

380-12.

Three year Course and fourth year Lk B.

Csem. VIII Oct. 2012  
NM-8010

( 3 Hours )

[ Total Marks : 100

1. Write short answers in not more than **two** sentences :- 20
- (a) What is the meaning of the expression "Act of Insolvency" ?
  - (b) When the ordinary civil court can order stay of suit pending before it against a debtor ?
  - (c) On making of an order of adjudication of debtor as insolvent, what further orders are required to be passed by the court against such a debtor under The Provincial Insolvency Act, 1920 ?
  - (d) What is the distinction between the provisions of Provincial Insolvency Act, 1920 and the Presidency Towns Insolvency Act, 1909 in respect of vesting of after-acquired property of the insolvent ?
  - (e) Define the expression "Transfer of Property" under the Provincial Insolvency Act, 1920.
  - (f) What are the circumstances under which the court exercising insolvency jurisdiction can issue warrant of arrest against the insolvent debtor ?
  - (g) Is it the duty of the insolvent to handover to the Receiver the property belonging to him in trust for others ? Why ?
  - (h) If the debtor dies during pendency of insolvency petition against him, can he be adjudicated as insolvent after his death ? Why ?
  - (i) What is the remedy available to the person who is aggrieved by the act or decision of the receiver ?
  - (j) Is the goodwill of the business of debtor considered as his property under the Bankruptcy Act in England ? What is the position in this respect under the Provincial Insolvency Act, 1920.
2. Write short notes on any **four** of the following :- 20
- (a) Concept of inability to pay debt
  - (b) Duties of debtors
  - (c) Interior Receiver
  - (d) Indigent person
  - (e) Protected transactions
  - (f) Schedule of Creditors.

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3. Solve any **two** of the following problems :-

- (a) Under the instructions given by a debtor, the servant of the debtor gave a false reply to the creditors whose debt had become due for payment that the creditor is not at home.
  - (i) The debtor has committed which act of insolvency prescribed under law ?
  - (ii) Can any Creditor of the debtor other than the one to whom false answer was given by the servant of the debtor file insolvency petition against the debtor ? Why ?
- (b) M/s. Kalpani Brothers, a partnership firm, consisting of four partners—one of whom was minor, is facing insolvency proceedings.
  - (i) Who are the partners against whom the order of adjudication will operate if passed against the firm ?
  - (ii) What will be the effect of such order on the property and profits of the firm including the minor's share therein ?
- (c) On an insolvency petition presented against the debtor the court makes an order for summary administration of the estate of the debtor.
  - (i) When the court can make an order for summary administration of the estate of the debtor ?
  - (ii) How the provisions of the Provincial Insolvency Act, 1920 stand modified in case of summary administration ?

4. Write answers in detail to any **four** of the following :-

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- (a) State and explain the principles common to all acts of insolvency.
- (b) Which Courts exercise insolvency jurisdiction under the Provincial Insolvency Act, 1920 ? State and explain the powers of the Court.
- (c) State the circumstances under which the order of adjudication can be annulled by the Court.
- (d) State the provisions relating to distribution of property of the insolvent and calculation of dividends.
- (e) What are the divisible and non-divisible properties of the insolvent ?
- (f) What are the effects of insolvency on antecedent transactions under the Provincial Insolvency Act, 1920 ?