

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

12

- (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 :-

48

- (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 ?
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