

**EXAMINATION OF ARTICLED CLERKS****Paper III****CONVEYANCING****Friday, 21<sup>st</sup> April, 2017****Time : 3 Hours (1:00 PM to 4:00 PM)****(Total Marks- 100)**

- Notes:**
- (i) Please read the entire question carefully prior to answering.
  - (ii) Please do not reproduce the question.
  - (iii) Answers shall be evaluated for analytical approach, reasoning and clarity of thought and not only for its accuracy and answers should be to the point.
  - (iv) If any question seeks your advice or opinion, please correctly state the reason for your advice/opinion although the reason may not be specifically sought.
  - (v) Quote sections and statute in support of your answer whether specifically mentioned in the question or not.
  - (vi) Quote case law/authority (if any) in support of your answer.
  - (vii) Figures in bracket alongside the questions indicate the marks for the corresponding question.
  - (viii) Please answer in order of the sub-questions.

1. Mr. A, has negotiated to purchase a residential flat in a co-operative housing society. Mr. A has informed you that the seller has lost the original registered document (Sale Deed) pursuant to which the flat was purchased by him.  
Please set out in brief the steps you would take in order to verify the seller's title to the flat. [5]  
You are also requested to draft the following documents in respect of the transaction:  
(i) Public Notice (ii) Sale Deed and (iii) Indemnity for loss of Title Deeds. [20]
  
2. Draft any (three) of the following: [12]
  - i) Attestation clause of a Will
  - ii) Execution clause in case of a Private Limited Company
  - iii) Covenant for production of Title Deeds
  - iv) Accountable Receipt
  - v) Arbitration clause in a Lease Deed
  
3. Write short notes on any (four) of the following: [16]
  - (i) Notice of Lis Pendens
  - (ii) Doctrine of Part Performance
  - (iii) English Mortgage
  - (iv) Feeding the Grant by Estoppel
  - (v) Probate
  - (vi) Onerous Bequest
  
4. You are approached by a client Mr. A, who informs you that he owns a property, jointly with his father Mr. B and his brother Mr. C. The father and the two sons reside in the said property with their respective families. Mr. A owns a 60% share in the

property and Mr. B and Mr. C have a 20% share each. As relations are getting strained between the two brothers, Mr. A wants to sell his share in the property. What would be your advice to Mr. A. [5]

OR

4. Please explain what is the difference between an Assignment of a Lease and a Sub-Lease. [5]
5. A Power of Attorney executed in London has been received by your client in Mumbai a couple of days ago. Your client would be required to act pursuant to the Power of Attorney in Mumbai. You realise that the Power of Attorney is not stamped under the Maharashtra Stamp Act prior to its execution. What will your advice be to the client and the basis of the advice. [2]
6. What is the effect of not registering a document the registration of which is compulsory under the Indian Registration Act. [2]
7. Please explain what is ademption of a legacy. When does removal of a thing bequeathed not constitute ademption? [5]
8. State whether the following documents are required to be compulsorily registered and/or stamped in accordance with law. [10]
  - (i) The first codicil to a registered will
  - (ii) A Declaration under section 2 of the Maharashtra Apartment Ownership Act
  - (iii) A Consultancy Agreement
  - (iv) Leave and License Agreement
  - (v) Indemnity for loss of Title Deeds
  - (vi) Letter of Attornment
  - (vii) Sub-Lease
  - (viii) Business Conducting Agreement
  - (ix) English Mortgage
  - (x) Deed of Apartment
9. Mr. A has booked an apartment in a building under construction. After reviewing the sanctioned plans of the building under construction, Mr. A has paid 24% of the consideration to the builder against which the builder has issued a letter of allotment to Mr. A. Thereafter, the builder obtains amended sanctioned plans from the authorities and is carrying out construction as per the amended sanctioned plans. On learning of this development, Mr. A approaches you for advice because he is not in agreement with the amended sanctioned plans. What advice would you give Mr. A to protect his interests. [6]

10. Your client Mr. A wishes to execute a gift of his non - agricultural land in Pune to his wife, daughter and son in equal shares.

(i) He seeks your advice if there are any benefits available to him under the Maharashtra

Stamp Act in regard to the stamp duty payable on the proposed transaction.

(ii) Would your advice be the same if instead of his non -agricultural land, he proposed

to gift his agricultural land in Alibag in equal shares to his daughter and daughter in law.

(iii) Would your advice be the same if your client's son proposed to gift agricultural land owned by him (the son) in Alibag to your client and to his (the son's) sister in

equal shares.

[5]

11. During the course of construction of a multi storied building, a builder has sold all the flats to various individual purchasers. The builder has received more than 75% of the consideration from each such purchaser and has issued allotment letters to each purchaser in respect of the flat booked by such purchaser. The builder has availed of a loan from a bank towards financing the construction and as a security, the builder has mortgaged to the bank, the land on which the under construction building stands along with the under construction building. The mortgage is duly registered with the office of the concerned Sub Registrar of Assurances. The builder is unable to pay his debts to the bank. The construction has come to a standstill.

The flat purchasers approach you for the following advice:

(i) What remedies do the flat purchasers have against the builder

(ii) What remedies do the flat purchasers have against the bank

[6]

12. Your client Mr. A seeks your advice on a sale deed executed in his favour by Mr. B in respect of an immovable property in Mumbai. On a review of the Sale Deed you learn that the basis on which Mr. B has sold the immovable property to Mr. A is that the property will be bequeathed to Mr. B by his father. Is the transfer under the Sale Deed valid? Please give reasons.

[3]

13. Your client approaches you for advice in respect of a Deed of Gift under the provisions of which he was gifted immovable property. On a review of the Gift Deed you learn that it contains a condition which restricts your client from selling the property. Your client proposes to sell the property as soon as possible. What would be your advice to the client?

[3]

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