about 3 months. One of the managers whose salary was 85 thousand / month issued a notice under section 8 of IBC 2016 for initiation of corporate insolvency. Advise <i>Radheysham Sitaram India Ltd</i> as to the maintainability application by the said employee for corporate insolvency and its consequences	<b>20</b>	<b>CO3</b>