

B.A. LL.B., (Hons) DEGREE SEVENTH SEMESTER EXAMINATIONS, NOVEMBER 2018

LAW OF INSOLVENCY AND BANKRUPTCY

Time: 3 Hours

Maximum Marks: 50

Cite case law and legal provisions where relevant.

PART-A

Write Short notes on ANY FIVE of the following. Each question carries FOUR marks.

(5x4=20)

- I. (a). Committee of creditors
- (b). Moratorium
- (c). Adjudicating Authority for individuals
- (d). Bankruptcy trustee
- (e). Repayment plan
- (f). Fast Track Corporate Insolvency Resolution Process
- (g). The estate of the bankrupt
- (h). Extortionate credit transactions

PART-B

Answer ANY TWO questions. Each question carries SIX marks.

(2x6=12)

- II. RJ Enterprises Ltd. wants to end its business activities and wind up its operations. The board of directors is unable to certify that the company is solvent to pay off its debts. Advise the company with respect to winding up the company voluntarily.
- III. Jennifer has taken a student loan to finance her studies. Though she has paid the tuition fee in full, she is unable to complete her studies after her marriage and drops out of college. Now she is unable to repay her student loan. She has heard about the fresh start process available to individuals under the Insolvency and Bankruptcy Code. Advise her with respect to the use of its provisions for her benefit.
- IV. Thomas purchased the shares of Dave in ASAD Pvt. Ltd. on 1.1.2015. The promoters of the company refuse to recognise the transfer of shares. On instructions from the board of directors, the company has not paid him the declared dividends on the shares held by him for the past three years. The unpaid dividend amounts to rupees twenty lakh. Is Thomas in any way benefitted by the provisions of the Insolvency and Bankruptcy Code in his pursuit to recover the unpaid dividends? Advise Thomas in the light of the legal provisions.

PART-C

Answer ANY TWO questions. Each question carries NINE marks.

(2x9=18)

- V. Explain the constitution, powers and functions of the Insolvency and Bankruptcy Board of India.
- VI. Enumerate and explain the powers and duties of the liquidator in the case of a corporate debtor.
- VII. Explain the measures envisaged under the Insolvency and Bankruptcy Code, 2016 to deal with transactions entered into by the corporate debtor which is intended to defraud creditors.
