

Name:	 UPES UNIVERSITY WITH A PURPOSE
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
Online End Semester Examination, May 2020

Course: Corporate Restructuring
Program: B.B.A.,LL.B. (Hons)(Corporate Laws) 2017
Course Code: CLCP4001

Semester: VII
Time 03 hrs.
Max. Marks: 100

SECTION A

- 1. Each Question will carry 5 Marks**
- 2. Instruction: Answer in 30-50 words**

S. No.		CO
Q 1	Why does a company go for buyback of shares?	CO2
Q2	How is a resolution plan implemented under RBI's Prudential Framework on Resolution of Stressed Assets 2019?	CO1
Q3	Define the term 'promoter group'. In the light of the pandemic, is there any relaxation with regard to open offer obligations provided to promoter acquisitions, under the Takeover Code?	CO1
Q4	What is a 'spin-off' transaction?	CO2
Q5	How are the thresholds for the requirement of making an open offer in case of an indirect acquisition computed?	CO3
Q6	Briefly state why the judgement of Dharani Sugar v. UOI struck down RBI's Prudential Framework on Resolution of Stressed Assets 2018.	CO2

SECTION B

- 1. Each question will carry 10 marks**
- 2. Instruction: Answer in 100-150 words**

Q 7.	What are Material Adverse Change Clauses (MAC) and state their relevance with regard to Regulation 23 of the Takeover Code, 2011?	CO2
Q 8	Can stamp duty be imposed on an order sanctioning a scheme of amalgamation? Support your answers with recent cases.	CO4
Q 9	Do protective rights in transactions lead to a change in control? Answer with reference to appropriate regulation and case law.	CO2
Q 10	Do all acquisitions of shares in excess of the prescribed limits and / or control lead to an open offer? Can an acquirer file a takeover offer for an unlisted company?	CO3
Q 11	Write a critique of the [Companies (Compromises, Arrangement and Amalgamation) Amendment Rules 2020], governing takeover of unlisted companies	CO3

SECTION C

- 1. Each Question carries 20 Marks.**
- 2. Instruction: Answer in 250-300 words.**
[Each sub question carries 2 marks]

Q12	Lannister Ltd. is an unlisted company, it has 10,000 shares of which 8,000 are owned by the Lannister Family. The company has three subsidiaries- one is the wholly owned subsidiary Cersei Pvt Ltd, one is the listed company Jamie Ltd (of which Lannister Ltd holds 51% of the shares and Cersei Pvt Ltd holds 24% of the shares) and one is the listed company Tyrion Ltd of which Lannister Ltd. holds 30% of the shareholding. Tyrion Ltd had initially been promoted by Lannister Ltd in 2010. Tyrion Ltd has two kinds of shares- Class A shares of which each share holds one vote and Class B shares of which each share holds 1/100 th of a vote. When the IPO for Tyrion Ltd was conducted, only Class B shares were offered to the public. While Daenerys Ltd purchased 40% of these shares, the rest are distributed to a	CO4
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	<p>diversified general public. Daenerys Ltd, a listed company, has 20,000 issued shares, with the Targaryen Family owning 51% of these shares and the rest issued to the general public.</p> <p>As an advisor to Lannister Ltd, briefly highlight what are the obligations (of itself and other parties) when the following restructuring transactions happen (assume that the transactions are independent of each other). Please also highlight the applicable regulation (s).</p> <ul style="list-style-type: none">a. Lannister Ltd wishes to merge with Cersei Pvt Ltdb. Daenerys Ltd purchases 5% more shares of Tyrion Ltd from the general publicc. Lannister Ltd purchases 5% more shares of Tyrion Ltd from the general publicd. Lannister Ltd buys back 500 sharese. Lannister Ltd. acquires 4000 shares of Daenerys Ltd.f. Jamie Ltd purchases 51% of the shareholding in Cersei Pvt Ltdg. Lannister Ltd wants to demerge Jamie Ltdh. Cersei Pvt Ltd, Lannister Ltd, Jamies Ltd and Tyrion Ltd all purchase 1500 shares each of Daenerys Ltd.i. Same as h, but Tyrion Ltd purchases 1500 convertible preference shares instead.j. Lannister Ltd makes a bid for 20% of the available shares of Tyrion Ltd at Rs. 100 a share. In response, Cersei Ltd makes a bid for the same shares at Rs. 125 a share.	
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