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# Interpretation of Statutes and its Rules

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# Interpretation 1. In law, interpretation refers to exposing the true sense of the provisions of the statutes and to understand the exact meaning of the words used in any text. 2. Interpretation refers to the linguistic meaning of the legal text. 3. In the case where the simple meaning of the text is to be adopted then the concept of interpretation is

being referred to.

1. Construction, on the other hand, refers to drawing conclusions from the written texts which are beyond the outright expression of the legal text. 2. The purpose of construction is to determine the legal effect of words and the written text of the statute. 3. In the case where the literal meaning of the legal text results in ambiguity then the concept of construction is

adopted.

Construction

## Interpretation meaning

The term has been derived from the Latin term 'interpretari', which means to explain, expound, understand, or to translate. Interpretation is the process of explaining, expounding and translating any text or anything in written form. This basically involves an act of discovering the true meaning of the language which has been used in the statute. Various sources used are only limited to explore the written text and clarify what exactly has been indicated by the words used in the written text or the statutes.

Interpretation of statutes is the **correct understanding of the law.** This process is commonly adopted by the courts for determining the exact intention of the legislature. Because the objective of the court is not only merely to read the law but is also to apply it in a meaningful manner to suit from case to case. It is also used for ascertaining the actual connotation of any Act or document with the actual intention of the legislature.

There can be mischief in the statute which is required to be cured, and this can be done by applying various norms and theories of interpretation which might go against the literal meaning at times. The purpose behind interpretation is to clarify the meaning of the words used in the statutes which might not be that clear.

According to **Salmond**, "**Interpretation**" is the process by which the court seeks to ascertain the meaning of the legislature through the medium of authoritative forms in which it is expressed.

# Construction meaning

In simple words, construction is the process of drawing conclusions of the subjects which are beyond the direct expression of the text. The courts draw findings after analysing the meaning of the words used in the text or the statutes. This process is known as **legal exposition.** There are a certain set of facts pending before the court and construction is the application of the conclusion of these facts.

The objective is to assist the judicial body in determining the real intention of the legislature. Its aim is also to ascertain the legal effect of the legal text.

#### Interpretation

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## Classification of Statutes

Codified statutory law can be categorized as follows-

# **Codifying statutes**

The purpose of this kind of statute is to give an authoritative statement of the rules of the law on a particular subject, which is customary laws. For example- The Hindu Marriage Act, 1955 and The Hindu Succession Act, 1956.

# **Consolidating statutes**

This kind of statute covers and combines all law on a particular subject at one place which was scattered and lying at different places. Here, the entire law is constituted in one place. For example- Indian Penal Code or Code of Criminal Procedure.

# **Declaratory statutes**

This kind of statute does an act of removing doubts, clarifying and improving the law based on the interpretation given by the court, which might not be suitable from the point of view of the parliament. **For example-** the definition of house property has been amended under the Income Tax (Amendment) Act, 1985 through the judgement of the supreme court.

#### Remedial statutes

Granting of new remedies for enforcing one's rights can be done through the remedial statutes. The purpose of these kinds of statutes is to promote the general welfare for bringing social reforms through the system. These statutes have liberal interpretation and thus, are not interpreted through strict means. For example- The Maternity Benefits Act, 1961, The Workmen's Compensation Act, 1923 etc.

# **Enabling statutes**

The purpose of this statute is to enlarge a particular common law. For example- Land Acquisition Act enables the government to acquire the public property for the purpose of the public, which is otherwise not permissible.

# Disabling statutes

It is the opposite of what is provided under the enabling statute. Here the rights conferred by common law are being cut down and are being restrained.

### **Penal statutes**

The offences for various types of offences are provided through these statutes, and these provisions have to be imposed strictly. For example- Indian Penal Code, 1860.

# Taxing statutes

Tax is a form of revenue which is to be paid to the government. It can either be on income that an individual earns or on any other transaction. A taxing statute thus, levies taxes on all such transactions. There can be income tax, wealth tax, sales tax, gift tax, etc. Therefore, a tax can be levied only when it has been specifically expressed and provided by any statute.

# **Explanatory statutes**

The term explanatory itself indicates that this type of statute explains the law and rectifies any omission left earlier in the enactment of the statutes. Further, ambiguities in the text are also clarified and checked upon the previous statutes.

#### **Amending statutes**

The statutes which operate to make changes in the provisions of the enactment to change the original law for making an improvement therein and for carrying out the provisions effectively for which the original law was passed are referred to as amending statutes. **For example**-Code of Criminal Procedure 1973 amended the code of 1898.

## Repealing statutes

A repealing statute is one which terminates an earlier statute and may be done in the express or explicit language of the statute. **For example-** Competition Act, 2002 repealed the MRTP Act.

## **Curative or repealing statutes**

Through these statutes, certain acts which would otherwise be illegal are validated by curing the illegality and enables a particular line of action.

# Rules of Interpretation

## **Literal or Grammatical Rule**

It is the first rule of interpretation. According to this rule, the words used in this text are to be given or interpreted in their natural or ordinary meaning. After the interpretation, if the meaning is completely clear and unambiguous then the effect shall be given to a provision of a statute regardless of what may be the consequences.

The basic rule is that whatever the intention legislature had while making any provision it has been expressed through words and thus, are to be interpreted according to the rules of grammar. It is the safest rule of interpretation of statutes because the intention of the legislature is deduced from the words and the language used.

According to this rule, the only duty of the court is to give effect if the language of the statute is plain and has no business to look into the consequences which might arise. The only obligation of the court is to expound the law as it is and if any harsh consequences arise then the remedy for it shall be sought and looked out by the legislature.

#### **Case Laws**

Maqbool Hussain v. State of Bombay, In this case, the appellant, a citizen of India after arriving at the airport did not declare that he was carrying gold with him. During his search was carried on, gold was found in his possession as it was against the notification of the government and was confiscated under section 167(8) of Sea Customs Act.

It was held by the court that the Seas Act neither a court nor any judicial tribunal. Thus, accordingly, he was not prosecuted earlier. Hence, his trial was held to be valid.

# *Manmohan Das versus Bishan Das, AIR 1967 SC 643*

The issue in the case was regarding the interpretation of section 3(1)(c) of U.P Control of Rent and Eviction Act, 1947. In this case, a tenant was liable for evidence if he has made addition and alternate in the building without proper authority and unauthorized perception as materially altered the accommodation or is likely to diminish its value. The appellant stated that only the constitution can be covered, which diminishes the value of the property and the word 'or' should be read as land.

It was held that as per the rule of literal interpretation, the word 'or' should be given the meaning that a prudent man understands the grounds of the event are alternative and not combined.

State of Kerala v. Mathai Verghese and others, 1987 AIR 33 SCR(1) 317, in this case a person was caught along with the counterfeit currency "dollars" and he was charged under section 120B, 498A, 498C and 420 read with section 511 and 34 of Indian Penal Code for possessing counterfeit currency. The accused contended before the court that a charge under section 498A and 498B of Indian Penal Code can only be levied in the case of counterfeiting of Indian currency notes and not in the case of counterfeiting of foreign currency notes. The court held that the word currency notes or bank note cannot be prefixed. The person was held liable to be charge-sheeted.

#### The Mischief Rule

Mischief Rule was originated in *Heydon's case* in 1584. It is the rule of purposive construction because the purpose of this statute is most important while applying this rule. It is known as Heydon's rule because it was given by Lord Poke in Heydon's case in 1584. It is called as mischief rule because the focus is on curing the mischief.

In the Heydon's case, it was held that there are four things which have to be followed for true and sure interpretation of all the statutes in general, which are as follows-

- 1. What was the common law before the making of an act.
- 2. What was the mischief for which the present statute was enacted.
- 3. What remedy did the Parliament sought or had resolved and appointed to cure the disease of the commonwealth.
- 4. The true reason of the remedy.

The purpose of this rule is to suppress the mischief and advance the remedy.

Smith v. Huges, 1960 WLR 830, in this case around the 1960s, the prostitutes were soliciting in the streets of London and it was creating a huge problem in London. This was causing a great problem in maintaining law and order. To prevent this problem, Street Offences Act, 1959 was enacted. After the enactment of this act, the prostitutes started soliciting from windows and balconies.

Further, the prostitutes who were carrying on to solicit from the streets and balconies were charged under *section 1(1)* of the said Act. But the prostitutes pleaded that they were not solicited from the streets.

The court held that although they were not soliciting from the streets yet the **mischief rule** must be applied to prevent the soliciting by prostitutes and shall look into this issue. Thus, by applying this rule, the court held that the windows and balconies were taken to be an extension of the word street and charge sheet was held to be correct.

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Pyare Lal v. Ram Chandra, the accused in this case, was prosecuted for selling the sweeten supari which was sweetened with the help of an artificial sweetener. He was prosecuted under the Food Adulteration Act. It was contended by Pyare Lal that supari is not a food item. The court held that the dictionary meaning is not always the correct meaning, thereby, the mischief rule must be applicable, and the interpretation which advances the remedy shall be taken into consideration. Therefore, the court held that the word 'food' is consumable by mouth and orally. Thus, his prosecution was held to be valid.

*Kanwar Singh v. Delhi Administration,* AIR 1965 SC 871.

Issues of the case were as follows- section 418 of Delhi Corporation Act, 1902 authorised the corporation to round up the cattle grazing on the government land. The MCD rounded up the cattle belonging to Kanwar Singh. The words used in the statute authorised the corporation to round up the abandoned cattle. It was contended by Kanwar Singh that the word abandoned means the loss of ownership and those cattle which were round up belonged to him and hence, was not abandoned. The court held that the mischief rule had to be applied and the word abandoned must be interpreted to mean let loose or left unattended and even the temporary loss of ownership would be covered as abandoned.

Regional Provident Fund Commissioner v. Sri Krishna Manufacturing Company, AIR 1962 SC 1526, Issue, in this Case, was that the

#### The Golden Rule

It is known as the golden rule because it solves all the problems of interpretation. The rule says that to start with we shall go by the literal rule, however, if the interpretation given through the literal rule leads to some or any kind of ambiguity, injustice, inconvenience, hardship, inequity, then in all such events the literal meaning shall be discarded and interpretation shall be done in such a manner that the purpose of the legislation is fulfilled.

The literal rule follows the concept of interpreting the natural meaning of the words used in the statute. But if interpreting natural meaning leads to any sought of repugnance, absurdity or hardship, then the court must modify the meaning to the extent of injustice or absurdity caused and no further to prevent the consequence.

This rule suggests that the consequences and effects of interpretation deserve a lot more important because they are the clues of the true meaning of the words used by the legislature and its intention. At times, while applying this rule, the interpretation done may entirely be opposite of the literal rule, but it shall be justified because of the golden rule. The presumption here is that the legislature does not intend certain objects. Thus, any such interpretation which leads to unintended objects shall be rejected.

#### Case laws

# Tirath Singh v. Bachittar Singh, AIR 1955 SC 850

In this case, there was an issue with regard to issuing of the notice under *section 99 of Representation of People's Act, 1951*, with regard to corrupt practices involved in the election.

According to the rule, the notice shall be issued to all those persons who are a party to the election petition and at the same time to those who are not a party to it. Tirath Singh contended that no such notice was issued to him under the said provision. The notices were only issued to those who were non-parties to the election petition. This was challenged to be invalid on this particular ground.

The court held that what is contemplated is giving of the information and the information even if it is given twice remains the same. The party to the petition is already having the notice regarding the petition, therefore, section 99 shall be so interpreted by applying the golden rule that notice is required against non-parties only.

State of Madhya Pradesh v. Azad Bharat Financial Company, AIR 1967 SC 276, Issues of the case are as follows.

A transporting company was carrying a parcel of apples was challenged and charge-sheeted. The truck of the transporting company was impounded as the parcel contained opium along with the apples. At the same time, the invoice shown for the transport consisted of apples only.

**Section 11 of the opium act 1878,** all the vehicles which transport the contraband articles shall be impounded and articles shall be confiscated. It was confiscated by the transport company that they were unaware of the fact that opium was loaded along with the apples in the truck.

The court held that although the words contained in **section 11** of the said act provided that the vehicle shall be confiscated but by applying the literal rule of interpretation for this provision it is leading to injustice and inequity and therefore, this interpretation shall be avoided. The words 'shall be confiscated' should be interpreted as 'may be confiscated'.

State of Punjab v. Quiser Jehan Begum, AIR 1963 SC 1604, a period of limitation was prescribed for, under section 18 of land acquisition act, 1844, that an appeal shall be filed for the announcement of the award within 6 months of the announcement of the compensation. Award was passed in the name of Quiser Jehan. It was intimated to her after the period of six months about this by her counsel. The appeal was filed beyond the period of six months. The appeal was rejected by the lower courts.

It was held by the court that the period of six months shall be counted from the time when Quiser Jehan had the knowledge because the interpretation was leading to absurdity. The court by applying the golden rule allowed the appeal.

#### **Harmonious Construction**

According to this **rule of interpretation**, when two or more provisions of the same statute are repugnant to each other, then in such a situation the court, if possible, will try to construe the provisions in such a manner as to give effect to both the provisions by maintaining harmony between the two. The question that the two provisions of the same statute are overlapping or mutually exclusive may be difficult to determine.

The legislature clarifies its intention through the words used in the provision of the statute. So, here the basic principle of harmonious construction is that the legislature could not have tried to contradict itself. In the cases of interpretation of the Constitution, the rule of harmonious construction is applied many times. It can be assumed that if the legislature has intended to give something by one, it would not intend to take it away with the other hand as both the provisions have been framed by the legislature and absorbed the equal force of law. One provision of the same act cannot make the other provision useless. Thus, in no circumstances, the legislature can be expected to contradict itself.

#### Cases -

Ishwari Khaitan Sugar Mills v. State of Uttar Pradesh, in this case, the State Government proposed to acquire sugar industries under U.P Sugar Undertakings (Acquisition) Act, 1971. This was challenged on the ground that these sugar industries were declared to be a controlled one by the union under Industries (Development and Regulation) Act, 1951. And accordingly, the state did not have the power of acquisition of requisition of property which was under the control of the union. The Supreme Court held that the power of acquisition was not occupied by Industries (Development and Regulation) Act, 1951. The state had a separate power under Entry

# M.S.M Sharma v. Krishna Sinha, AIR 1959 SC 395.

Facts of the case are as follows- *Article 19(1)* (a) of the Constitution provides for freedom of speech and expression. *Article 194(3)* provides to the Parliament for punishing for its contempt and it is known as the Parliamentary Privilege. In this case, an editor of a newspaper published the word -for- word record of the proceedings of the Parliament including those portions which were expunged from the record. He was called for the breach of parliamentary privilege.

He contended that he had a fundamental right to speech and expression. It was held by the court that *article 19(1)(a)* itself talks about reasonable freedom and therefore freedom of speech and expression shall pertain only to those portions which have not been expunged on the record but not beyond that.