CLAT PG Property Law

Sample Paper – 4

Duration: 20 Minutes **Maximum Marks: 20**

Instructions

- This paper contains **20 Multiple Choice Questions (Single Correct Answer)**, modelled on the Property Law portion of **CLAT PG** entrance.
- Each correct answer carries **+1 mark**. Each incorrect answer carries a penalty of $-$**0.25 marks**. Unattempted questions carry no penalty.
- Only **one** option is correct. Choose carefully.
- Syllabus: **Transfer of Property Act, 1882; Registration Act, 1908; Easements Act, 1882** (LLB level).
- Use of mobile phones, calculators, or electronic gadgets is strictly prohibited.

SECTION A – Questions

Q1. Geeta, a landowner, executed a will bequeathing her ancestral house to her nephew Harish. She also handed Harish a signed letter stating that the house was "transferred" to him during her lifetime. Upon Geeta's death, a dispute arose as to whether the will or the letter constituted a "transfer of property" within the meaning of the Transfer of Property Act, 1882.

Which of the following correctly states what constitutes a "transfer of property" under Section 5 of the Transfer of Property Act, 1882?

(A) A testamentary disposition such as a will is a valid transfer under Sec 5 TPA, as it conveys property from one person to another upon the testator's death.

(B) Any document conveying an intention to transfer property, whether during life or on death, qualifies as a transfer under Sec 5 TPA if it is duly signed and witnessed.

(C) A will executed with the attestation of two witnesses qualifies as a transfer of property under the Transfer of Property Act, 1882.

(D) A transfer under Sec 5 TPA must be an act inter vivos – a testamentary disposition such as a will does not constitute a transfer of property under the Act.

Q2. Indira, the eldest surviving child of her living mother, executed a document purporting to transfer to Joshi her "expected share" in her mother's estate for a sum of Rs. 5,00,000. At the time of the transaction her mother was alive and in good health. Joshi later sought to enforce the transfer upon Indira's mother's death.

Which of the following best describes the legal status of such a transfer under the Transfer of Property Act, 1882?

(A) The transfer is void under Section 6(a) of the TPA, as a mere expectancy (spes successionis) of an heir apparent cannot be the subject of a valid transfer.

(B) The transfer is valid under TPA, as the substantial consideration paid makes it a binding contractual obligation enforceable in law.

(C) The transfer is voidable at the option of Indira's mother, who may set it aside if she disapproves of the transaction before her death.

(D) The transfer is valid as an equitable assignment of a future interest in the mother's estate and is enforceable upon the mother's death.

Q3. Karim owned agricultural land tenanted by a third party who paid monthly rent of Rs. 3,000 on the first day of each month. Karim transferred the land to Mehta on 16th July. A dispute arose as to how the July rent of Rs. 3,000 should be divided between Karim and Mehta, since both had been owners of the land during that calendar month.

Under Section 36 of the Transfer of Property Act, 1882 (Doctrine of Apportionment), how should the July rent be apportioned between Karim and Mehta?

(A) Karim is entitled to the full July rent because the rent fell contractually due on 1st July, before the transfer took effect.

(B) The rent should be apportioned on a day-to-day basis – Karim is entitled to rent for 15 days and Mehta for 16 days of July.

(C) Mehta is entitled to the full July rent because he was the owner of the land at the end of the rental period.

(D) The apportionment of periodical payments is not governed by TPA and must be resolved exclusively by a separate agreement between the parties.

Q4. Nanda mortgaged his textile mill to Oommen Bank for a loan of Rs. 30,00,000. A clause in the mortgage deed stipulated that even after full repayment of the principal and interest, Nanda would not be entitled to reclaim the mill for a further period of seven years, during which Oommen Bank would continue to manage the mill and retain its profits. Nanda contested the validity of this clause upon tendering repayment.

Which of the following correctly describes the legal effect of such a clause under mortgage law in India?

(A) The clause is valid and fully enforceable, as parties to a commercial contract have complete freedom to negotiate post-redemption conditions of their choosing.

(B) The clause is enforceable because it forms an integral part of the security arrangement freely agreed upon by both parties at the time of the mortgage.

(C) The clause is void as a "clog on the equity of redemption" – any stipulation that fetters, hampers, or postpones the mortgagor's right to reclaim the property after repayment is unenforceable in equity.

(D) The clause is valid for the first two years after repayment and becomes void automatically thereafter under equitable principles of reasonableness.

Q5. Priya borrowed Rs. 40,00,000 from Unity Finance Ltd. and executed a registered mortgage deed over her commercial complex. Upon Priya's default on repayment, Unity Finance Ltd. served a written notice of demand on Priya. After three months from the date of the notice, Priya remained in default and the company proposed to sell the commercial complex without obtaining a court decree.

Under Section 69 of the Transfer of Property Act, 1882, a mortgagee may exercise the power of sale without court intervention when:

(A) The mortgagor defaults on payment of even a single instalment of principal, irrespective of the type of mortgage and without any prior notice being served.

(B) The mortgage is a simple mortgage and the mortgagee has given a verbal demand to the mortgagor before proceeding to exercise the power of sale.

(C) The mortgagee is a scheduled bank or financial institution and the mortgagor has committed default, regardless of whether a formal notice has been served.

(D) The mortgage deed is registered, a written notice of demand has been served on the mortgagor, and the mortgagor has remained in default for three months after such notice.

Q6. Rajeev mortgaged his ancestral house to Suresh for a loan of Rs. 18,00,000. Rajeev subsequently sold the house to Tara, who took possession of the property subject to the mortgage. The mortgage debt remained unpaid. Tara now wishes to redeem the mortgage by paying off Suresh, thereby clearing the encumbrance on the property she purchased.

Under Section 91 of the Transfer of Property Act, 1882, which of the following persons is entitled to redeem a mortgage?

(A) Any person having an interest in or charge upon the mortgaged property, including a subsequent purchaser such as Tara, may redeem the mortgage.

(B) Only the original mortgagor can redeem the mortgage, as the obligation to repay the loan debt is strictly personal to the borrower who created the mortgage.

(C) Only a co-mortgagor or the legal heir of the original mortgagor is entitled to exercise the right of redemption under TPA.

(D) Only a receiver appointed by a court of competent jurisdiction can redeem the mortgage once the mortgaged property has changed hands by sale.

Q7. Umesh permitted Vimala to use a specified room in his house for running a private tutorial class. The written agreement described the arrangement as granting Vimala "exclusive use" of the room between 9 AM and 5 PM on weekdays for a monthly fee. Umesh retained duplicate keys and entered the room frequently for maintenance checks. Vimala claimed she held a lease and could not be evicted without following the statutory procedure applicable to tenants.

Which of the following is the principal criterion that distinguishes a lease from a license under the Transfer of Property Act, 1882?

(A) A lease is always for a longer and definite period than a license; since Vimala's arrangement is limited to daily hours, it must be classified as a license.

(B) The grant of exclusive possession of immovable property for a specific term for consideration creates a lease; a license merely grants personal permission to use premises without conferring exclusive possession.

(C) The existence of a written and signed agreement conclusively determines whether an arrangement constitutes a lease or a license under TPA.

(D) A lease must always be registered to be valid; the absence of registration makes any arrangement a license and not a lease irrespective of other terms.

Q8. Waman's contractual tenant Xavier held over in the leased premises after the stipulated tenancy term had expired. Waman was fully aware of Xavier's continued occupation but neither initiated eviction proceedings nor accepted any rent from him. Xavier argued he was a "tenant at will" entitled to reasonable notice before eviction, while Waman contended Xavier was a "tenant at sufferance" with no right to notice.

Which of the following correctly distinguishes a tenancy at will from a tenancy at sufferance?

(A) Both tenancy at will and tenancy at sufferance arise with the landlord's consent; the only legal difference between the two is the formality of their creation.

(B) A tenancy at sufferance arises only when the landlord expressly and unambiguously permits the tenant to hold over; a tenancy at will is implied merely from the landlord's silence or inaction.

(C) A tenancy at sufferance arises when a tenant holds over after the expiry of a lawful tenancy without the landlord's consent; a tenancy at will arises when the landlord consents to continued occupation without fixing any term or rent.

(D) There is no legally recognised distinction between a tenancy at will and a tenancy at sufferance – both entitle the tenant to identical statutory notice periods and protection.

Q9. Yamuna wished to gift her residential plot to her niece Zara. She executed a gift deed in writing, signed it, and obtained the signatures of two witnesses who attested the execution. Zara accepted the gift and took actual physical possession of the plot. The gift deed was, however, never presented for registration at the Sub-Registrar's office.

Under Section 123 of the Transfer of Property Act, 1882, which of the following is the correct legal position regarding the validity of the gift?

(A) The gift is valid because Zara accepted the gift and took actual physical possession of the plot, which is sufficient under TPA to perfect a gift of immovable property.

(B) The gift is valid because the deed was duly attested by two witnesses, which alone satisfies all the formal requirements of Section 123 TPA.

(C) The gift is valid because Zara's acceptance is the only legally essential requirement for a gift of immovable property to take effect under TPA.

(D) The gift is void – for a valid gift of immovable property, the deed must be both attested by at least two witnesses and registered; registration is mandatory and cannot be dispensed with.

Q10. Harish executed a single deed gifting his entire estate to his daughter Geeta. The estate comprised three income-generating properties and two outstanding bank loans totalling Rs. 12,00,000. Geeta accepted the gift of two prime properties but formally refused to assume liability for the outstanding bank loans. After Harish's death, the creditors sought to recover the loan amounts from Geeta.

Under Section 127 of the Transfer of Property Act, 1882 governing universal donees and onerous gifts, which statement correctly describes Geeta's legal position?

(A) As the donee of the entire estate (universal donee), Geeta must either accept the whole gift – including all its burdens and liabilities – or reject the entire gift; she cannot selectively accept benefits while refusing liabilities under the same instrument.

(B) Geeta can selectively accept profitable properties and reject the liabilities, as each property comprised in the gift is a legally distinct and independent gift.

(C) Geeta's liability to the creditors is limited to and capped at the aggregate market value of the specific properties she chose to accept.

(D) The transfer of the outstanding loans by way of gift is void under TPA, and Geeta is legally bound only to receive the properties, not to discharge the debts.

Q11. Indira's Plot A is entirely surrounded by Joshi's Plot B, with no direct access to a public road except through Plot B. Indira asserts a right of way over Plot B to reach the main road. Joshi acknowledges a limited right of way for pedestrian access but disputes Indira's claim to use it for heavy commercial vehicles carrying goods.

Under Section 4 of the Indian Easements Act, 1882, what is the correct relationship between the dominant and servient tenements?

(A) The dominant tenement is the land over which the easement is physically exercised, and the servient tenement is the land that receives the direct benefit of the easement right.

(B) The dominant tenement is the land for whose benefit the easement exists (Plot A), and the servient tenement is the land over which the easement is exercised (Plot B).

(C) An easement right is personal to the individual owner and not appurtenant to the land; therefore any person – not only the owner of Plot A – may enforce the right of way over Plot B.

(D) Easements between privately-owned adjacent plots are not recognised under the Indian Easements Act; they can arise only where the plots are separated by public or government land.

Q12. Karim owned a large estate and sold its interior portion (Plot X) to Lalita by a registered sale deed, retaining the surrounding land (Plot Y) for himself. The sale deed contained no express clause granting any right of access or easement. Lalita subsequently discovered that the only means of access to Plot X was through Karim's retained Plot Y, and claimed a right of way.

Which of the following correctly explains the nature and legal basis of Lalita's right of access over Plot Y?

(A) Lalita has no right of way because the sale deed contained no express grant of easement, and implied easements over the grantor's retained land are not recognised under Indian law.

(B) Lalita's right can only arise under an easement by prescription, which requires twenty years of open, peaceful, and uninterrupted use of the right of way before it is legally established.

(C) Lalita is entitled to an easement of necessity by operation of law – the transfer of the enclosed Plot X impliedly carries with it a right of access, without which the granted property cannot be used at all.

(D) Lalita's sole remedy is to approach a civil court for a compulsory acquisition of a right of way over Plot Y, with the price to be determined by the court.

Q13. Mehta transferred the same immovable property first to Nanda on 1st January and subsequently to Oommen on 1st April of the same year. Nanda's transfer was never registered. Oommen conducted all reasonable enquiries, had no actual, constructive, or imputed notice of Nanda's prior transfer, and paid full market value. Nanda now asserts his priority as the earlier transferee and seeks to recover the property.

Under Section 48 of the Transfer of Property Act, 1882, which of the following correctly states the respective positions of Nanda and Oommen?

(A) Nanda, as the first transferee in time, always enjoys absolute priority over Oommen, irrespective of Oommen's notice, registration, or the value paid by him.

(B) Oommen has priority solely because the registration of his transfer extinguishes all rights of any prior unregistered transferee, regardless of the surrounding circumstances.

(C) Nanda retains priority in all circumstances because the rule "prior in time, prior in right" operates as an absolute and unqualified rule under the Transfer of Property Act, admitting no exception.

(D) Oommen, being a bona fide purchaser for value without notice, has priority over Nanda, whose unregistered transfer is rendered ineffective against such a subsequent transferee under the doctrine of notice.

Q14. Priya filed a civil suit against Rajan claiming title to a disputed plot of land. While the suit was pending, Rajan sold the same plot to Suresh. Suresh purchased in good faith for full market value and had no actual knowledge of the pending litigation. The court ultimately passed a decree in Priya's favour. Priya now seeks to enforce her decree against Suresh.

Under Section 52 of the Transfer of Property Act, 1882 (doctrine of lis pendens), which of the following is the correct legal position?

(A) The transfer to Suresh during the pendency of the suit is subject to the outcome of the litigation – Suresh is bound by Priya's decree even though he had no actual notice of the pending suit.

(B) Suresh's purchase is fully protected because he is a bona fide purchaser for value without notice, and the doctrine of lis pendens does not bind such purchasers under Sec 52 TPA.

(C) The doctrine of lis pendens applies only when the transfer was made with the deliberate intention to defeat or delay the execution of an anticipated decree.

(D) Suresh cannot be bound by the decree because he was not a party to the suit filed by Priya, and a civil decree binds only the named parties to the proceedings.

Q15. Tara entered into a written and signed contract with Umesh for the purchase of Umesh's agricultural land for Rs. 15,00,000. Tara paid Rs. 5,00,000 as advance consideration and was given possession of the land. In furtherance of the contract, Tara constructed a boundary wall and levelled the field at considerable expense. Umesh later refused to execute the registered sale deed and filed a suit to recover possession of the land from Tara.

Under Section 53A of the Transfer of Property Act, 1882, which of the following is the correct legal position regarding the doctrine of part performance?

(A) Tara can invoke Section 53A offensively to file an affirmative suit compelling Umesh to execute the registered sale deed and to transfer legal title to her.

(B) Tara can invoke Section 53A as a defence to resist Umesh's suit for recovery of possession; part performance can be used only as a shield to protect possession and not as a sword to assert title offensively.

(C) Section 53A does not apply because Tara has not paid the full and complete stipulated consideration, and the doctrine of part performance requires full payment of the agreed price before it can be invoked.

(D) Section 53A operates only between the original parties to the contract and cannot be invoked by a purchaser in possession against the vendor who seeks to recover the property.

Q16. Vimala was heavily indebted to Waman who was about to institute a recovery suit. Just before the suit was filed, Vimala transferred her immovable property to her cousin Xavier at a price amounting to barely one-third of its market value. The transaction was completed within 48 hours, with no independent valuation, and the sale deed contained no recital of possession having been delivered to Xavier.

Under Section 53 of the Transfer of Property Act, 1882, which of the following circumstances most strongly indicates a fraudulent transfer intended to defeat creditors?

(A) The transfer was made to a close relative (cousin) who was not himself a creditor of Vimala – this fact alone conclusively establishes fraud under Section 53 TPA.

(B) Xavier's prior knowledge of Vimala's indebtedness alone is sufficient to void the transfer as a fraudulent preference under the law.

(C) The combination of gross inadequacy of consideration, extreme haste in completing the transaction, and concealment of material facts collectively constitute classic badges of fraud indicating a transfer intended to defeat creditors.

(D) A transfer to a relative is conclusively presumed fraudulent under Section 53 TPA whenever a debt to a creditor was outstanding at the time of the transfer.

Q17. Yamuna executed an instrument purporting to transfer to her son Zain the ancestral house belonging to Zain's wife Aisha (over which Yamuna had no power of transfer), while simultaneously bequeathing to Aisha jewellery worth Rs. 8,00,000 from Yamuna's own estate. Aisha wished to retain her own ancestral house while also claiming the jewellery gifted by Yamuna under the same instrument.

Under Section 35 of the Transfer of Property Act, 1882 (Doctrine of Election), which of the following correctly states Aisha's legal position?

(A) Aisha may freely reject the purported disposition of her house to Zain while still claiming the jewellery, as the two parts of the instrument are legally independent of each other.

(B) Aisha has an absolute legal right to retain her own ancestral property regardless of Yamuna's instrument and may simultaneously claim all benefits conferred upon her under that instrument.

(C) Aisha is automatically bound by the instrument and must transfer her house to Zain; she is barred from claiming any benefit whatsoever under the instrument as a consequence of the breach of equity.

(D) Aisha must elect to either confirm the entire instrument – delivering her house to Zain – and thereby claim the jewellery, or disclaim the jewellery benefit and retain her house; she cannot simultaneously take a benefit under the instrument and repudiate a burden imposed by it.

Q18. Harish and Indira executed a sale deed for Harish's residential flat. Harish, the vendor, was hospitalised and unable to attend the Sub-Registrar's office in person. Harish had previously granted a registered power of attorney to his son Joshi authorising him to deal with all matters relating to the flat. Indira was available and wished to present the deed for registration herself.

Under Section 32 of the Registration Act, 1908, which of the following persons may lawfully present a document for registration?

(A) Every document may be presented for registration by any of the executants, by the claimant of the right created, by the representative or assign of a deceased executant, or by a duly authorised agent holding a valid power of attorney on behalf of any such person.

(B) Only the executant who personally signed the document may present it for registration – no agent, power of attorney holder, or other representative is recognised for this purpose under Section 32.

(C) Only the claimant of the right or interest created by the document may present it for registration; the executant himself has no independent standing to do so.

(D) Only an advocate enrolled with the Bar Council of India may represent a party before the Sub-Registrar and present a document for registration on that party's behalf.

Q19. Joshi ostensibly sold his house to Karim for Rs. 12,00,000. The same document contained a clause that the sale would become void if Joshi repaid Rs. 12,00,000 with interest within eighteen months, and that the sale would become absolute if Joshi failed to repay within that period. Joshi remained in possession throughout. Joshi later contended the transaction was a mortgage, while Karim insisted it was a genuine conditional sale.

Under Section 58(c) of the Transfer of Property Act, 1882, which of the following best describes the nature of the transaction?

(A) The transaction is a simple mortgage because Joshi retained physical possession of the house throughout the transaction.

(B) The transaction constitutes a mortgage by conditional sale – the ostensible sale becomes absolute on default of repayment, and the right of redemption subsists while repayment within the stipulated time remains possible.

(C) The transaction is an outright conditional sale; once Joshi fails to repay within eighteen months Karim's title becomes absolute and Joshi has no right of redemption whatsoever.

(D) The transaction is void and of no legal effect under TPA because a mortgage cannot lawfully be structured in the form of an ostensible sale.

Q20. Lalita agreed in writing to transfer her valuable antique timepiece (tangible movable property worth Rs. 3,00,000) to Mehta as part of a family settlement. A formal written instrument of transfer was prepared and signed by both parties in the presence of witnesses. However, Lalita never physically handed over the timepiece to Mehta. Mehta now claims the transfer is legally complete and seeks to enforce his right over the timepiece.

Under the Transfer of Property Act, 1882, when does a transfer of tangible movable property become complete?

(A) A transfer of tangible movable property is complete upon execution of a signed written instrument evidencing the transfer, without any requirement of physical delivery of the thing itself.

(B) A transfer of tangible movable property is complete upon oral agreement between the parties, provided the consideration, if any, has been agreed upon by both sides.

(C) A transfer of tangible movable property becomes complete only upon actual delivery of the property to the transferee – mere execution of a written instrument without delivery does not complete the transfer.

(D) A transfer of tangible movable property of significant value requires compulsory registration under the Registration Act, 1908 to become complete and legally enforceable.

DETAILED SOLUTIONS

Sol. 1.

Solution

Concept — Sec 5 TPA – Transfer of Property is Inter Vivos Only: Section 5 of the Transfer of Property Act, 1882 defines "transfer of property" as an act by which a living person conveys property, in the present or the future, to one or more other living persons. The use of the phrase "living person" is deliberate and restricts the Act to inter vivos transactions. Testamentary dispositions such as wills operate only upon the death of the testator and are governed by the Indian Succession Act, 1925, not by the Transfer of Property Act.

Analysis: Geeta's will takes effect only on her death and is therefore a testamentary disposition outside the scope of TPA. The signed letter, to the extent it purported to operate as a present conveyance during Geeta's lifetime, could potentially be an inter vivos act – but the question tests the governing principle, which is that a will is not a "transfer" under Sec 5 TPA. The Act expressly excludes testamentary dispositions, and this exclusion is the central holding.

Why other options are wrong:

- Option (A): Incorrect – a will operates after the testator's death and is not a conveyance between living persons; it falls entirely outside the definition in Sec 5 TPA.
- Option (B): Incorrect – Sec 5 TPA does not extend to dispositions taking effect on death; the Act itself carves out testamentary instruments from its ambit.
- Option (C): Incorrect – attestation requirements address execution formalities; a will, however well attested, cannot become a "transfer of property" under Sec 5 TPA as it does not operate inter vivos.

Final Answer: A transfer under Sec 5 TPA must be an act inter vivos; a testamentary disposition (will) is not a transfer of property under the Act. $\Rightarrow \boxed{\text{D}}$

Answer: (D) Go Back to Q1

Sol. 2.

Solution

Concept — Sec 6(a) TPA – Spes Successionis Cannot Be Transferred: Section 6(a) of the Transfer of Property Act, 1882 expressly prohibits the transfer of a chance of an heir-apparent succeeding to an estate (spes successionis), or of any other mere possibility of a like nature. The rationale is that a person can only transfer what they presently own; an expectation of inheriting from a living ancestor is not a vested property right and therefore has no transferable content.

Analysis: Indira's expectation of inheriting from her living mother is a textbook example of spes successionis. At the time of the purported transfer, Indira had no present proprietary interest in her mother's estate. The transfer to Joshi is void ab initio under Sec 6(a), irrespective of the consideration paid. The invalidity is not cured by the mother's subsequent death, as the transfer was never valid to begin with.

Why other options are wrong:

- Option (B): Incorrect – consideration does not validate a transfer prohibited by statute; Sec 6(a) renders such a transfer void, not merely voidable for want of consideration.
- Option (C): Incorrect – the transfer is void ab initio by operation of Sec 6(a); the mother's approval or disapproval is irrelevant to a transfer that is null from the outset.
- Option (D): Incorrect – Indian statutory law does not recognise equitable assignments of spes successionis; the express prohibition in Sec 6(a) overrides any equitable doctrine.

Final Answer: The transfer is void under Sec 6(a) TPA – spes successionis (expectancy of an heir apparent) cannot be the subject of a valid transfer. $\Rightarrow \boxed{\text{A}}$

Answer: (A) Go Back to Q2

Sol. 3.

Solution

Concept — Sec 36 TPA – Doctrine of Apportionment (Day-to-Day Basis): Section 36 of the Transfer of Property Act, 1882 provides that in the absence of a contract to the contrary, all rents, annuities, dividends, and other periodical payments in the nature of income shall, upon a transfer of the property producing them, be deemed to accrue from day to day and shall be apportioned accordingly between the transferor and the transferee. The day on which the transfer takes effect separates the respective entitlements.

Analysis: Karim transferred the land on 16th July. Karim therefore owned the land for 15 days (1st to 15th July) and Mehta owned it for 16 days (16th to 31st July). The July rent of Rs. 3,000 must be apportioned in the ratio 15:16. Sec 36 overrides the contractual due date of the rent (1st July) and requires apportionment on a day-to-day basis regardless of when the rent contractually fell due.

Why other options are wrong:

- Option (A): Incorrect – Sec 36 expressly overrides the contractual due date; periodical payments accrue day by day and are apportioned accordingly, not allocated to the person entitled on the due date.
- Option (C): Incorrect – Mehta as the owner at month-end is not entitled to the full month's rent; Sec 36 mandates proportional apportionment for the period each person held ownership.
- Option (D): Incorrect – Sec 36 TPA is a statutory rule that governs apportionment of periodical payments upon transfer; it applies by operation of law, subject only to an express contrary agreement.

Final Answer: Rent is apportioned on a day-to-day basis under Sec 36 TPA – Karim for 15 days and Mehta for 16 days of July. $\Rightarrow \boxed{\text{B}}$

Answer: (B) Go Back to Q3

Sol. 4.

Solution

Concept — Clog on the Equity of Redemption: The equity of redemption is the mortgagor's indefeasible right to have the mortgaged property returned upon full repayment of the debt. The principle "once a mortgage, always a mortgage" holds that a mortgage can never be made irredeemable, and any clause in the mortgage deed that prevents, postpones, hampers, or restricts the mortgagor's right to a clean and complete redemption after repayment is void as a "clog on the equity of redemption." This doctrine applies irrespective of the parties' consent.

Analysis: The clause in Nanda's mortgage deed extends Oommen Bank's control over the mill for seven years after full repayment, allowing the Bank to retain profits during that period. This directly fetters and postpones Nanda's right to enjoy his own property after the debt is discharged. Such a stipulation is a classic clog – it makes the mortgage more burdensome than a mere security and is therefore void in equity.

Why other options are wrong:

- Option (A): Incorrect – freedom of contract does not extend to terms that are contrary to settled equitable principles embedded in mortgage law; courts will strike down clogs regardless of how freely they were negotiated.
- Option (B): Incorrect – being an agreed term of the security arrangement does not save a clog; the doctrine operates regardless of consent, precisely because of the typically unequal bargaining positions in mortgage transactions.
- Option (D): Incorrect – there is no two-year rule in Indian law; the doctrine strikes down the entire clog and not merely the portion that exceeds some judicially determined reasonable period.

Final Answer: The clause is void as a clog on the equity of redemption – any stipulation fettering the mortgagor's right to redeem after repayment is unenforceable. $\Rightarrow \boxed{\text{C}}$

Answer: (C) Go Back to Q4

Sol. 5.

Solution

Concept — Sec 69 TPA – Power of Sale Without Court Intervention: Section 69 of the Transfer of Property Act, 1882 confers on a mortgagee the power to sell or concur in selling the mortgaged property without court intervention in specified situations. The conditions that must be cumulatively satisfied are: (i) the mortgage is created by a registered instrument; (ii) the mortgage money or part thereof has become due; (iii) a written notice demanding payment has been served on the mortgagor; and (iv) the mortgagor has remained in default for three months after such written notice.

Analysis: Unity Finance Ltd.'s mortgage deed is registered. A written notice of demand was served on Priya. After three months of continued default following that notice, all conditions under Sec 69 are fulfilled. The power of sale without court intervention therefore validly arises. The company may proceed to sell without filing a suit.

Why other options are wrong:

- Option (A): Incorrect – a single instalment default is insufficient; Sec 69 requires a written notice followed by a three-month period of continued default before the power of sale arises.
- Option (B): Incorrect – Sec 69 requires a written notice of demand, not a verbal one; the section is specific and a mere oral demand does not satisfy its requirements.
- Option (C): Incorrect – while banking legislation such as the SARFAESI Act contains separate provisions, Sec 69 TPA itself does not dispense with the notice requirement merely because the mortgagee is a bank or financial institution.

Final Answer: Registered mortgage deed + written notice of demand + three months' default after notice satisfies all conditions under Sec 69 TPA. ⇒ $\boxed{D}$

Answer: (D) Go Back to Q5

Sol. 6.

Solution

Concept — Sec 91 TPA – Persons Entitled to Redeem: Section 91 of the Transfer of Property Act, 1882 provides that besides the mortgagor, redemption may be effected by: (a) any person having an interest in or charge upon the mortgaged property; (b) any surety for payment of the mortgage debt; or (c) any creditor of the mortgagor who, in a suit for administration of the estate, has obtained a decree for sale of the mortgaged property.

Analysis: Tara purchased the mortgaged property from Rajeev and thereby acquired an interest in the property subject to the existing mortgage. As a person with an interest in the mortgaged property, Tara falls squarely within the first category under Sec 91 and is fully entitled to redeem the mortgage by paying off Suresh. The right of redemption is not personal to the original mortgagor.

Why other options are wrong:

- Option (B): Incorrect – Sec 91 expressly extends the right of redemption beyond the original mortgagor to any person having an interest in the mortgaged property; the right is not exclusively personal to the borrower.
- Option (C): Incorrect – Sec 91 is not confined to co-mortgagors or legal heirs; a subsequent purchaser who has an interest in the property is equally entitled to redeem.
- Option (D): Incorrect – no court appointment of a receiver is required; redemption under Sec 91 is a statutory right exercisable by the entitled person

without any court order.

Final Answer: Any person having an interest in the mortgaged property – including a subsequent purchaser like Tara – may redeem under Sec 91 TPA. ⇒ $\boxed{\text{A}}$

Answer: (A) Go Back to Q6

Sol. 7.

Solution

Concept — Lease vs Licence: Exclusive Possession is the Decisive Test: A lease under Section 105 of the Transfer of Property Act, 1882 is a transfer of a right to enjoy immovable property for a certain time in consideration of a price. The Supreme Court in *Associated Hotels of India Ltd. v R.N. Kapoor* (AIR 1959 SC 1262) laid down that the decisive test is whether exclusive possession of the premises has been granted. A licence under Section 52 of the Indian Easements Act, 1882 confers only a personal privilege to do something upon the licensor's land without granting any interest or exclusive possession.

Analysis: Despite the language of "exclusive use" in Vimala's agreement, Umesh retained duplicate keys and exercised regular supervisory access – indicating that exclusive possession was never truly transferred. The arrangement is therefore more consistent with a licence. The key legal principle tested by this question is that exclusive possession – not duration, not the written form, and not registration – is the primary criterion.

Why other options are wrong:

- Option (A): Incorrect – duration is not the principal test; a lease can be for a brief period while a licence may last for years; the nature of the right granted, not its length, determines the classification.
- Option (C): Incorrect – the existence of a written document does not determine whether the arrangement is a lease or a licence; leases may be oral and licences may be written.
- Option (D): Incorrect – while leases exceeding one year must be registered (Sec 107 TPA), the absence of registration does not convert a lease into a licence; it merely affects enforceability, not the essential character of the arrangement.

Final Answer: Exclusive possession granted for a term for consideration creates a lease; a licence grants only personal permission without exclusive possession.

⇒ $\boxed{\text{B}}$

Answer: (B) Go Back to Q7

Sol. 8.

Solution

Concept — Tenancy at Will vs Tenancy at Sufferance: A tenancy at will arises when a person holds possession of immovable property with the express or implied consent of the owner, without any fixed term, specified rent, or defined conditions. A tenancy at sufferance arises when a person who originally entered into possession under a lawful tenancy continues to hold over after the expiry of the tenancy without the landlord's consent and without acquiring any fresh tenancy.

Analysis: Xavier's original tenancy was lawful. After the term expired, he continued in possession. Waman neither accepted rent (which would have implied a fresh tenancy or a tenancy at will) nor evicted Xavier. The absence of any consent – express or implied – to Xavier's continued occupation means Xavier holds as a tenant at sufferance. If Waman had accepted rent after expiry, a tenancy at will might have been inferred. The consent of the landlord is the decisive distinguishing factor.

Why other options are wrong:

- Option (A): Incorrect – a tenancy at sufferance arises without the landlord's consent, which is the fundamental distinction from a tenancy at will, which requires consent (express or implied).
- Option (B): Incorrect – this inverts the correct definitions; a tenancy at sufferance arises without the landlord's express consent, not because of express consent.
- Option (D): Incorrect – the two concepts are legally distinct and carry different consequences; a tenant at sufferance is liable to be evicted without notice, while a tenant at will is entitled to reasonable notice.

Final Answer: Tenancy at sufferance arises without the landlord's consent after expiry of a lawful tenancy; tenancy at will arises with the landlord's consent but without a fixed term. ⇒ $\boxed{\text{C}}$

Answer: (C) Go Back to Q8

Sol. 9.

Solution

Concept — Sec 123 TPA – Gift of Immovable Property Requires Attestation AND Registration: Section 123 of the Transfer of Property Act, 1882 provides that for a gift of immovable property to be valid, the transfer must be effected by a registered instrument signed by or on behalf of the donor and attested by at least two witnesses. Both requirements – attestation and registration – are cumulative and mandatory. Neither delivery of possession nor acceptance by the donee can substitute for registration.

Analysis: Yamuna's gift deed was properly attested by two witnesses and accepted by Zara. Possession was also delivered. However, the deed was never registered with the Sub-Registrar. Despite all other requirements being met, the gift is void ab initio because registration is an absolute statutory requirement under Sec 123 TPA for gifts of immovable property. The courts have consistently held that an unregistered gift deed of immovable property confers no title whatsoever on the donee.

Why other options are wrong:

- Option (A): Incorrect – delivery of possession does not substitute for registration in the case of a gift of immovable property; unlike certain sale transactions, possession alone cannot perfect an unregistered gift.
- Option (B): Incorrect – attestation is a necessary but insufficient condition; registration is equally mandatory, and attestation without registration does not validate the gift.
- Option (C): Incorrect – while acceptance is a required element of a valid gift under Sec 122 TPA, it does not dispense with the mandatory registration requirement under Sec 123 TPA.

Final Answer: A gift of immovable property requires both attestation by at least two witnesses and registration to be valid under Sec 123 TPA; registration is not optional. $\Rightarrow \boxed{\text{D}}$

Answer: (D) Go Back to Q9

Sol. 10.

Solution

Concept — Sec 127 TPA – Universal Donee and Onerous Gift: Section 127 of the Transfer of Property Act, 1882 provides that where a gift is made to a donee of the whole of the donor's property, the donee is personally liable for all debts and obligations of the donor at the date of the gift, to the extent of the property comprised in the gift. More broadly, where a gift consists of several things one of which is burdened with an obligation, the donee can accept the gift only by taking everything – benefits and burdens together.

Analysis: Harish gifted his entire estate under a single deed. Geeta accepted two properties under that deed. As the universal donee of the entire estate, Geeta cannot selectively accept the profitable components while rejecting the associated liabilities. The doctrine of onerous gifts applies: she must either accept the full gift (properties and liabilities) or disclaim the entire gift. Having accepted the properties, she is bound by the liabilities to the extent of the property received.

Why other options are wrong:

- Option (B): Incorrect – when the gift is of the entire estate under a single instrument, TPA does not permit the donee to treat each property as a legally independent gift for the purpose of selective acceptance.
- Option (C): Incorrect – while the donee's liability is limited to the value of property received, Geeta cannot selectively accept the valuable properties to minimise her exposure; having accepted properties, she bears liability for the corresponding debts.
- Option (D): Incorrect – Sec 127 TPA specifically contemplates and governs liabilities attached to a universal gift; the law does not treat such liabilities as automatically void when transferred by way of gift.

Final Answer: The universal donee must accept the entire gift – benefits and burdens alike – or disclaim it entirely; selective acceptance is impermissible under Sec 127 TPA. $\Rightarrow \boxed{\text{A}}$

Answer: (A) Go Back to Q10

Sol. 11.

Solution

Concept — Sec 4 Easements Act – Dominant and Servient Tenement: Section 4 of the Indian Easements Act, 1882 defines an easement as a right which the owner or occupier of certain land (the dominant tenement) possesses, as such, for the beneficial enjoyment of that land, to do and continue to do something, or to prevent and continue to prevent something being done, in or upon, or in respect of certain other land (the servient tenement) not his own. The easement is appurtenant to the dominant tenement – it belongs to the land, not merely to the person who owns it.

Analysis: Plot A (Indira's enclosed land) is the land that derives benefit from the right of way – it cannot be accessed without the easement. Plot A is therefore the dominant tenement. Plot B (Joshi's land) is the land over which the right of way is exercised – it bears the burden. Plot B is therefore the servient tenement. The easement attaches to Plot A and runs with it regardless of changes in ownership.

Why other options are wrong:

- Option (A): Incorrect – this exactly reverses the definitions; the dominant tenement is the land that benefits, not the land that is burdened by the easement.
- Option (C): Incorrect – under Sec 4, an easement is appurtenant to the dominant tenement (a right belonging to the land) and not a personal right exercisable by any individual irrespective of their connection to the land.
- Option (D): Incorrect – easements between privately-owned adjacent plots are not only recognised but are among the most common forms of easement under Indian law, including easements by necessity over adjacent land.

Final Answer: The dominant tenement (Plot A) benefits from the easement; the servient tenement (Plot B) is burdened by it – per Sec 4 of the Easements Act. $\Rightarrow$ $\boxed{\text{B}}$

Answer: (B) Go Back to Q11

Sol. 12.

Solution

Concept — Easement by Necessity: An easement by necessity arises by operation of law (implied grant) when a person transfers land that cannot reasonably be used without the benefit of an easement over the land retained by the transferor. Section 13 of the Indian Easements Act, 1882 recognises implied grants of easements, and an easement of necessity is the strongest form. Its basis is that a grantor is presumed not to intend to transfer property that is entirely inaccessible and therefore useless.

Analysis: Karim sold the interior Plot X while retaining the surrounding Plot Y. No express right of access was granted. Plot X is completely inaccessible without crossing Plot Y. In such a situation, the law implies a grant of a right of way as a necessary incident of the conveyance of Plot X. Lalita does not need to prove 20 years of use or pay for the easement afresh; it arises automatically upon the transfer.

Why other options are wrong:

- Option (A): Incorrect – implied easements, including easements by necessity, are fully recognised under Indian law; Sec 13 of the Easements Act expressly provides for implied grants arising from the circumstances of a transfer.
- Option (B): Incorrect – an easement by prescription requires 20 years of open and continuous user, which Lalita has not yet exercised; an easement by necessity, by contrast, arises at the moment of the grant.
- Option (D): Incorrect – an easement of necessity does not require compulsory acquisition proceedings or court-determined compensation; it arises automatically as an implied term of the transfer deed.

Final Answer: Lalita is entitled to an easement of necessity by operation of law – the transfer of the enclosed Plot X impliedly carries the right of access without which the property is useless. $\Rightarrow \boxed{C}$

Answer: (C) Go Back to Q12

Sol. 13.

Solution

Concept — Sec 48 TPA – Priority of Transfers and the Doctrine of Notice: Section 48 of the Transfer of Property Act, 1882 provides that where a person transfers the same property to different persons, each transfer is subject to the rights created by the prior transfers. However, this general priority rule is qualified by the doctrine of notice: a bona fide purchaser for value without notice of a prior unregistered (or otherwise defective) transfer is not bound by it and takes priority over the earlier transferee.

Analysis: Nanda's transfer was unregistered, meaning it was not a matter of public record. Oommen conducted reasonable enquiries, paid full value, and had no actual, constructive, or imputed notice of Nanda's prior transfer. Oommen therefore qualifies as a bona fide purchaser for value without notice. Under the doctrine of notice (embedded in Sec 3 TPA and the scheme of registration law), Nanda's unregistered transfer cannot be set up against Oommen. Oommen takes priority.

Why other options are wrong:

- Option (A): Incorrect – the "prior in time, prior in right" principle is qualified by the doctrine of notice; absolute priority for a prior unregistered transferee against a subsequent bona fide purchaser for value without notice is not the law.
- Option (B): Incorrect – priority arises not merely from registration of the second transfer but from Oommen's status as a bona fide purchaser without notice; had Oommen known of Nanda's transfer, registration alone would not protect him.
- Option (C): Incorrect – the rule is not absolute; Sec 48 must be read in conjunction with the doctrine of notice, and the bona fide purchaser for value without notice is a well-recognised exception.

Final Answer: Oommen, being a bona fide purchaser for value without notice, takes priority over Nanda's prior unregistered transfer under the doctrine of notice. $\Rightarrow \boxed{\text{D}}$

Answer: (D) Go Back to Q13

Sol. 14.

Solution

Concept — Sec 52 TPA – Doctrine of Lis Pendens: Section 52 of the Transfer of Property Act, 1882 provides that during the pendency of any suit or proceeding in a court of competent jurisdiction in which any right to immovable property is directly and specifically in question, the property cannot be transferred or otherwise dealt with by any party to the suit so as to affect the rights of any other party thereto under any decree or order that may be made therein. The doctrine operates automatically and does not require the transferee to have actual notice of the pending suit.

Analysis: Priya's suit against Rajan directly and specifically concerned title to the plot. Rajan transferred the plot to Suresh during the pendency of that suit. Section 52 applies regardless of Suresh's good faith and regardless of whether he had actual knowledge of the litigation. Its rationale is the public policy principle that a litigant should not be deprived of the fruits of a decree by a transfer made pendente lite.

Why other options are wrong:

- Option (B): Incorrect – Section 52 TPA does not recognise a bona fide purchaser exception; the doctrine binds a transferee irrespective of good faith or lack of actual notice.
- Option (C): Incorrect – no fraudulent or delaying intent is required; Section 52 applies to any transfer made during pendency of a suit relating to the property, irrespective of the transferor's intent.
- Option (D): Incorrect – lis pendens binds not only the parties to the suit but also persons who take title from a party during the pendency of the suit; Suresh cannot avoid the decree by arguing non-party status.

Final Answer: The transfer to Suresh during the pendency of the suit is subject to Priya's decree under Sec 52 TPA regardless of his lack of actual notice. $\Rightarrow \boxed{\text{A}}$

Answer: (A) Go Back to Q14

Sol. 15.

Solution

Concept — Sec 53A TPA – Part Performance: Shield, Not Sword: Section 53A of the Transfer of Property Act, 1882 provides protection to a transferee who has taken possession of immovable property in part performance of a written contract, where the transferor or anyone claiming under him seeks to assert any right in respect of the property. The section operates as a bar against the transferor – it is a statutory shield available to the transferee to defend his possession. It does not create an independent right of action (a sword) to claim title or compel execution of a deed.

Analysis: Tara has satisfied the conditions of Sec 53A: there is a written signed contract for transfer, consideration paid in part, possession taken, and acts in part performance (construction of the wall). These entitle Tara to defend against Umesh's suit for recovery of possession. However, Tara cannot use Sec 53A to affirmatively sue Umesh for specific performance or to compel registration of the sale deed – for that she must seek a decree for specific performance under the Specific Relief Act.

Why other options are wrong:

- Option (A): Incorrect – Sec 53A expressly operates only as a bar against the transferor (and those claiming under him) and cannot be used offensively to compel the execution of a deed or to claim title.
- Option (C): Incorrect – Sec 53A does not require full payment of consideration; part performance of the contract, which includes taking possession, is sufficient; partial payment of consideration does not disqualify the section.
- Option (D): Incorrect – Sec 53A operates between the parties to the contract; it protects the transferee in possession against the vendor seeking recovery, which is precisely the situation here.

Final Answer: Sec 53A operates only as a shield for Tara to defend possession against Umesh's recovery suit; it cannot be used as a sword to assert title offensively. $\Rightarrow \boxed{B}$

Answer: (B) Go Back to Q15

Sol. 16.

Solution

Concept — Sec 53 TPA – Fraudulent Transfers and Badges of Fraud: Section 53 of the Transfer of Property Act, 1882 provides that every transfer of immovable property made with the intent to defeat or delay creditors of the transferor shall be voidable at the option of any creditor so defeated or delayed. Since fraudulent intent is rarely provable by direct evidence, courts rely on surrounding circumstances – "badges of fraud" – to infer the requisite intention. No single badge is conclusive; courts look at the cumulative effect.

Analysis: The facts disclose three classic badges of fraud operating in combination: (i) gross inadequacy of consideration (one-third of market value); (ii) extreme haste (48 hours, no independent valuation); and (iii) concealment of material facts (no recital of possession). Together with the timing (on the eve of litigation), these circumstances create a strong inference that the transfer was designed to put the property beyond Waman's reach.

Why other options are wrong:

- Option (A): Incorrect – a transfer to a relative is a suspicious circumstance but is not conclusive of fraud under Sec 53 TPA; the section requires proof of fraudulent intent inferred from all circumstances, not merely from the identity of the transferee.
- Option (B): Incorrect – the transferee's knowledge of the transferor's debts is one relevant factor but is not on its own sufficient to void the transfer; the section focuses on the transferor's intent to defeat creditors.
- Option (D): Incorrect – there is no irrebuttable presumption of fraud under Sec 53 merely from a transfer to a relative while debts existed; the transfer is voidable, not automatically void, and requires proof of fraudulent intent.

Final Answer: Gross inadequacy of consideration + haste + concealment together constitute badges of fraud indicating a transfer to defeat creditors under Sec 53 TPA. $\Rightarrow \boxed{\text{C}}$

Answer: (C) Go Back to Q16

Sol. 17.

Solution

Concept — Sec 35 TPA – Doctrine of Election: Section 35 of the Transfer of Property Act, 1882 embodies the equitable doctrine of election. Where a person purports by an instrument to transfer property not belonging to him but confers a benefit under the same instrument on the true owner of that property, the true owner must elect either to confirm the entire instrument (thereby allowing his property to pass under it) and claim the benefit, or to disclaim the benefit and retain his own property. The doctrine rests on the principle that a person cannot both approbate and reprobate the same instrument.

Analysis: Yamuna's instrument purports to transfer Aisha's ancestral house (property Yamuna had no power to transfer) to Zain. The same instrument grants Aisha jewellery from Yamuna's own estate. Aisha must therefore choose: either she confirms the whole instrument (allowing her house to pass to Zain) and claims the jewellery, or she refuses to confirm the instrument and disclaims the jewellery but retains her house. She cannot simultaneously take the benefit (jewellery) and repudiate the burden (transfer of her house to Zain).

Why other options are wrong:

- Option (A): Incorrect – the doctrine of election under Sec 35 TPA treats the benefit and burden under the same instrument as linked; they are not legally independent and cannot be separately accepted or rejected.
- Option (B): Incorrect – while Aisha has a substantive right to her own property, the act of claiming benefits under the instrument that also purports to dispose of her property triggers the election obligation under Sec 35.
- Option (C): Incorrect – Aisha is not automatically barred from all benefits; she may choose to confirm the instrument and claim the jewellery; the doctrine requires a conscious election, not automatic forfeiture.

Final Answer: Under the doctrine of election (Sec 35 TPA), Aisha must confirm the whole instrument or disclaim it; she cannot take benefits while repudiating burdens under the same instrument. $\Rightarrow \boxed{\text{D}}$

Answer: (D) Go Back to Q17

Sol. 18.

Solution

Concept — Sec 32 Registration Act 1908 – Persons Who May Present Documents for Registration: Section 32 of the Registration Act, 1908 specifies who may present a document for registration. Every document must be presented: (a) by some person executing or claiming under the document; (b) by the representative or assign of such a person; or (c) by the agent of any person mentioned in (a) or (b), authorised by a power of attorney executed and authenticated in accordance with Section 33 of the Act.

Analysis: The sale deed was executed by Harish (vendor) and Indira (purchaser). Both are "persons executing" the document and either may present it for registration under Sec 32(a). Additionally, Harish's son Joshi, holding a validly registered power of attorney authorising him to deal with the property, qualifies as a duly authorised agent under Sec 32(c) and may also present the deed on Harish's behalf. Multiple persons are therefore legally authorised to present the document.

Why other options are wrong:

- Option (B): Incorrect – Section 32(c) expressly allows agents holding valid powers of attorney to present documents for registration; personal appearance of the executant is not mandatory.
- Option (C): Incorrect – Section 32 recognises multiple categories of presenting parties; the claimant is one such category, but the executant and their authorised agents also have equal standing.
- Option (D): Incorrect – Section 32 does not require an enrolled advocate; any duly authorised agent (including a power of attorney holder), the executant, or the claimant may present the document.

Final Answer: Documents may be presented for registration by the executant, the claimant, a legal representative, or a duly authorised power of attorney agent under Sec 32 of the Registration Act, 1908. $\Rightarrow \boxed{\text{A}}$

Answer: (A) Go Back to Q18

Sol. 19.

Solution

Concept — Sec 58(c) TPA – Mortgage by Conditional Sale: Section 58(c) of the Transfer of Property Act, 1882 defines a mortgage by conditional sale as one where the mortgagor ostensibly sells the mortgaged property on the condition that on default of repayment the sale shall become absolute, and on payment of the mortgage money within a stipulated time the sale shall become void or the buyer shall retransfer the property. The hallmark is that the defeasance clause appears in the same document as the ostensible sale.

Analysis: Joshi ostensibly sold his house to Karim. The same document provided that the sale would become void on repayment within eighteen months and absolute on failure to repay. This precisely satisfies the definition in Sec 58(c). It is distinguished from an actual conditional sale by the fact that both the ostensible sale and the condition are contained in the same instrument, which indicates a security transaction rather than a genuine conveyance. The right of redemption subsists throughout the stipulated period.

Why other options are wrong:

- Option (A): Incorrect – retention of possession is characteristic of a usufructuary mortgage (Sec 58(d) TPA), not a simple mortgage; the conditional sale structure here points to Sec 58(c), not to a simple mortgage.
- Option (C): Incorrect – in a mortgage by conditional sale, the mortgagor retains the right of redemption for the duration of the stipulated period; it is not an outright conditional sale devoid of a redemption right.
- Option (D): Incorrect – Section 58(c) TPA expressly defines and recognises the mortgage by conditional sale; such transactions are perfectly lawful and are not void for being disguised in sale form.

Final Answer: The transaction is a mortgage by conditional sale under Sec 58(c) TPA; the right of redemption subsists until the stipulated period expires. $\Rightarrow \boxed{\text{B}}$

Answer: (B) Go Back to Q19

Sol. 20.

Solution

Concept — Transfer Complete: Delivery of Possession is Essential for Tangible Movable Property: Under the Transfer of Property Act, 1882, a transfer of property may be effected in the present or the future (Sec 5). For tangible movable property, delivery of the thing itself is the act that consummates and completes the transfer. Execution of a written instrument may be a necessary step (required for movable property above Rs. 100 under Sec 9 TPA), but it is not sufficient without actual delivery of the property to the transferee.

Analysis: Lalita and Mehta executed a written instrument, which satisfies the writing requirement. However, Lalita never physically delivered the antique timepiece to Mehta. Without delivery, the transfer remains incomplete and Mehta does not acquire ownership or the right to possession. The written instrument creates an obligation but does not by itself transfer property rights in tangible movables – delivery of the thing is the completing act.

Why other options are wrong:

- Option (A): Incorrect – execution of a written instrument alone does not complete the transfer of tangible movable property; delivery of the thing to the transferee is a separate and essential requirement.
- Option (B): Incorrect – while Sec 9 TPA allows oral transfers for movable property below Rs. 100, oral agreement alone without delivery does not complete a transfer; moreover, property worth Rs. 3,00,000 requires a written instrument.
- Option (D): Incorrect – the Registration Act, 1908 primarily applies to immovable property and specified instruments; tangible movable property generally does not require registration to complete a transfer.

Final Answer: A transfer of tangible movable property becomes complete only upon actual delivery of the property to the transferee – the written instrument alone is insufficient. $\Rightarrow \boxed{C}$

Answer: (C) Go Back to Q20

Answer Key

Q	Ans	Q	Ans	Q	Ans	Q	Ans	Q	Ans
1	D	2	A	3	B	4	C	5	D
6	A	7	B	8	C	9	D	10	A
11	B	12	C	13	D	14	A	15	B
16	C	17	D	18	A	19	B	20	C