

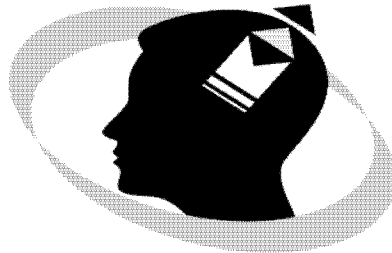
CA - INTER COURSE MATERIAL

Quality Education

beyond your imagination...

DISCOVER MATERIAL ON OTHER LAWS

(COVERS PAST EXAM QUESTION PAPERS UPTO MAY – 2019)



MASTER MINDSTM

CA • CMA • CS • MEC • CEC

GUNTUR | RAJAHMUNDRY | KURNOOL | VIZAG | NELLORE

HYDERABAD | VIJAYAWADA | TIRUPATHI

Cell: 98851 25025 / 26

Visit us @ www.mastermindsindia.com

Mail: mastermindsinfo@ymail.com

Facebook Page: Masterminds For CA

YouTube Channel: Masterminds For CA

DISCOVER 2E / OTHER LAWS

WE HAVE INCLUDED THE PAST EXAM QUESTION PAPERS OF 7 RECENT ATTEMPTS UNDER IPCC & 3 RECENT ATTEMPTS UNDER CA INTER UPTO MAY 2019

1. BAILMENT & PLEDGE**PART 1: DESCRIPTIVE QUESTIONS**

1. What is the liability of a bailee making unauthorized use of goods bailed ? [M19 (N) – 2M]
2. What are the rights available to the finder of lost goods under section 168 and Section 169 of the Indian Contract Act, 1872? [N18 (N) – 3M]
3. Give four differences between Bailment and pledge. [M18 (N) – 4M, M18 (O) – 4M]
4. Bailee has no right to mix the goods bailed with his own goods without the consent of the bailor. [N14 (O) – 1M]

PART 2: PRACTICAL QUESTIONS

5. Amar bailed 50 kg of high quality sugar to Srijith, who owned a kirana shop promising to give Rs.200 at the time of taking back the bailed goods. Srijith's employee, unaware of this, mixed the 50 kg of sugar belonging to Amar with the sugar in the shop and packaged it for sale when Srijith was away. This came to light only when Amar came asking for the sugar he had bailed with Srijith as the price of the specific quality of sugar had trebled. What is the remedy available to Amar? [N18 (N) – 3M]
6. Ram, the bailor, pledges a cinema projector and other accessories with Movie Association Co-operative Bank Limited, the Bailee, for a loan. Ram requests the bank to allow the pledged goods to remain in his possession and promises to hold the same in trust for the Bailee and also further promises to handover the possession of the same to the bank whenever demanded. Examining the provisions of the Indian Contract Act, 1872 decide whether a valid contract of pledge has been made between Ram, the bailor and Bank, the Bailee? [M17 (O) – 4M]
7. X sent a consignment of goods worth Rs. 2,90,000 by railway and got railway receipt for the same. He obtained an advance of Rs. 2,60,000 from the bank and endorsed and delivered the railway receipt in favor of the bank by way of security for the advance. The railway failed to deliver the goods at the destination. The bank filed a suit against the railway for Rs. 2,90,000. Decide in the light of provisions of the Indian Contract Act, 1872, whether the bank would succeed in the said suit? [N14 (O) – 5M]

PART 3: OBJECTIVE QUESTIONS

8. Depositing of ornaments in a bank locker is a bailment. (T/F) [M15 (O) – 1M]
9. Bailee has no right to mix the goods bailed with his own goods without the consent of the bailor. (T/F) [N14 (O) – 1M]

2. INDEMNITY AND GUARANTEE**PART 1: DESCRIPTIVE QUESTIONS**

1. Distinguish between 'Contract of indemnity and 'Contract of Guarantee'. [N17 (O) – 4M]

PART 2: PRACTICAL QUESTIONS

2. Manoj guarantees for Ranjan, a retail textile merchant, for an amount of Rs.1,00,000, for which Sharma, the supplier may from time to time supply goods on credit basis to Ranjan during the next 3 months. [M19 (N) – 4M]

After 1 month, Manoj revokes the guarantee, when Sharma had supplied goods on credit for Rs. 40,000. Referring to the provisions of the Indian Contract Act, 1872, decide whether Manoj is discharged from all the liabilities to Sharma for any subsequent credit supply. What would be your answer in case Ranjan makes default in paying back Sharma for the goods already supplied on credit i.e Rs. 40,000?

3. Aarti is the wife of Naresh. She purchased some sarees on credit from M/s Rainbow Silks, Jaipur. M/s Rainbow Silks, Jaipur demanded the amount from Naresh. Naresh refused. M/s Rainbow Silks, Jaipur filed a suit against Naresh for the said amount. Decide in the light of provisions of the Indian contract Act,1872, whether M/s Rainbow silks, Jaipur would succeed ? [M19 (N) – 4M]

4. Mr. Chetan was appointed as Site Manager of ABC Constructions Company on a two years contract at a monthly salary of Rs.50,000. Mr. Pawan gave a surety in respect of Mr. Chetan's conduct. After six months the company was not in position to pay Rs.50,000 to Mr. Chetan because of financial constraints. Chetan agreed for a lower salary of Rs.30,000 from the company. This was not communicated to Mr. Pawan. Three months afterwards it was discovered that Chetan had been doing fraud since the time of his appointment. What is the liability of Mr. Pawan during the whole duration of Chetan's Appointment? [N18 (N) – 4M]
5. Y advances Z a Loan of Rs 10,000 on the guarantee of X, at an interest of 10%. Subsequently, as Z was having some financial problems, Y reduced the rate of interest to 7% and also extended time for repayment of loan without the consent of X. Z becomes insolvent. Can Y sue X for recovery of amount? [N18 (O) – 4M]
6. Mr. D was in urgent need of money amounting Rs. 5,00,000. He asked Mr. K for the money. Mr. K lent the money on the sureties of A, B and N without any contract between them in case of default in repayment of money by D to K. D makes default in payment. B refused to contribute, examine whether B can escape liability? [M18 (N) – 4M]
7. 'A' gives to 'M' a continuing guarantee to the extent of Rs 8,000 for the fruits to be supplied by 'M' to 'S' from time to time on credit. Afterwards, 'S' became embarrassed and without the knowledge of 'A', 'M' and 'S' contract that 'M' shall continue to supply 'S' with fruits for ready money and that payments shall be applied to the then existing debts between 'S' and 'M'. Examining the provision of the Indian Contract Act, 1872. Decide whether 'A' liable on his guarantee given to 'M'. [N17 (O) – 4M]
8. 'Ramesh' and 'Suresh' are engaged in business having same nature. 'Ramesh' stands surety for 'Suresh' for any amount which 'kamlesh' may lend to 'Suresh' from time to time during the next 6 months subject to maximum of Rs 85,000. 3 months later, 'Ramesh' revokes the guarantee, when 'kamlesh' had lent to 'Suresh' Rs. 35,000. Decide whether 'Ramesh' is discharged from all the liabilities to 'Kamlesh' for any subsequent loan under the provisions of the Indian Contract Act, 1872. Would your answer differ in case 'Suresh' makes a default in paying back to 'kamlesh' the money already borrowed i.e. Rs. 35,000? [N17 (O) – 5M]
9. Mr. A of Alwar engaged Mr. S as his agent to buy a house. Mr. S bought a house for Rs. 40 lakhs in the name of a nominee and then purchased it himself for Rs. 44 lakhs. He then sold the same house to Mr. A for Rs. 46 lakhs. Mr. A later comes to know about the mischief of Mr. S and tries to recover the excess amount paid to Mr. S. Is he entitled to recover any amount from Mr. S? If so, how much? Explain [M16 (O) – 4M]
10. Amit stands surety for 'Bikram' for any amount which 'Chander' may lend to 'Bikram' from time to time during the next three months subject to a maximum amount of Rs.1,00,000 (one lakh only). One month later 'Amit' revokes the surety, when 'Chander' had already lent to 'Bikram' Rs. 10,000 (ten thousand). Referring to the provisions of the Indian contract act, 1872. Decide: [N15 (O) – 5M]
 - i) Whether 'Amit' is discharged from all the liabilities to 'Chander' for any subsequent loan given to 'Bikram'?
 - ii) What would be your answer in case 'Bikram' makes a default in paying back to 'Chander' the already borrowed amount of Rs. 10,000?

3. CONTRACT OF AGENCY

PART 1: DESCRIPTIVE QUESTIONS

1. An agent is neither personally liable nor can he personally enforce the contract on behalf of the principal." Comment [M19 (N) – 2M]

PART 2: PRACTICAL QUESTIONS

2. Mr. Jem, owner of century diamonds Ltd. delivered a parcel of two boxes of diamond Jewellery to Quick Transports Ltd-to be sent from Netawal to madhurai, where he needed them for a festival to be held at Madurai. Mr. Jem did not disclose the purpose of delivery to the transporter. Owing to the delay of the transporter, the parcel reached only after the conclusion of the festival. Mr. Jem sued for the damages including the profits which he would have, earned in the festival against Quick Transport Ltd. Decide whether Mr. Jem is entitled to claim damages and profits which would have been made. Examine with reference to the Indian contract 1872. [M19 (O) – 3M]
3. Azar consigned electronic goods for sale to Aziz. Aziz employed Rahim a reputed auctioneer to sell the goods consigned to him through auction. Aziz authorized Rahim to receive the proceeds and transfer those proceeds once in 45 days. Rahim sold goods on auction for 2,00,000 but before transferring the proceeds of the auction, became insolvent. Assess the liability of Aziz according to the provisions of the Indian Contract Act, 1872. [N18 (N) – 3M]

4. ABC Ltd. sells its products through some agents and it is not the custom in their business to sell the product on credit. Mr. Pintu, one of the agents sold goods of ABC Ltd. to M/s. Parul Pvt. Ltd. (on credit) which was insolvent at the time of such sale. ABC Ltd. sued Mr. Pintu for compensation towards the loss caused due to sale of products to M/s Parul Pvt Ltd. Will ABC Ltd. succeed in its claim? [M18 (N) – 4M]
5. Rahul a transporter was entrusted with the duty of transporting tomatoes from rural farm to a city by Aswin. Due to heavy rains, Rahul was stranded for more than two days. Rahul sold the tomatoes below the market rate in the nearby market where he was stranded fearing that the tomatoes may perish can Ashwin recover the loss from Rahul on the ground that Rahul had acted beyond his authority? [M18 (N) – 3M]
6. Mr. A of Alwar engaged Mr. S as his agent to buy a house. Mr. S bought a house for Rs. 40 lakhs in the name of a nominee and then purchased it himself for Rs. 44 lakhs. He then sold the same house to Mr. A for Rs. 46 lakhs. Mr. A later comes to know about the mischief of Mr. S and tries to recover the excess amount paid to Mr. S. Is he entitled to recover any amount from Mr. S? If so, how much? Explain. [M16 (O) – 4M]
7. Sunil borrowed a sum of Rs.3 lakh from Rajendra. Sunil appointed Rajendra as his agent to sell his land and authorized him to appropriate the amount of loan out of the sale proceeds. Afterwards, Sunil revoked the agency. Decide under the provisions of the Indian Contract Act, 1872 whether the revocation of the said agency by Sunil is lawful? [M14 (O) – 5M]

PART 3: OBJECTIVE QUESTIONS

8. Agency coupled with interest is irrecoverable. [M15 (O) – 1M]

4. THE NEGOTIABLE INSTRUMENTS ACT, 1881

PART 1: DESCRIPTIVE QUESTIONS

1. Explain the conce.pt of 'Noting', 'Protest' and 'Protest for better security' as per the Negotiable Instruments Act,'1881' [M19 (N) – 3M]
2. What are the circumstances under which the bill of exchange can be dishonored by non- acceptance? Also, explain the consequences if a cheque gets dishonored for insufficiency of funds in the account. [N18 (N) – 5M]
3. State the rules laid down by the Negotiable Instrument Act, 1881 for ascertaining the date of maturity of a bill of exchange [M18 (N) – 5M]
4. Bholenath drew a cheque in favour of Surendar. After having issued the cheque; Bholenath requested Surendar not to present the cheque for payment and gave a stop payment request to the bank in respect of the cheque issued to Surendar. Decide, under the provisions of the Negotiable Instruments Act, 1881 whether the said acts of Bholenath constitute an offence? [M18 (N) – 4M]
5. What is meant by 'Sans Recourse Endorsement' of a bill of exchange? How does it differ from Sans Frais endorsement'? [M18 (O) – 4M, M15 (O) – 4M]
6. A drawer of a cheque after having issued the cheque, informs the drawee not to present the cheque as well as inform the bank to stop the payment. Decide whether it constitutes an offence against the drawer under the Negotiable Instruments Act, 1881? [M17 (O) – 4M]
7. Explain the concept and different forms of Restrictive and Qualified endorsement. [N15 (O) – 4M]
8. Explain the terms' Acceptance for Honour' and 'Drawee in case of need' as used in the Negotiable Instrument Act, 1881. [N14 (O) – 4M]

PART 2: PRACTICAL QUESTIONS

9. Ram purchases some goods on credit from Singh, payable within 3 months. After 2 months, Ram makes out a blank cheque in favour of singh, signs and delivers it to singh with a request to fill up the amount due, as Ram does not know the exact amount payable by him. Singh fills up fraudulently the amount larger than the amount payable by Ram and endorses the cheque to chandra in fulr payment of singh's own due. Ram's cheque is dishonoured. Referring to the provisions of the Negotiable Instruments Act, 1881, discuss the rights of Singh and Chandra. [M19 (N) – 3M]
10. M draws bill N. N accepts the bill without any consideration . the bill is transferred to O without consideration. 'O' transferred it to 'P'for Rs. 10,000. On dishonor sued of the bill P sued O for recovery of the value of Rs 10,000. Examine whether 'O' has any right to action against M and N? [M19 (N) – 2M]

11. A Bill of Exchange was made without mentioning any time for payment. The holder added the words "on demand" on the face of the instrument. Does this amount to any material alteration? Explain. [M19 (N) – 2M]
12. Mr. Muralidharan drew a cheque payable to Mr. Vyas or order. Mr. Vyas lost the cheque and was not aware of the loss of the cheque. The person who found and cheque forged the signature of Mr. Vyas and endorsed it to Mr. Parshwanath as the consideration for goods bought by him from Mr. Parshwanath. Mr. Parshwanath encashed the cheque, on the very same day from the drawee bank. Mr. Vyas intimated the drawee bank about the theft of the cheque after three days. Examine the Liability of the drawee bank. [N18 (N) – 4M]
13. 'X' is the holder of a bill of exchange of which Y is the payee and it contains the following endorsement in blank: [N18 (O) – 4M]
- First endorsement 'Y'
 Second endorsement 'C'
 Third endorsement 'D'
 Fourth endorsement 'E'
- X, the holder, intentionally strikes out the endorsement by D and C. Will E be Liable to X? Discuss with reference to the provisions of the Negotiable Instruments Act, 1881.
14. X draws a bill of exchange on Y.Y authorises his agent Z to sign the bill on his behalf to signify acceptance of the same. Z while signing the bill did not indicate that he is signing it on behalf of Y. Will Z be personally liable? Discuss with reference to the provisions of the Negotiable Instruments Act, 1881. [N18 (O) – 4M]
15. Mr. S Venkatesh drew a cheque in favour of M Who was Sixteen Years old. M settled his rental due by endorsing the cheque in favour of Mrs. A the owner of the house in which he stayed. The cheque was dishonoured When Mrs. A presented it for payment on grounds of inadequacy of funds .Advise Mrs. A how she can proceed to collect her dues. [N18 (N) – 4M]
16. Y draws a bill of exchange on Z for Rs 5,000 payable to his order. Z accepts the bill but subsequently dishonours it by non-payment. Y sues Z on the bill. Z proves that bill was accepted for value of Rs 3,000 and an accommodation to the balance of Rs 2,000. How much amount Y can recover from Z? [M18 (O) – 4M]
17. Mr. V draws a cheque of Rs. 11,000 and gives to Mr. B by way of gift. state the reason whether:
- a) Mr. B is a holder in due course as per the Negotiable Instruments Act, 1881? [M18 (N) – 4M]
 b) Mr. B is entitled to receive the amount of Rs 11,000 from the bank?
18. 'K' is an employee of 'Sumit'. He fraudulently obtains from Sumit a cheque crossed 'not negotiable'. He later transfers the cheque to 'D' who gets the cheque encashed from XYZ Bank, which is not the drawee bank. Sumit comes to know about the fraudulent act of 'K', sues XYZ Bank for the recovery of money. Examine with reference to the relevant provisions of the Negotiable Instruments Act, 1881, whether Sumit will be successful in his claim? Would your answer be still the same in case 'K' does not transfer the cheque and gets the cheque encashed from XYZ Bank himself? [N17 (O) – 4M]
19. 'E' is the holder of a bill of exchange made payable to the order of 'F'. The bill of exchange contains the following endorsements in blank: [N17 (O) – 4M]
- First endorsement 'F'
 Second endorsement 'G'
 Third endorsement 'H' and
 Fourth endorsement 'I'
- 'E' strikes out, without I's consent, the endorsement by 'G' and 'H'. Decide with reasons whether 'E' is entitled to recover anything from 'I' under the provisions of Negotiable Instrument Act, 1881.
20. Q draw a bill on S but signs it in the fictitious name of R. The bill is payable to the order of R. The bill is duly accepted by S. P obtains the bill from Q thus becoming its holder in due course. Can S avoid payment of the bill? Decide in the light of the provisions of the Negotiable Instruments Act, 1881. [M17 (O) – 4M]

21. 'F' by inducing 'G' obtains a Bill of Exchange from him fraudulently in his (F) favour. Later, he enters into a commercial deal with 'H' and endorses the Bill to him (H) towards consideration for the deal. 'H' takes the bill as holder-in-due-course. 'H' subsequently endorses the bill to 'F' for value as consideration to 'F' for some other deal. On maturity the bill is dishonoured. 'F' sues 'G' for the recovery of the money. With reference to the provisions of the Negotiable Instruments Act, 1881, explain whether 'F' will succeed in this case. [N16 (O) – 4M]
22. Discuss with reasons, in the following given conditions, whether 'M' can be called as a "holder" under the Negotiable Instruments Act, 1881: [N16 (O) – 4M]
- 'M' the payee of the cheque, who is prohibited by a court order from receiving the amount of the cheque.
 - 'M' the agent of 'Q' is entrusted with an instrument without endorsement by 'Q' who is the payee.
23. Mr. A is the payee of an order cheque. Mr. B steals the cheque and forges Mr. A signatures and endorses the cheque in his own favour. Mr. B then further endorses the cheque to Mr. C, who takes the cheque in good faith and for valuable consideration. Examine the validity of the cheque as per the provisions of the Negotiable Instruments Act, 1881 and also state whether Mr. C can claim the privileges of a Holder-in-Due course? [N15 (O) – 4M]
24. 'P', a major and 'Q', a minor executed a promissory note in favour of 'R', Examine with reference to the provisions of the Negotiable Instruments Act, 1881, the validity of the promissory note and whether it is binding on 'P' and 'Q'. [M15 (O) – 4M]
25. S by inducing T obtains a Bill of Exchange from him fraudulently in his (S) favour. Later, he enters into a commercial deal and endorses the bill to U towards consideration to him (U) for the deal. U takes the bill as a Holder-in-due-course. U subsequently endorses the bill to S for value, as consideration to S for some other deal. On maturity the bill is dishonoured. S sues T for the recovery of the money. With reference to the provisions of the Negotiable Instruments Act, 1881 decide whether S will succeed in the case or not. [N14 (O) – 4M]

PART 3: OBJECTIVE QUESTIONS

26. A cheque endorsed 'Not Negotiable' cannot further be endorsed. (T/F) [N18 (O) – 1M]
27. A holder of a 'generally' crossed cheque can cross it 'specially'. (T/F) [N18 (O) – 1M]
28. In a Promissory Note, the promise to pay must be conditional. (T/F) [M16 (O) – 1.5M]
29. A Bill of Exchange may not be in writing. (T/F) [M16 (O) – 1.5M]
30. A cheque marked "Not - Negotiable" is not transferable. (T/F) [N15 (O) – 1M]
31. A promissory note duly executed in favour of a minor is valid. (T/F) [N15 (O) – 1M]

5. THE GENERAL CLAUSES ACT, 1897

PART 1: DESCRIPTIVE QUESTIONS

1. Preamble does not over-ride the plain provision of the Act.' Comment. Also give suitable example. [M19 (N) – 3M]
2. Referring to the provisions of the General Clauses Act, 1897, find out the day/ date on which the following Act/Regulation comes into force. Give reasons also, [M19 (N) – 2M]
- An Act of Parliament which has not specifically mentioned a particular date.
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015 was issued by SEBI vide Notification dated 14s August,2015 with effect from 1st January,2016.
3. 'Repeal' of provision is different from 'deletion' of provision. Explain [N18 (N) – 2M]
4. Explain various provisions applicable to rules or bye-laws being made after previous publications as enumerated in Section-23 of the General Clauses Act, 1897. [N18 (N) – 4M]
5. What is meaning of services by post as per provision of The General Clauses Act, 1897? [M18 (N) – 2M]
6. Explain briefly any four effects by repeal of an existing Act by Central legislation enumerated in Section 6 of the General Clauses Act, 1897. [M18 (N) – 4M]

7. What do you understand by the term good faith. Explain As per provisions of the general clauses act, 1897
[MTP1 19 (N) – 4M, MTP N18 (O) – 4M]
8. What is the meaning of service by post as per provisions of the General clauses Act, 1897.
[MTP2 19 (N) – 4M]
9. As per the provisions of the Companies Act, 2013, a whole time Key Managerial Personnel (KMP) shall not hold office in more than one company except its subsidiary company at the same time. Referring to the General Clauses Act, 1897, examine whether a whole time KMP can be appointed in more than one subsidiary companies?
[MTP N18 (N) – 2M]
10. Excel Ltd. declared dividend for its shareholder in its Annual General Meeting held on 30/09/2017. Under the provisions of the Companies Act, 2013, company is required to pay declared dividend within 30 days from the date of declaration. As per the provisions of the General Clauses Act, 1897, discuss what will be the commencement and termination time for posting of declared dividend.
[MTP M18 (N) – 4M]
11. When does an enactment is said to have come into operation if the Act has not specified any particular date of its enforcement. Explain with the help of an example as per the provisions of the General Clauses Act, 1897.
[MTP M18 (N) – 4M]
12. State what do you understand by the term 'Document' as per the General Clauses Act, 1897? Discuss which of the following will be treated as document?
[MTP M18 (N) – 2M]
- Power-of-attorney.
 - Cheque

PART 2: PRACTICAL QUESTIONS

13. Komal Ltd. declares a dividend for its shareholders in its AGM held on 27th September, 2018. Referring to provisions of the General Clauses Act, 1897 and Companies Act. 2013, advice:
a) The dates during which Komal Ltd. is required to pay the dividend? [N18 (N) – 4M]
b) The dates during which Komal Ltd. is required to transfer the unpaid or unclaimed dividend to unpaid dividend account?
14. X owned a Land with fifty tamarind trees. He sold his land and the timber (obtained after cutting the fifty trees) to Y. X wants to know whether the sale of timber tantamounts to sale of immovable property. Advise him with reference to provisions of "General Clauses Act, 1897".
[M18 (N) – 4M]
15. A notice when required under the Statutory rules to be sent by "registered post acknowledgment due" is instead sent by "registered post" only. Whether the protection of presumption regarding serving of notice by "registered post" under the General Clauses Act is tenable? Referring to the provisions of the General Clauses Act, 1897, examine the validity of such notice in this case.
[RTP – M19 (N)]
16. Mr. Ram, an advocate has fraudulently deceived his client Mr. Shyam, who was taking his expert advise on taxation matters. Now, Mr. Ram is liable to a fine for acting fraudulently both under the Advocates Act, 1961 as well as the Income Tax Act, 1961. State the provision as to whether his offence is punishable under the both the Acts, as per the General Clauses Act, 1897.
[RTP – N18 (N)]
17. A notice when required under the Statutory rules to be sent by "registered post acknowledgment due" is instead sent by "registered post" only. Whether the protection of presumption regarding serving of notice by "registered post" under the General Clauses Act is tenable? Referring to the provisions of the General Clauses Act, 1897, examine the validity of such notice in this case.
[RTP – M18 (N)]
18. X owned a land with fifty tamarind trees. He sold his land and the timber (obtained after cutting the fifty trees) to Y. X wants to know whether the sale of timber tantamounts to sale of immovable property. Advise him with reference to provisions of General clauses Act, 1897
[MTP2 M19 (N) – 4M]
19. Mr. Mike has lent his house property to Mr. Wise at a monthly rent of Rs. 15,0000 per month. The yearly rent agreement was due to expire in near future. However, Mr. Mike does not intend to continue this agreement and he has sent a notice to Mr. Wise for the termination of the agreement. Mr. Wise on the other hand does not want to vacate the property and hence has returned the notice with an endorsement of refusal. Now, Mr. Wise has contended that the no notice was served to him and hence there is no need for him to vacate the property. As per the provisions of the General Clauses Act, 1897, discuss whether a notice was served to Mr. Wise.
[MTP N18 (N) – 4M]

6. INTERPRETATION OF STATUTES, DEEDS AND DOCUMENTS

PART 1: DESCRIPTIVE QUESTIONS

1. How will you understand whether a provision in a statute is 'mandatory' or 'directory'? [M19 (N) – 3M]
2. Explain how 'Dictionary Definitions' can be of great help in interpreting/constructing an Act when the statute is ambiguous. [N18 (N) – 2M]
3. Explain 'Mischieve Rule' for interpretation of statute. Also, give four matters it considers in construing an Act. [N18 (N) – 4M]
4. Write Short notes on: [N18 (N) – 4M]
 - a) Proviso
 - b) Explanation, with reference to interpretation of Statues, Deeds and Documents
5. Analyse and explain the significance of the conjunctive and disjunctive words "or" and "and" while you are involved in interpretation of statutes. [CA FINAL M19 (O) – 2M]
6. What is a Document as per the Indian Evidence Act, 1872? [M18 (N) – 2M]
7. Define Grammatical Interpretation. What are the exceptions to Grammatical Interpretation? [M18 (N) – 4M]
8. Differentiate Mandatory Provision from a Directory Provision. What factors decide whether a provision is directory or mandatory? [M18 (N) 4M]
9. There is a prohibition on importation of "arms, ammunition or gun power or any other goods" under a particular statute. How would you interpret the words "any other goods" applying the rules of interpretation of statutes? Also state when this particular rule will not be applicable citing an example. [CA FINAL M18 (O) – 4M]
10. Many a time a proviso is added to a Section of the enactment. Explain the function of such a proviso in the interpretation of the section/ provision [RTP – M19 (N)]
11. The 'Statute should be read as a Whole'. Explain the statement. [RTP – N18 (N)]
12. Explain the meaning of term 'Proviso'. Give the distinction between proviso, exception and Saving Clause. [RTP – M18 (N)]
13. Explain the principles of grammatical interpretation and logical interpretation of a statute. [MTP1 M19 (N) – 4M]
14. Briefly explain the meaning and application of the rule of "Harmonious Construction" in the interpretation of statutes? [MTP N18 (N) – 4M]
15. Give the difference between interpretation and construction [MTP M18 (N) – 4M]
16. Explain how does 'natural and grammatical meaning' helps in the interpretation of a statute? [MTP M18 (N) – 6M]

PART 2: PRACTICAL QUESTIONS

17. M/s, IJK Limited was wound up with effect from 15TH March 2018 by an order of the Court. Mr. A, who ceased to be a member of the company from 1ST June 2017, has received a notice from the liquidator that he should deposit a sum of Rs. 5,000 as his contribution towards the liability on the shares previously held by him. In this context explain whether Mr. A can be called as a contributory, whether he can be made liable and whether there is any limitation on his liability [CA FINAL N18 (O) – 4M]

7. PAYMENT OF GRATUITY ACT 1972

PART 1: DESCRIPTIVE QUESTIONS

1. Explain the provisions of the Payment of Gratuity Act, 1972 in respect of forfeiture of amount of gratuity payable to an employee. Also explain how the gratuity payable to a disabled employee is calculated [M17 (O) – 4M]

PART 2: PRACTICAL QUESTIONS

2. Mr. Rohit was an employee of "Green Tea Limited later on green Tea Ltd. was taken over by a new company named herbal tea Limited". The services of Mr. Rohit remained continuous in the new company. After serving for one year Mr. Rohit met with an accident and became permanently disabled. Mr. Rohit

applied to Herbal Tea Ltd. for the payment of gratuity. The company refused to pay gratuity and contended that Mr. Rohit has served only for a year in the new company and he is not entitled for gratuity. Examine the validity of the contention of the company in the light of the Payment of Gratuity Act, 1972. [M19 (O) – 3M]

3. 'K' is an employee of Bannari Ltd., which works five days in a week. 'K' was not in continuous service during the financial year 2015-16. However, he worked only for 150 days and due to an accident arising in the course of his employment, he was on leave with full pay for 45 days. Referring to the provisions of the payment of Gratuity Act, 1972 decide [N16 (O) – 4M]

1) Whether 'K' is entitled to gratuity payable under the Act ?

2) Would your answer remain the same in case Bannari Ltd. Works 6 days in a week?

4. Mr. Y working in ABC limited for the last seven years as an Accounts Executive .He resigned from the services of the company on 30th April,2015.His resignation was not accepted by the company .However , after serving for the notice period ,he stopped coming to the company .After sometime he applied for his gratuity .The company refused on the ground that his resignation was not accepted .Discuss the legal position about this in the light of the payment of gratuity Act, 1972. [M16 (O) – 4M]

5. Mr. X was an employee of Green Sugar Limited. The whole of undertaking of Green sugars Ltd. was taken over by a new company named Modern sugars Limited. The services of Mr. X remained continuous in the new company. After serving for one year Mr. X met with an accident and became permanently disabled. Mr. X applied to the new company for the payment of gratuity. The new company refused to pay gratuity on the ground that Mr. X has served only for a year in the company. [N15 (O) – 4M]

Examine the validity of a refusal the company in the light of the provisions of the payment of Gratuity Act, 1872.

6. 'N' is employed in ABC Limited, a seasonal establishment. The factory was in operation from 1st March to 30th June during the financial year 2014-15. Though, 'N' was not in continuous service during this period, he had worked for 95 days. Referring to the provisions of the Payment of Gratuity Act, 1972, decide whether 'N' is entitled to gratuity. [M15 (O) – 4M]

7. Wazir Chand happens to be a retired Railway servant who occupies the Government quarter, and even after superannuation continued to occupy the Government quarter. For such continuance, the Government, in accordance with Rules, has charged penal rent from the retired Wazir Chand and after adjusting the dues of the Government, the balance amount of the gratuity, which was payable, has been offered to be paid.

Examine the contention of the Government and the decision taken by Government to adjust the amount of gratuity in the lights of the provision of the Payment of Gratuity Act, 1972. [N14 (O) – 4M]

8.EMPLOYEES PROVIDENT FUND & MISCELLANEOUS PROVISIONS ACT,1952

PART 1: DESCRIPTIVE QUESTIONS

1. State the provisions of the Employees Provident Funds and Miscellaneous Provisions act, 1952 regulating the quantum of contribution to be made by the employer and employee to the provident Fund. Is it possible for an employee to increase the amount of his contribution to the provident fund more than the minimum contribution as statutorily prescribed? [N15 (O) – 4M]
2. An Inspector appointed under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 makes an inspection at 8 a.m. (an hour before factory timings) and seeks to take copies of the "Income Tax Returns". How far under the Act is his action reasonable? [M15 (O) – 4M]
3. Examine the provisions in respect of Preview of orders passed under Section 7/A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. [N14 (O) – 4M]

PART 2: PRACTICAL QUESTIONS

4. Annie retired from the service of modern cosmetics ltd.on31st March,2017. She had a sum of 5 lacs in her provident fund account. It became due for payment to Annie on 30th april 2017 but the company made the payment of the said amount after two years. Annie claimed interest on the amount due to her, at the rate at 15% p.a. for two years. Decide whether the claim of Annie is tenable under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act,1952. [M19 (O) – 3M]
5. Sarika Group of Industries sold its textile unit to Big Group of Industries. Sarika Group contributed 25% of total contribution in Pension Scheme, which was due before sale under the provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952. The transferee company (Big Group of Industries) refused to pay the remaining 75% contribution in the Pension Scheme. Decide, in the light of the Employees' Provident Funds and Miscellaneous Provisions Act,1952, who will be liable to pay for the remaining contribution in case of transfer of establishment and up to what extent? [M17 (O) – 4M]

6. Pioneer Mills Ltd. has been regularly depositing the Provident Fund contributions to the Government. Owing to adverse market conditions, the company suffered losses for the past two years. The company's management is considering the reduction of salary of the employees to reduce the company's contribution to provident fund and instead, to pay compensatory allowance, so that the employees pay package remains the same. Explain in terms of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, whether the company can effect such reduction. [N16 (O) – 4M]
7. Swad Papad Udyog is a co-operative society registered under the Co-operative Societies Act, 1912, employing 40 persons and working without the aid of power. With reference to the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, state whether the provisions of this Act are applicable on it? [M16 (O) – 4M]

9. PAYMENT OF BONUS ACT 1965

PART 1: DESCRIPTIVE QUESTIONS

1. Explain the 'time limit for payment of bonus' to the employees in different circumstances under the provisions of the Payment of Bonus Act, 1965. [M15 (O) – 4M]
2. State with reasons whether the following persons are entitled to receive bonus under the Payment of Bonus Act, 1965 [N15 (O) – 4M]
- A retrenched employee.
 - A dismissed employee reinstated with back wages.
3. Under the provisions of the Payment of Bonus Act, 1965 decide whether the following employees are entitled for bonus: [N14 (O) – 4M]
- i) Employee employed by educational institutions;
 - ii) A reinstated employee without wages for the period of dismissal.

PART 2: PRACTICAL QUESTIONS

4. Evergreen pharma ltd was established at Chennai in the year 2015 employing 110 workers Since then the company suffered losses but the minimum bonus was paid in the accounting year 2016 and 2017. In the accounting year 2018 the company earned huge profits. After adjusting its previous year losses, the company is having surplus profits and wants to pay bonus to its workers more than the minimum bonus. Evergreen Pharma Ltd. seeks your advice on the following issues: [M19 (O) – 3M]
- i) How much minimum and maximum bonus that may be paid to the workers?
 - ii) The company wants to give some life saving medicine instead of cash in lieu of bonus. Can the company do so ?.
5. Akshay is an employee in a company. The amount of bonus payable to him during the year 2014-15 is Rs. 1, 25,000. The company deducted a sum of Rs. 25,000 against the "Diwali Bonus" already paid to him during the said year and paid the remaining amount. Akshay files a suit against the company for recovery of the deducted amount. Decide whether Akshay would be given relief by the Court on adjustment of already paid interim bonus on Diwali under the Payment of Bonus Act, 1965? [M16 (O) – 4M]
6. On 1st January, 2015, Arihant Industries Ltd. Agreed with the employees for payment of an annual bonus linked with production or productivity instead of bonus based on profits subject to the limits of 30% of their salary wages during the relevant accounting year. It was also agreed by the employees that they will not claim minimum bonus stated under section 10 of the payment of bonus Act, 1965. As per the aforesaid agreement the employees claimed bonus but the company refused to honour the agreement. On refusal of the company the employees moved to the court for relief. Decide as per the provisions of the payment of Bonus Act, 1965 whether the employees will get the relief. Also decide whether inspite of the aforesaid agreement whether the employees are still entitled to receive minimum bonus [N16 (O) – 4M]
7. During the financial year 2015-16 Mr. Mohan who was a temporary employee in Golden Products Limited and was drawing a salary of Rs.6, 000 per month. On the basis of charges of violent behavior within the premises of the company, he was prevented from working in the company for 60 days pending certain inquiry. Since there was no adverse findings against him, he was reinstated in service with back salary. He worked for the remaining ten months in that financial year and thereafter resigned from the service. Afterwards, when bonus was paid to other employees, the company refused to pay bonus to Mr. Mohan. Decide, Whether Mr. Mohan will be entitled to bonus under the provisions of the Payments of Bonus Act, 1965? [M17 (O) – 4M]