1. (a) The following particulars relate to BigRammy (Private) Ltd. which has gone into Corporate Insolvency Resolution Plan (CIRP):

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Particulars</th>
<th>Amount in Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Amount realized from the sale of liquidation of assets</td>
<td>14,00,000</td>
</tr>
<tr>
<td>2</td>
<td>Secured creditor who has relinquished the security</td>
<td>5,00,000</td>
</tr>
<tr>
<td>3</td>
<td>Unsecured financial creditors</td>
<td>4,00,000</td>
</tr>
<tr>
<td>4</td>
<td>Income-tax payable within a period of 2 years preceding the liquidation commencement date</td>
<td>50,000</td>
</tr>
<tr>
<td>5</td>
<td>Cess payable to state government within a period of one year preceding the liquidation commencement date</td>
<td>20,000</td>
</tr>
<tr>
<td>6</td>
<td>Fees payable to resolution professional</td>
<td>75,000</td>
</tr>
<tr>
<td>7</td>
<td>Expenses incurred by the resolution professional in running the business of the BigRammy (Private) Ltd. on going concern</td>
<td>25,000</td>
</tr>
<tr>
<td>8</td>
<td>Workmen salary payable for a period of thirty months preceding the liquidation commencement date. The workmen salary is equal per month</td>
<td>3,00,000</td>
</tr>
<tr>
<td>9</td>
<td>Equity shareholders</td>
<td>10,00,000</td>
</tr>
</tbody>
</table>

State the priority order in which the liquidator shall distribute the proceeds under the Insolvency and Bankruptcy Code 2016. (5 Marks)

(b) Ramakrishna Ltd. and Jai Ram Ltd. went into a merger arrangement. State the provisions related to the registration of offer involving transfer of shares as per the Companies Act, 2013. (5 Marks)

(c) Mr. Rohan, an Indian Resident individual desires to obtain Foreign Exchange for the following purposes:

(A) US$ 1,20,000 for studies abroad on the basis of estimates given by the foreign university.
(B) Gift Remittance amounting US$ 10,000.

Advise him whether he can get Foreign Exchange and if so, under what condition(s)? (5 Marks)

(d) DJA Company Limited, incorporated under the provisions of the Companies Act, 2013, has two subsidiaries – AJD Limited and AMR Limited. All the three companies have prepared their financial statements for the year ended 31st March, 2018. Examining the provisions of the Companies Act, 2013, answer the following:

(i) In what manner DJA Company Limited shall prepare their Balance Sheet and Profit & Loss Account?
What shall be your answer in case one of the subsidiary company’s financial statements do not comply with the Accounting Standards? (5 Marks)

2. (a) A company proposes to make a public issue of equity shares for financing its project through book building process. It proposes to fix the floor price of the share at Rs. 500 for a share of Rs. 10. Answer the following with reference to SEBI (ICDR) Regulations:

What is the price band that may be indicated in the red herring prospectus?

If the company wants to lower the floor price during the bidding period in order to increase the response to the issue, state the conditions subject to which such revision can be made. (8 Marks)

(b) XYZ Limited is an unlisted public company having a paid-up capital of twenty crore rupees as on 31st March, 2018 and a turnover of one hundred fifty crore rupees during the year ended 31st March, 2018. The total number of directors is thirteen.

State the following answers:

(i) Minimum number of directors appointed as Independent Director in XYZ Limited.

(ii) What will be the consequences where XYZ Ltd. ceases to fulfill any of the required conditions with respect to appointment of Independent directors for three continuous years?

(iii) If suppose XYZ Ltd. (Unlisted public company) is a dormant company, what shall be the law related to the appointment of Independent director? (8 Marks)

3. (a) XYZ Ltd. with the turnover of Rs. 500 crore entered into a contract of purchasing of raw material from a private company. XYZ Ltd. appointed Mr. Khurana, a director of the company, to act in this deal of transaction. Mr. Khurana is also a member of that private company. He settled the said transaction into 60 crore and entered into the contract. After few transactions made under the contract, XYZ Ltd. finds degradation in the quality of the product supplied. In the Board Meeting, this contract was challenged considering it as a related party transaction and in contravention to section 188(1) of the Companies Act, 2013. During this period, Mr. Khurana was appointed as a director in newly setup, PQR Ltd.

In the light of the given facts, examine the following situations as per the Companies Act, 2013.

(i) What is the legal position of the contract entered between XYZ Ltd through Mr. Khurana, and the private company?

(ii) Is there any contravention of section 188 (1)? if yes, then the liability of the wrong deor.

(iii) Comment upon the appointment of Mr. Khurana as a director in PQR Ltd. (8 Marks)

(b) Prakash Carriers Limited appointed Mr. Raman as its auditor in the Annual General Meeting held on 30th September, 2017. Initially, he accepted the appointment. But he resigned from his office on 31st October, 2017 for personal reasons. The Board of directors seeks your advice for filling up the vacancy by appointment of Mr. Albert as auditor. Advise as per the provisions of the Companies Act, 2013.

Also suggest the procedure to be adopted in case Mr. Albert is proposed to be removed from his office before the expiry of his term. (8 Marks)

4. (a) (i) Mr. Gopal is a director in a Bank. The Reserve Bank of India terminates him on the ground that his conduct is detrimental to the interest of the depositors. Decide, whether the Reserve Bank of India can do so under the Banking Regulation Act, 1949. Can the Reserve Bank of India appoint additional Director in a Bank under the said Act? (4 Marks)

(ii) Complaints of unethical practices have been received against members of the Governing Body of a Recognized Stock Exchange. Examine whether the Government has any power to take action against the Governing Body of the said exchange. (4 Marks)
(b) Mr. B. Dutt is the Managing Director of Food Plaza Restaurants Private Limited. FPRPL was incorporated in furtherance of a Joint Venture Agreement ("JVA") between Mr. B. Dutt and Jack India Pvt. Limited (JIPL) in 2017, both having 50% of equal share in the said company. FPRPL was to be governed by the terms and conditions set out in its Memorandum of Association and its Articles of Association.

JIPL held the Board meeting, without giving prior notice of such meeting to Mr. B. Dutt, took decision to remove Mr. B. Dutt with an allegation of mismanagement of fund in FPRPL. JIPL pressurised him to sell his shares at Rs. 5 crore, against Rs. 15 crore which is the fair market price of Mr. B. Dutt shares.

Advise whether Mr. B. Dutt has right to claim any relief and would he succeed in obtaining relief from Tribunal on the ground of oppression by JIPL? (8 Marks)

5. (a) (i) NCLAT was constituted by the Central Government consisting of a chairperson along with the Judicial and Technical members for hearing appeals against the orders of the Tribunal. Later it was discovered that chairperson is a judge of a high court. Aggrieved parties to a case, challenged the sanctity of the order of the respective case and said that it is invalid. Examine in the light of the given situations the validity of the act or proceedings conducted by the NCLAT. (4 Marks)

(ii) The Board of Directors of XYZ Limited decided to pass a resolution to purchase 35,000 equity shares of Rs. 100 each of PQR Limited at a meeting. Draft a specimen Board Resolution to be passed at the said meeting. (4 Marks)

(b) (i) PET Ltd. incurred loss in business upto current quarter of financial year 2017-18. The company has declared dividend at the rate of 12%, 15% and 18% respectively in the immediate preceding three years. Inspite of the loss, the Board of Directors of the company have decided to declare interim dividend @ 15% for the current financial year. Examine the decision of PET Ltd. stating the provisions of declaration of interim dividend under the Companies Act, 2013. (8 Marks)

(ii) Star Ltd. declared and paid dividend in time to all its equity holders for the financial year 2017-18, except in the following two cases:

(A) Mrs. Sheela, holding 250 shares had mandated the company to directly deposit the dividend amount in her bank account. The company, accordingly remitted the dividend but the bank returned the payment on the ground that there was difference in surname of the payee in the bank records. The company, however, did not inform Mrs. Sheela about this discrepancy.

(B) Dividend amount of Rs. 50,000 was not paid to Mr. Mohan, deceased, in view of court order restraining the payment due to family dispute about succession.

You are required to analyse these cases with reference to provisions of the Companies Act, 2013 regarding failure to distribute dividends. (8 Marks)

6. (a) Skyline Ltd. was ordered to be wound up compulsory on a petition filed on 10th February, 2018 before Tribunal. The official liquidator who has taken control for the assets and other records of the company has noticed that the Managing Director of the company has transferred certain properties belonging to the company to one of its creditor "Vansh (Pvt.) Ltd", in which his son was interested. This was causing huge monetary loss to the company. The sale took place on 15th September, 2017.

(i) Examine what action the official liquidator can take in this matter having regard to the provisions of the Companies Act, 2013. (8 Marks)

(ii) Determine the rights and liabilities of fraudulently preferred persons by mortgage of charge of property to him to secure the company’s debt. (8 Marks)
(b) Central Government on receipt of a report of the Registrar, assigned SFIO to investigate into the affairs of the XYZ, a government company. On the basis of the material in his possession, it was found that Mr. Saheb, Managing director of the company, was guilty for conduct of its business for unlawful purpose. SFIO arrested the Managing director of the Company. Determine as to the validity of the conduct of the act of the SFIO on the arrest of Mr. Saheb, in connection with the investigation in the light of the Companies Act, 2013. 

7. Attempt any four:

(a) Mr. Ramlal, an Insolvency professional was appointed as a resolution professional for a corporate insolvency process initiated against the corporate debtor, Monotech Ltd. Mr. Ramlal is a partner of consulting firm M/s supervision and company which is an entity recognized under the IBBI. It was discovered that M/s supervision and company had a transaction with the corporate debtor, Monotech Ltd. amounting to 11% of its gross turnover in the last financial year 2017-2018. Analyse the given situation as per the Insolvency and Bankruptcy Code, 2016, and advise on the validity of appointment of Mr. Ramlal as resolution professional against Monotech Ltd. 

(b) Explain the usefulness of following terms in interpreting / construing a statute:

(i) Preamble

(ii) Use of Foreign Decisions

(c) Ali was assigned by Mr. X to deliver counterfeit currency-notes to one of his close friends to Honkong for which hefty commission was fixed by the Mr. X. Advise, whether the said act can be considered as money laundering. Who shall be liable for the commission of the money Laundering?

(d) An understanding has been reached among the manufacturers of cement to control the price of cement, but the understanding is not in writing and it is also not intended to be enforced by legal proceedings. Examine whether the above understanding can be considered as an 'Agreement' with the meaning of Section 2(b) of the Competition Act, 2002.

(e) Discuss the Principles on the basis of which the Insolvency Professional Agency (IPA) is enrolled and regulate insolvency professionals as its members in accordance with the I & B Code, 2016.