

B.A., LL.B. (Hons.) DEGREE SEVENTH SEMESTER EXAMINATION, NOVEMBER 2023

LAW OF BANKRUPTCY AND INSOLVENCY

Time: 3 Hours

Maximum Marks: 50

PART A

(Answer *ANY FIVE* questions)

(5 X 4 = 20)

- I. Write a brief note on:
- (a) 'Corporate debtor'
 - (b) 'Financial product' and 'security interest'
 - (c) 'Resolution applicant' and 'resolution plan'
 - (d) Time limit for completion of insolvency resolution process
 - (e) 'Liquidator'
 - (f) 'Operational debt'
 - (g) 'Committee of creditors'
 - (h) 'Insolvency professional agencies'

PART B

(Answer *ANY TWO* questions)

(2 X 6 = 12)

- II. The operational resolution plan is sought to be withdrawn by the Resolution Applicant citing change in market conditions. The Committee of Creditors resists the demand. The dispute is before the NCLT. Decide. Give reasons for your answer.
- III. XYZ Ltd. underwent a corporate insolvency resolution process and completed it on March 30, 2022. Finding itself to be facing another financial crunch before the close of the financial year, it approaches the NCLT as a corporate applicant on 20th of January 2023, to initiate a fresh corporate insolvency resolution process. Decide. Give reasons for your answer.
- IV. The Committee of Creditors demand that the security available with the secured creditor be surrendered for the purpose of operationalising the approved resolution plan. The secured creditor who has unsuccessfully voted against the resolution plan, resists the surrender of the security claiming that it will adversely affect its ability to recover on the outstanding debt. Decide. Give reasons for your answer.

PART C

(Answer *ANY TWO* questions)

(2 X 9 = 18)

- V. Explain the pre-packaged corporate insolvency resolution process.
- VI. Examine the concept of 'moratorium' and explain its effect.
- VII. Explain initiation of corporate insolvency resolution process by a financial creditor.
