

SLA CLAT SECTIONAL TEST — LEGAL CURRENT AFFAIRS Set 1

ANSWER KEY WITH EXPLANATIONS

PASSAGE 1 (Q1–Q6)

- Q1. (D)** The passage says the new **Chapter IV-A** lets financial creditors of a notified class start insolvency out of court, and that the process can convert into the regular process. A Tribunal acting alone, operational creditors of any size and a debtor-only route are all absent from the passage.
- Q2. (D)** **Chapter IV-A** requires approval of creditors holding at least 51 per cent by value of the class debt, so a majority by number does not count when value stands at only 44 per cent. The thirty-day window is a hearing for the debtor, not a substitute for approval, and the route is out of court.
- Q3. (C)** The Chapter requires that the debtor be given at least **thirty days** to make its representation. Eleven days breach that floor even though 62 per cent approval clears the threshold. Approval does not remove the debtor's window, and an out-of-court start involves no Tribunal admission beforehand.
- Q4. (B)** **Section 12A** allows withdrawal of an admitted application with approval of 90 per cent of the voting share, after the Committee of Creditors is formed and before plans are invited. All three conditions are met. A simple majority is too low a bar, unanimity is not demanded, and no fresh Tribunal order is required.
- Q5. (C)** The Act allows the creditor-initiated process to be extended **once** by up to 45 days. That single extension was already used, so a second one fails even though the combined forty days would fit under the ceiling. Repeated extensions and a Tribunal-only route have no basis in the passage.
- Q6. (D)** **Section 7(5)** requires the Tribunal to decide within fourteen days, so the fourteenth day is in time. Appeals must now be disposed of within three months, so four months is not. The Resolution Professional may reject board resolutions while the board keeps managing, so Situation III is consistent.

PASSAGE 2 (Q7–Q12)

- Q7. (A)** The passage says seven of the eight orders came from district courts and one from the **High Court of Orissa**, and the conditions were voided for what they were, not for the court that imposed them. The other three statements are each reported in the passage.

- Q8. (D)** In **Narayan**, the Bench ruled that the three listed conditions are not compulsory for an offence below the sub-section's level, so an alleged breach cannot by itself support cancellation. Rajan's offence carries two years, so one late appearance fails. Bail is not uncancellable, and attendance is not universally compulsory.
- Q9. (D)** **Section 480(3)** applies where the offence may extend to seven years or more, so seven years sits inside it. Inducing witnesses breaches one of the three listed conditions. Reading the threshold as "above" seven misreads "or more", and a conviction-only rule is invented. Cancellation is not open for any unfair act outside the listed conditions.
- Q10. (B)** A court may attach conditions that serve the purposes of bail, appearance and non-interference, as the **Odisha** ruling's link test shows. Surrendering a passport and weekly reporting secure appearance. Conditions are not confined to the three listed, a movement restriction is not void by nature, and consent does not validate an unlinked condition.
- Q11. (C)** A bail condition must serve the purposes of bail, appearance and non-interference. Sweeping serves neither, so the logic of the **Odisha** ruling voids it even without a caste target. Equal application answers only the discrimination point, not the missing link, and a lighter burden than jail is not a purpose of bail.
- Q12. (D)** **Section 480(3)** reaches any offence punishable with seven years or more, besides its named chapters of the *Bharatiya Nyaya Sanhita, 2023*. **Narayan's** excise offence fell outside because it carried three years, not because it came from a State law, so a ten-year forest offence is covered. Accepting the bail terms is not the reason.

PASSAGE 3 (Q13–Q18)

- Q13. (C)** The passage reports that the Court let the list of eleven accepted documents stand, with **Aadhaar** added as a twelfth. The other statements are the petitioners' complaint, the critics' point about poor and migrant citizens, and the defenders' claim that clean rolls protect every genuine vote.
- Q14. (A)** The Court allowed the Commission to examine citizenship only to decide who belongs on the roll, which is not a final ruling; where the Commission is unsatisfied, the case goes to the competent authority under the **Citizenship Act, 1955**. The Commission neither decides citizenship finally nor must it ignore citizenship documents.

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Q15. (B) The West Bengal order in **Mostari Banu** held that the mere pendency of an appeal gives no right to vote, so Meera, whose appeal was undecided, can be refused. Sympathy for a voter with a strong appeal is not the test, and restoration is not confined to a general revision.

Q16. (A) The order lets voters whose appeals **succeed by the fixed date** vote through supplementary rolls, and Tarun's succeeded on 8 May, before 10 May. The closure of the main roll does not defeat the order, and the Court did act under Article 142 to allow it.

Q17. (A) In the Delhi matter the Bench only **observed** that the notices looked machine-generated, and it required publication of excluded names with reasons. Validity is undecided because the matter is pending. A missing reasons list conflicts with the direction, but nothing makes the deletion void for that alone.

Q18. (B) The Court rested the power on **Article 324** and on **Section 21(3)** of the Representation of the People Act, 1950, which permits a special revision, so Pratap's claim that the Act allows only yearly revision fails. The Citizenship Act, 1955 is not the source of the power, and no prior approval is demanded.

PASSAGE 4 (Q19–Q24)

Q19. (C) **Maharaj Saran** arose from the Punjab and Haryana High Court's view that Section 66 is non-bailable because the Act did not call it bailable. The mule-account procedure and the suggestion to define digital arrest belong to the separate suo motu case, and the cheating charge was not the question decided.

Q20. (D) **Section 77B** makes an offence punishable with imprisonment of three years bailable, and Section 66 carries a maximum of three years, so bail is a right under the Bharatiya Nagarik Suraksha Sanhita, 2023. Silence in the Act and the gravity of the loss do not alter that, and not every computer offence is bailable.

Q21. (D) The reasoning rests on **Section 77B**, under which an offence punishable with imprisonment of three years is bailable. An offence with a five-year maximum is not covered by that rule, so the lawyer's argument fails. The reasoning is tied to the maximum, not to the kind of fraud, and nothing bars State laws from creating bailable offences.

Q22. (B) The 4 August **interim directions** only ask a committee of government departments to study a model of victim compensation and shared liability, and the case continues. Nothing yet fixes any bank's liability. Monitoring remarks and the start of a case

create no entitlement, and nothing singles out the Reserve Bank of India as the only body liable.

Q23. (C) The passage says the Court on 28 July only **suggested** that the Central Government define digital arrest as a separate offence. A suggestion is not a definition, so the offence cannot yet be charged. The 4 August directions deal with accounts, coordination centres and compensation, and cheating remains chargeable.

Q24. (A) The passage says the ruling **concerns only Section 66**; the cheating charge under Section 318(4) is a separate matter whose bail status depends on its own punishment. A three-year Section 66 maximum cannot extend to the whole case, nor does the ruling cover every offence under the Act.

PASSAGE 5 (Q25–Q30)

Q25. (A) The Bench set the order aside because the **polluter-pays principle** needs damage traced to the person charged, and the Tribunal's attribution to the organisation failed that test. Remove R and the setting aside loses its ground, so R is true and explains A.

Q26. (C) The polluter-pays principle in **Vyakti Vikas Kendra India v. Manoj Misra** needs a real causal link, meaning actual damage caused by the person charged, and the satellite proof supplies it. No accident is required. A public purpose does not displace the duty, and ownership of the land does not itself make a user liable.

Q27. (B) **Section 17(3)** deals with the consequences of an accident such as an industrial hazard, and the Court said a festival on a floodplain was not an accident of that kind. A procession is no accident, so fault-free liability does not follow, and no exemption for religious events appears in the passage.

Q28. (A) The Court ordered the **Delhi Development Authority** to refund the deposit and made clear that the land-owning body remains responsible for restoring the floodplain. With the causal link missing, the deposit goes back and the duty stays with the Authority. The Society cannot be made to restore, and the duty does not pass to the public.

Q29. (B) The polluter-pays principle cannot be invoked unless the degradation can be traced to the person charged; the critics' appeal to the **precautionary principle** was answered by saying it is unfair to charge a person for harm not shown to be his or hers.

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Last use gives no liability, and the length of the event is not the test.

- Q30. (A)** The explosion is an accident, so **Section 17(3)** fixes liability for the two hectares without proof of fault. The other five come from a tannery the organiser did not control, so the traced-damage requirement is unmet. The no-fault provision is not confined to factories, and it does not stretch to untraced damage.

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