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**PRESIDENCY  
UNIVERSITY**

**BENGALURU**

**School of Law**

**Mid - Term Examinations - November 2024**

**Semester:** VII

**Date:** 07-11-2024

**Course Code:** LAW4020

**Time:** 02:00 pm – 03:30pm

**Course Name:** Insolvency and Bankruptcy Code

**Max Marks:** 50

**Program:** BBA LL. B (Hons.)/ B.COM LL.B (Hons.)

**Weightage:** 25%

**Instructions:**

*(i) Read all questions carefully and answer accordingly.*

*(ii) Do not write anything on the question paper other than roll number.*

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**Part A**

**Answer ALL the Questions. Each question carries 2 marks.**

**5Qx2M=10M**

- |   |  |         |           |     |
|---|--|---------|-----------|-----|
| 1 | Define Cash-flow test .                                    | 2 Marks | Knowledge | CO1 |
| 2 | Explain the relevance of Resolution professional in CIRP . | 2 Marks | Knowledge | CO2 |
| 3 | Define Operational credit and creditor with illustration.  | 2 Marks | Knowledge | CO2 |
| 4 | Define registration of Charges under debentures.           | 2 Marks | Knowledge | CO1 |
| 5 | State the principle of Paripassu .                         | 2 Marks | Knowledge | CO2 |

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**Part B**

**Answer ALL Questions. Each question carries 10 marks.**

**4QX10M=40M**

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|----|---|---------|---------------|-----|
| 6. | Summarize how insolvency laws have evolved over time in response to economic changes. | 10Marks | Comprehension | CO1 |
|----|---|---------|---------------|-----|

OR

- |    |  |         |               |     |
|----|--|---------|---------------|-----|
| 7. | Deposits has been an important source of funding for the corporate in India, explain how companies raise funds through the issuance of share capital and debentures? | 10Marks | Comprehension | CO1 |
| 8. | Discuss the potential challenges or limitations associated with the implementation of the Insolvency   | 10Marks | Comprehension | CO1 |

and Bankruptcy Code 2016, and how might they be addressed to improve its effectiveness?

OR

9. Explain the objectives behind introducing the Insolvency and Bankruptcy Code in India. 10Marks Comprehension CO1

10. Describe the purpose and contents of the Information Memorandum prepared during the CIRP. 10Marks Comprehension CO2

OR

11. Analyse the CIRP's inception. Discuss on the conditions that must be followed for a corporate debtor to be recognized into the CIRP and the procedure to submit an application to the National Company Law Tribunal (NCLT). 10Marks Analysis CO2

12. Given a hypothetical scenario where a company is facing financial distress, Describe how would the provisions of the Insolvency and Bankruptcy Code 2016 be applied to initiate the resolution process in a small businesses, start-ups and unlisted firms with a total asset value of lower than 1 crore . 10Marks Comprehension CO2

OR

13. Explain the Pari Passu Principle and its significance in corporate insolvency proceedings. 10Marks Comprehension CO2