



# INTERPRETATION OF STATUTES

(CA Inter – Corporate & Other Laws – Sept 2025 Exam)

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## 1. INTRODUCTION & IMPORTANT DEFINITIONS

### Statute

- Means laws/regulations enacted by competent authority.
- In India, a Bill passed by Lok Sabha & Rajya Sabha and assented by President becomes an Act/Statute.

### Document

- Definition: Paper/material containing proof or evidence of anything.
- Section 3, Indian Evidence Act, 1872: Includes any matter expressed/described by letters, figures, marks intended to be used as evidence.
- Section 3(18), General Clauses Act, 1897: Includes any matter recorded by writing, expression or description for legal purposes.

### Elements of Document

1. Matter – Any writing/expression/description.
2. Record – Captured by mutual/mechanical device.
3. Substance – Intellectual/mental content given permanent form.
4. Means – Medium of communication (letters, marks, symbols).

### Instrument

- Formal legal document creating/confirming right or recording fact.
- Includes agreements, deeds, charters, legal documents.
- Section 2(14), Indian Stamp Act, 1899 – Instrument includes any document creating/recording right or liability.

### Deed

- Instrument in writing effecting a legal disposition.
- All deeds are instruments but not all instruments are deeds.

### Clarity Corner:

Interpretation = Understanding meaning of law.

Document = Any recorded evidence.

Instrument = Legal writing creating right/liability.

### Hinglish Corner:



“Statute = Law; Document = Saboot wala paper; Instrument = Legal contract type.”

## 2. INTERPRETATION VS. CONSTRUCTION

### Interpretation

- Ascertaining true meaning of words & intention of author.
- Court finds real meaning of Act/document & intention behind it.
- Purpose: Resolve ambiguity in statute.

### Construction

- Applied to written law/document.
- Goes beyond literal words, inferring true intent from context.
- Includes interpretation but draws conclusions beyond expressions.

### Clarity Corner:

Interpretation = What is written.

Construction = What is meant beyond what is written.

### Hinglish Corner:

“Interpretation = Jo likha h uska matlab; Construction = Jo likhne wale ka asli matlab tha.”

## 3. IMPORTANCE OF INTERPRETATION

- Resolves ambiguity in statute.
- Finds true sense of words as intended by legislature.
- Necessary due to inherent nature of legislation as source of law.

## 4. NEED FOR INTERPRETATION

- Words can be vague/ambiguous.
- Fundamental Rule: Interpret statute as per intent of law-maker.
- Purpose: Discern intention (express/implied).
- Grammatical interpretation (strict meaning) used if words are clear.
- If strict meaning causes absurdity, logical interpretation used.

### Clarity Corner:

Laws use technical words; courts interpret to give effect to legislative intent.

### Hinglish Corner:

“Law ka asli matlab pakadna hai – na jyada na kam.”



## 5. RULES OF INTERPRETATION / CONSTRUCTION

### (i) Primary Rules

#### 1. Literal Rule

- Primary duty of court: Give words ordinary & grammatical meaning.
- Used when law is clear & unambiguous.
- Maxim: “Absoluta Sententia Expositore Non Indiget” – Clear words need no explanation.

#### 2. Reasonable Construction

- Words construed to avoid hardship/injustice.
- If strict literal meaning causes absurdity, modify meaning logically.

#### 3. Harmonious Construction

- Remove conflict between provisions of a statute.
- Principle: “One part shall not destroy another.”
- Specific overrides general if real conflict exists.

#### 4. Mischief Rule (Heydon’s Rule)

- Purpose: Remedy the defect in old law that new law intends to cure.
- Court asks:
  1. What was law before?
  2. What defect existed?
  3. What remedy new law provides?
  4. What is legislature’s intent?

#### 5. Beneficial Construction

- Statutes for benefit of weaker sections given liberal interpretation.

#### 6. Exceptional Construction Law + Logic

- Courts may depart from ordinary meaning to give sensible effect.

### Clarity Corner:

Literal = Word by word.

Mischief = Why law came.

Harmonious = Balance provisions.

### Hinglish Corner:

“Literal = jo likha h wahi; Mischief = purana problem solve; Harmonious = dono ko mila ke chalana.”



## 6. AIDS TO INTERPRETATION

↳ HELP.

### (A) Internal Aids

1. Title (Short & Long) – Identifies subject.
2. Preamble – States object & scope. Cannot override clear words.
3. Heading/Marginal Notes – Guide to content, not binding.
4. Proviso – Qualifies preceding provision.
5. Explanation – Clarifies scope of section.
6. Illustrations – Explain application.
7. Definition Sections – Assign particular meaning to words.

### (B) External Aids

- Dictionaries, historical setting, foreign decisions, etc.

## 7. DOCTRINAL RULES

### *Ejusdem Generis*

- General words after specific words = take meaning of same category.
- Exceptions: Not applicable if intent is clear, or objects are different.

### *Noscitur a Sociis*

- Word known by association with surrounding words.

### *Contemporanea Expositio*

- Interpretation in light of contemporary practice when law enacted.

### Clarity Corner:

Internal aids = Inside Act; External = Outside sources.

*Ejusdem Generis* = “Birds, animals, others” → others = animals/birds type.

### Hinglish Corner:

“*Ejusdem Generis* = same type ke words ka matlab bhi same; *Noscitur* = aas-paas ke shabd batayenge matlab.”

## 8. DEFINITIONS & THEIR TYPES

1. Inclusive – Adds to ordinary meaning.
2. Exclusive – Restricts to specified meaning only.
3. Exhaustive – Fully covers.
4. Restrictive & Extensive – Narrows or enlarges meaning.
5. Ambiguous – Interpreted contextually.



## 9. EXAM TRAPS

- Writing preamble overrides Act (WRONG – only guides).
- Literal rule = always applicable (WRONG – only when words are clear).
- Harmonious = compromise (WRONG – it's to give full effect to all provisions).

## 10. PAST 5 YEARS' QUESTIONS (Indicative)

1. 4 marks: Differentiate between Interpretation & Construction.
2. 6 marks: Apply Mischief Rule to a given problem.
3. 4 marks: Explain Harmonious Construction with case law.
4. 5 marks: Explain role of Preamble & Proviso as internal aids.
5. 6 marks: Ejusdem Generis – explain with example.

## 11. POSSIBLE COMPULSORY QUESTIONS (Sept 2025)

- Ejusdem Generis (concept + exceptions).
- Mischief Rule (Heydon's case).
- Difference between Interpretation & Construction.
- Harmonious Construction – when applied.

### PM's TIP:

- Always quote case laws where applicable (Heydon's case, State of Gujarat v. Mirzapur).
- Write rule → reason → case → conclusion format for full marks.
- Practice MCQs on Internal & Doctrinal Aids – examiner loves them.



## 🔥 READY-TO-LEARN VERSION BELOW

### INTERPRETATION OF STATUTES (Quick Learn Edition)

#### 🌟 1. WHY INTERPRETATION IS NEEDED?

- 👉 Rule: To resolve ambiguity in law.
- 👉 Purpose: Find true intent of legislature.

🔑 **Keywords:** Ambiguity – Intention – Object

**Hinglish:**

“Law clear ho toh literal apply, warna intent dhundo!”

#### 🌟 2. INTERPRETATION vs. CONSTRUCTION

Interpretation: Meaning of words as per author's intent.

Construction: Goes beyond words to find true sense.

🧠 **Exam Punch Line:** Interpretation = What is written; Construction = What is meant.

#### 🌟 3. CLASSIFICATION

- Legal: Authentic (Legislator), Usual (Other sources)
- Doctrinal: Grammatical (literal), Logical (beyond words)

#### 🌟 4. MAIN RULES (Primary)

Mnemonic: “Li Ha Mi Be Ex”

- Li – Literal Rule ➡ plain meaning
- Ha – Harmonious Construction ➡
- Mi – Mischief Rule (Heydon's case)
- Be – Beneficial Construction
- Ex – Exceptional Construction

- ✓ Literal: Ordinary meaning – Clear words → No explanation.
- ✓ Harmonious: No conflict – Give effect to both provisions.
- ✓ Mischief: Remedy old defect – 4 Qs in Heydon's case.
- ✓ Beneficial: For weaker sections – Liberal view.
- ✓ Exceptional: Departure for sensible meaning.

**Hinglish:**

“Law clear → Literal; Confusion → Harmonious; Purana defect → Mischief.”

**🌟 5. AIDS TO INTERPRETATION****Internal**

**Mnemonic: “T-P-H-M-P-E-I-D”**

- Title, Preamble, Heading, Marginal notes, Proviso, Explanation, Illustration, Definitions

**External**

- Dictionary, History, Foreign cases

🧠 **Exam Punch Line:** Preamble guides but cannot override Act.

**🌟 6. DOCTRINES**

**Mnemonic: “E - N - C”**

- Eiusdem Generis → General words after specific → same category.
- Noscitur a Sociis → Meaning from associated words.
- Contemporanea Expositio → Interpret as per time of enactment.

**Hinglish:**

“Eiusdem = Same type; Noscitur = Saath wale words se matlab; Contemp = Old time ka sense.”

**🌟 7. DEFINITIONS TYPES**

- Inclusive (adds)
- Exclusive (limits)
- Exhaustive (full coverage)
- Restrictive/Extensive
- Ambiguous (context-based)

**Tip:** Always check definition section first before applying meaning.

**🌟 SUPER-FAST REVISION HACK**

👉 **3 Qs before writing answer:**

1. Kya law clear hai? (Literal apply)
2. Kya 2 provisions fight kar rahe hain? (Harmonious)
3. Kya old defect ko law cure kar raha? (Mischief)