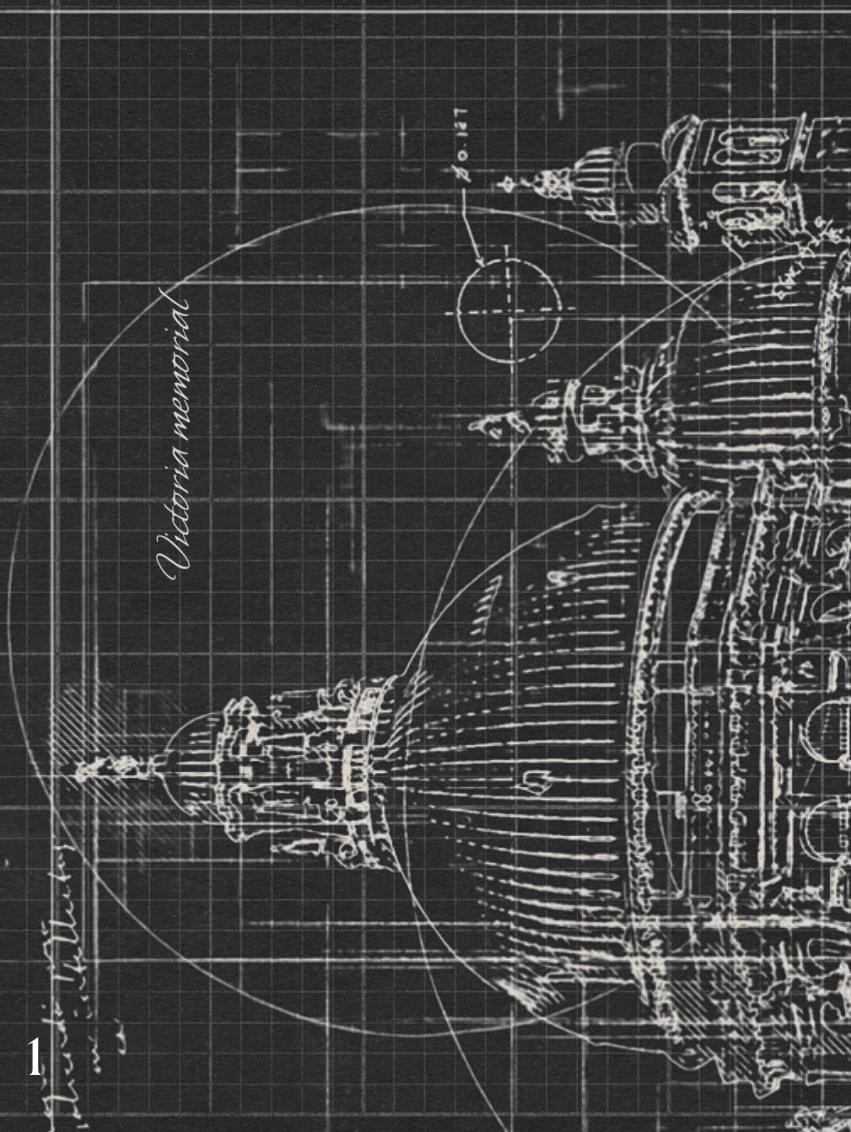
HERBERT SMITH
FREEHILLS
KRAMER

# 18th NUJS-HSF KRAMER NATIONAL CORPORATE LAW MOOT COURT COMPETITION

## 13th – 15th March, 2026

## Clarifications



## CLARIFICATIONS ON THE CASE RECORD

1. Paragraph 1 of the Proposition states that B-SEC was incorporated in the year 2000 and undertook an initial public offering of shares in 2010, pursuant to which its shares were listed on the Stock Exchange, Mumbai and the National Stock Exchange. However, the Proposition does not provide any information regarding the contents of the prospectus issued in connection with such IPO, including in particular the objects of the issue and the stated business or operational objectives of the company as disclosed to public investors. Therefore, we seek clarification as to whether the organisers could kindly clarify and provide the material aspects of such prospectus, including the objects of the issue made to investors regarding the intended use of funds and the business focus of the company.

   **No clarification required.**

2. Paragraph 20 of the Proposition states that "SEBI's order also indicated the initiation of adjudication proceedings against the independent directors of B-SEC for non-compliance with its regulations." We therefore seek clarification as to whether any adjudication proceedings against the independent directors of B-SEC were in fact initiated and/or concluded during the course of the events described in the Proposition, and if so, whether such proceedings correspond to any of the SEBI Orders referred to (Order Nos. 1 to 4), or do they falls within the ambit of SEBI orders 1-4, or to some other order or proceeding not otherwise described in the Proposition.

   **The adjudication proceedings against the independent directors are ongoing and yet to be completed.**

3. Did all the terms in the draft MOU get carry forward into the final PPA without any changes?

   **Yes.**

4. Whether Algo Trading was acting as a Porfolio manager for B sec's shares?

   **No clarification required.**

5. I would like to understand BSEC's ranking in terms of market capitalisation when compared with other relevant entities.

   **No clarification required.**

6. Para 18 of the problem states that "... the report was not subject to verification by an external party with the 'requisite scientific experience'." Does this by implication mean that the report was assessed by an external party albeit without the requisite scientific experience or simply that the report was not verified at all?

   **The report was verified, but the whistleblower alleges that the external party verifying did not have the "requisite scientific experience".**

7. In SEBI Order No. 1, that statement that SEBI had found that B-Sec had been diverting funds to another entity, does it refer to RPCL or some other entity altogether?

   **The reference is to RPCL.**

8. Is the same political party ruling both the Centre and the State of Himachal Pradesh?

   **Yes.**

9. Does the President hold any shares in RPCL?

   **No.**

10. Paragraph 9 of the Proposition states that "Mr. Bakshi used powers available to him in the Articles of Association of B-SEC and exercised a casting vote in favour of B-SEC entering into the MOU." However, the Proposition does not specify which particular provision of the Articles of Association confers such a casting vote upon the Chairperson/Managing Director. The only provision of the Articles that is reproduced in the Proposition is Article 117 (and in particular Article 117(b)), which empowers the President of India, but the provision does not, on its face, deal with the internal voting rights of the Chairperson or confer a casting vote at Board meetings. We therefore seek clarification: As to what the specific clause in AOA provides for this casting vote. Please mention and provide the specific clauses of the AOA that empower him to do so Kindly clarify the source and nature of Mr. Bakshi's authority to exercise a casting vote as mentioned in Paragraph 9.

    **No clarification required.**

11. Is the Algo Trading algorithm 'white box' or 'black box' based?

    **Black box**

12. In order 1 para 20, what are the non-compliances with the regulation done by the independent directors of B-SEC?

    **No clarification required.**

13. In SEBI's first order, para. 20, it is stated that there have been blatant violations of the rules of corporate governance. What blatant violations has SEBI been referring to?

**No clarification required.**

14. What does in para 3, BSEC also became one of the darlings of the Indian Stock Market imply?

**No clarification required.**

15. What "press coverage" is Mr. Shah referring to in para 15?

**No clarification required.**

16. In order 2 para 21, what principles of fair disclosure of price-sensitive information have not complied with? Is price-sensitive information the same as unpublished price-sensitive information?

**No clarification required.**

17. Paragraph 11 of the Proposition states that "Mr. Bakshi signed the PPA on behalf of B-SEC under the authority conferred upon him for the purpose by way of the board resolution passed on February 9, 2024." However, as per the narrative of the facts, the meeting of the Board at which the MOU with RPCL was discussed and voted upon took place on February 10, 2024 (as described in Paragraphs 6 to 9). No Board meeting on February 9, 2024, at which such a resolution could have been passed, is described in the Proposition. We therefore seek clarification as to whether the reference in Paragraph 11 to a "board resolution passed on February 9, 2024" is a typographical error and is intended to refer to the resolution passed at the Board meeting held on February 10, 2024; or whether a separate Board resolution was in fact passed on February 9, 2024, and if so, the nature and purpose of that resolution.

**The reference to the date of the board resolution in paragraph 11 should be "February 10, 2024" and not "February 9, 2024".**

18. Whether BSEC is included among the top 1,000 listed companies based on market capitalization in the relevant period?

**Yes.**

19. Whether BSEC is included among the top 150 listed companies based on market capitalization in the relevant period?

**Yes.**

20. Whether Ms. Richa Basu was formally designated as the Compliance Officer under Regulation 6 of the SEBI (LODR) Regulations, 2015, or whether she functioned solely as the Company Secretary of B-SEC?

    **Ms. Richa Basu functioned solely as the Company Secretary of B-SEC and has not been designated formally as the Compliance Officer under regulation 6 of the SEBI (LODR) Regulations, 2015.**

21. Whether the allegations of misleading statements in the BRSR report made by the whistleblower and the proxy advisory firm were established as fact in SEBI's investigation?

    **No clarification required.**

22. Whether SEBI complied with all mandatory procedural requirements prior to issuing the impugned orders?

    **Yes.**

23. Paragraph 7 of the case record states that the meeting was held on 10 February 2024, whereas paragraph 11 states that the Board Resolution was passed on 9 February 2024. Whether this inconsistency is a typographical error?

    **Please see clarification in item no. 17 above.**

24. Paragraph 24 of the Proposition states that "the various parties affected by SEBI filed appeals before the Securities Appellate Tribunal, which dismissed all the appeals after hearing them on merits." However, the Proposition does not specify the grounds on which such appeals were filed before the Securities Appellate Tribunal, nor the issues that were urged before it. Further, Paragraph 25 states that the parties have now preferred further appeals before the Hon'ble Supreme Court, but the Proposition does not identify any framed issues, questions of law, or specific grounds on which the Supreme Court is now seized of the matter. We therefore seek clarification as to: (a) the general nature or basis of the appeals filed before the Securities Appellate Tribunal (for instance, whether they were on questions of jurisdiction, statutory interpretation, procedural fairness, proportionality of penalties, or otherwise); and (b) whether the Hon'ble Supreme Court is intended to consider any specific questions of law or framed issues in these appeals, or whether the issues are to be framed by the teams on the basis of the Proposition. Kindly clarify the intended scope and nature of the appellate issues before the Supreme Court in the present Proposition.

    **No clarification required.**

25. Is Bakshi not challenging any order?

    **No clarification required.**

26. Is B-SEC challenging the order no. 2?

**No clarification required.**

27. What would be the breakup of the order, as to which party is challenging which orders?

**No clarification required.**

28. What exactly is the manner and mode of investment referred to in Para 5, whereby B-SEC has agreed to invest Rs 100 crores into RPCL for upgrading RPCL's facilities?

**By way of subscription to RPCL's shares, making B-SEC a minority investor in RPCL.**

29. What is the market capitalization of B-SEC?

**No clarification required.**

30. What is the authorised capital of B-SEC?

**No clarification required.**

31. Is the investment in RPCL by B-SEC an acquisition through share purchase?

**Please see clarification in item no. 28 above**

32. Under what circumstances of exigency was the direction of the Ministry of New and Renewable Energy's direction to consider entering into the Memorandum of Understanding (MOU) issued to Bharat Solar Energy Corporation Limited (B-Sec)?

**No clarification required.**

33. What is the context of the 'national strategic priorities' quoted in para 9 of the proposition, cited as reason for non-disclosure of the Memorandum of Understanding (MOU) to the public?

**No clarification required.**

34. Para 24 of the moot proposition takes note of appeals filed by the affected parties before the Securities Appellate Tribunal (SAT) against the SEBI orders and their subsequent dismissal. Could some information be disbursed in respect of those appeals?

**No clarification required.**

35. With reference to paragraph 20 of the Moot Proposition, which mentions a methane gas leak incident in January 2024 resulting in the death of a contractual worker, whether this incident was subject to any statutory or regulatory investigation by competent authorities, and if so, whether any findings or actions ensued therefrom. Alternatively, is the reference to the incident intended to be understood merely as an allegation raised by Governance Monitor, without any subsequent inquiry?

    **Although statutory and regulatory investigations are ongoing, no information is available regarding their conclusions or findings.**

36. "SEBI issued a cease-and-desist order against B-SEC from entering into improper or undisclosed transactions with other government entities, except on an arm's length basis." Please provide clarification on this direction by SEBI given at para 20. Does it include RPCL BSEC transaction and what does it exactly mean from the phrase "arm's length basis"?

    **No clarification required.**

37. "Probability of leakage of value through government deals in CPSEs based on deal book metadata and press coverage", clarify the factual matrix associated with - "press coverage" in this statement.

    **No clarification required.**

38. Are the teams required to rely only on the statutory provisions, SEBI regulations, circulars, and amendments that were in force as on the dates of the relevant events, or can they also rely on subsequent amendments, circulars, or regulatory guidance for the purpose of arguments?

    **No clarification required.**

39. Was there any movement in the share price of B-SEC immediately following the media reports published in early April 2024 regarding the proposed transaction with RPCL?

    **Yes, but it is not clear whether the nature and extent of the price movement can be attributable solely to the media reports.**

40. Are there any details of the feasibility study of the proposed PPA conducted by Enero Consult Pvt Ltd.?

    **No clarification required.**

41. What is the specific date for the news report that appeared in the Bhartiya Financial Chronicle newspaper in early April 2024?

    **April 7, 2024**

42. Under which provisions the penalties have been imposed by SEBI under each Order?

**No clarification required.**

43. Is B-SEC among the top 100 listed entities?

**Yes.**

44. Whether the Power Purchase Agreement (PPA) itself contemplated or included the decision of B-SEC investing INR 100 crores in RPCL, or whether such investment was undertaken pursuant to a separate decision-making process.

**No clarification required.**

45. What is the date and time when the Alpha Algo AI-based algorithmic trading system first commenced selling the shares of B-SEC.

**No clarification required.**

46. Whether the board resolution approving the relevant transaction(s) was notified to the directors who were absent, or whether it was passed by way of circulation?

**No clarification required.**

47. With respect to the BRSR violation allegations, while the proposition outlines the contentions raised by the whistleblower and Governance Monitor, it is unclear which specific allegations were confirmed by SEBI, a clarification on the same would be helpful.

**No clarification required.**

48. What was the policy for determination of materiality applicable to B-SEC during the relevant period.

**No clarification required.**

49. What were the material changes between the MoU and the subsequently executed PPA, and which specific clauses or issues were considered contentious.

**No clarification required.**

50. In the decision-making process relating to the MoU/PPA, which variable or consideration was accorded priority.

**No clarification required.**

51. Whether Alpha Algo is a white-box algorithm (with disclosed logic) or a black-box algorithm (with non-transparent logic).

    **Please see clarification in item no. 11 above.**

52. Whether B-SEC is a statutory corporation, or a company incorporated under the Companies Act, 2013.

    **No clarification required.**

53. Which SEBI Regulation is to be considered for Issue 2.

    **No clarification required.**

## CLARIFICATIONS ON THE COMPETITION RULES

1. Is there any page limit for the preliminary pages (such as the max limit for the statement of facts, table of abbreviations etc) before the pleadings?

   **There is no such limit.**

2. Whether a team may submit a separate compendium in addition to the Appendix or even if no Appendix is included in the Memorial. If yes, then what is the submission procedure for the same.

   **No separate compendium may be submitted.**

3. Rule 6.6.1 states that the prescribed colour for cover page is Red for Appellant and Blue for Respondent. Is it a typographical error?

   **No, that is the prescribed format.**

4. My team humbly want to ask that as the last date of submission of the written submission is on 6th February but whether any portal or form or any such kind of electronic medium will be shared for that submission and when will it be shared as we are unable to find any medium through which we will submit the written submission or whether it have to be submitted via email? Kindly clarify this issue as we are unable to find the way through which we will submit the Written submission as no such form or medium has been furnished to us.

   **We will be sharing a form for submission of memorials along with instructions shortly.**

5. What are the applicable rules governing plagiarism and the use of AI tools? Are they strictly prohibited, or is limited use permitted within specified percentage thresholds?

   **While there is no specified percentage threshold for plagiarism, submissions will be checked, and instances where written work is found to be substantially plagiarised will be penalised accordingly.**

   **The use of AI tools is permitted only as a limited aid in the research process for the Written Submissions. Their use for generating substantive content, arguments, or analysis for the Memorials is strictly prohibited. Any prohibited use of AI tools as described above may attract sanctions, which may include penalty points, disqualification of the Team, or any other measure deemed appropriate by the Competition Committee, depending on the egregiousness of the violation.**