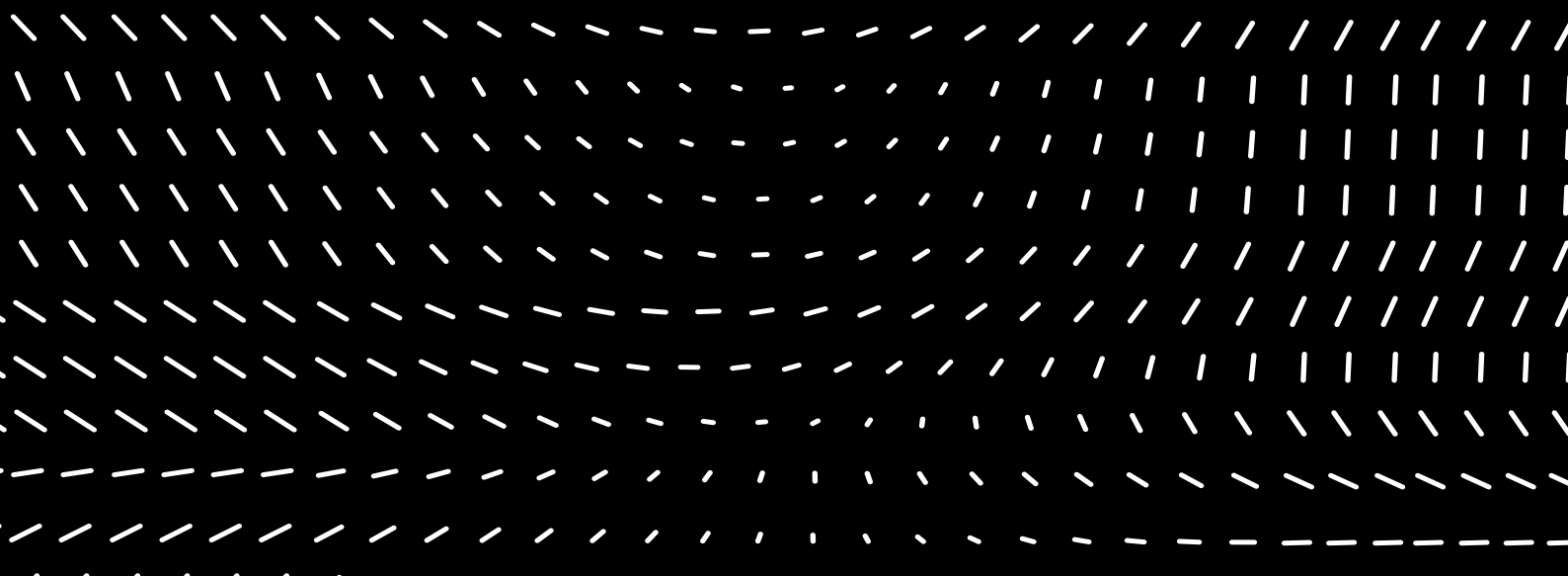


Exam Day Questions



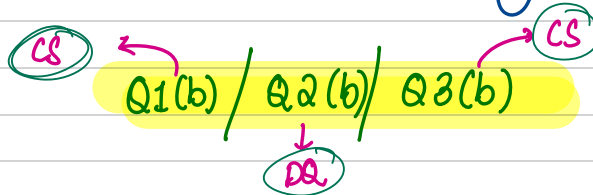
Company

Act

20 marks

2013

2 DQ 1 Theory



Q1

Doctrine of Indoor Mgt

haat-se Likhne

Sound Syndicate Ltd., a public company, its articles of association empower the managing agents to borrow both short- and long-term loans on behalf of the company, Mr. Liddle, the director of the company, approached Easy Finance Ltd., a non-banking finance company for a loan of ₹25,00,000 in name of the company.

The Lender agreed and provided the above said loan. Later on, Sound Syndicate Ltd. refused to repay the money borrowed on the pretext that no resolution authorizing such loan have been actually passed by the company and the lender should have enquired about the same prior providing such loan hence company not liable to pay such loan.

Analyse the above situation in terms of the provisions of Doctrine of Indoor Management under the Companies Act, 2013 and examine whether the contention of Sound Syndicate Ltd. is correct or not?

Ans. Doctrine of Indoor Management

NO

Bank 25 Yes

Q2

Old Question

Naveen incorporated a "One Person Company" making his sister Navita as the nominee. Navita is leaving India permanently due to her marriage abroad. Due to this fact, she is withdrawing her consent of nomination in the said One Person Company. Taking into considerations the provisions of the Companies Act, 2013 answer the questions given below.

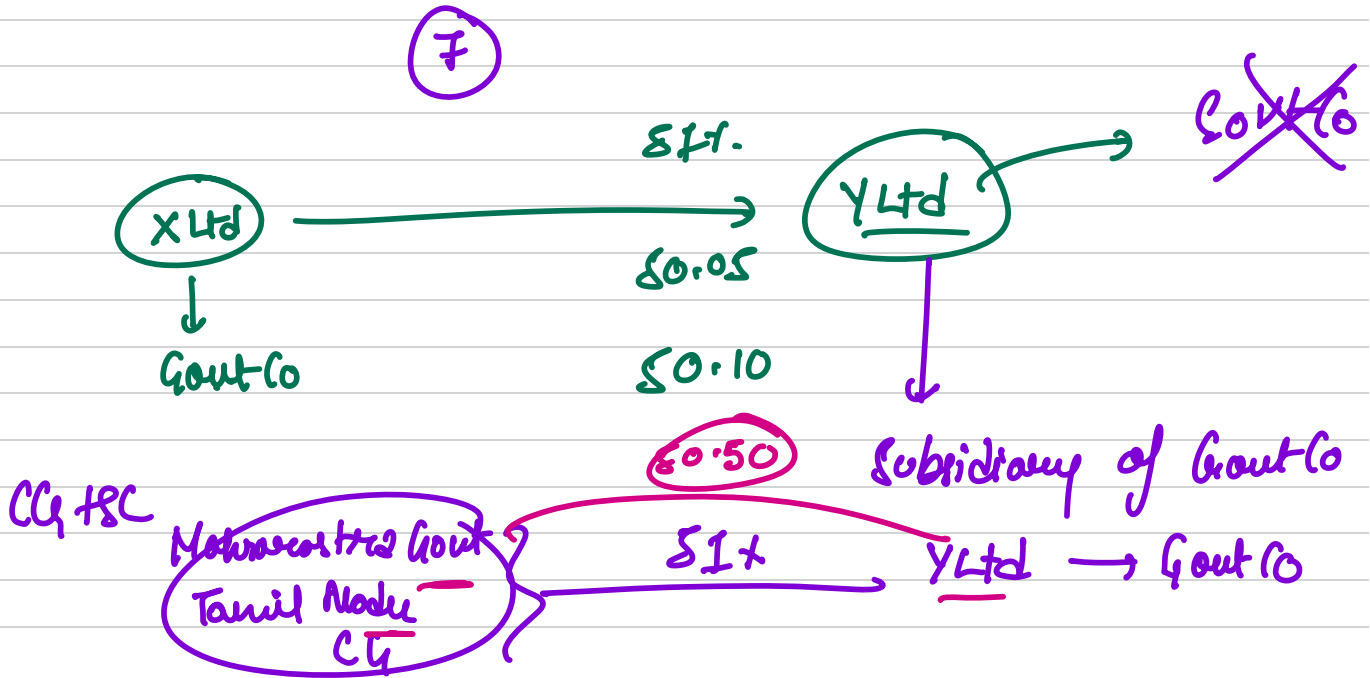
(a) If Navita is leaving India permanently, is it mandatory for her to withdraw her nomination in the said One Person Company? Yes

(b) If Navita maintained the status of Resident of India after her marriage, then can she continue her nomination in the said One Person Company?

(b) Navita has no need to be Resident in India but to keep her status as a nominee maintain \rightarrow 120 days stay in every year

Q3

Discuss the Procedure for Registration of a Company under Co Act 2013



Sales of Goods Act 2013

20 marks

2 Case Study 1 QA

CS { Q2(a) / Q5(a) / Q6(c) } QA
CS

Q1

Discuss the essentials of Appropriation
of Unascertained Goods (Section 23)

DUA

Section 10

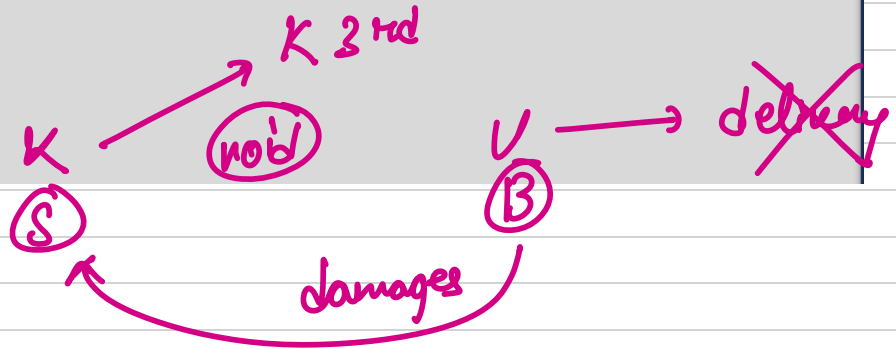
Valuation by Third Party

→ One Party → 2nd influ

Q2)

void

Kartik agreed to sell his laptop to Vasant for a price to be fixed by Kusum a hardware engineer. However, before the delivery of the laptop, Kartik changed his mind and did not share any particulars and configuration of the laptop with Kusum, which made her unable to do the valuation. Kusum refused to do valuation. Vasant needed laptop for his project, so he promised Kartik that, if the laptop is delivered to him, he would pay a reasonable price for it. However, Kartik decided not to sell his laptop to Vasant. Now, Vasant wants to know from you, being a legal expert, whether Kartik is bound by his promise as he agreed earlier to deliver his laptop to him at a reasonable price. If he does not agree to deliver what is the other remedy available to Vasant? Advise, referring to the provisions of the Sale of Goods Act, 1930.



Q3

27



Mix Refuse

M/s RK Traders (Buyer) made a contract with M/s CK Traders (Seller) for purchase of 2000 kg of basmati rice specifically grown in Chhattisgarh State should be packed in pink colour bags of 25 kg each to identify the place of origin by specifying the mode of packing of basmati rice. The seller agreed for specific packing of rice grown in Chhattisgarh State. However, by misunderstanding staff of seller packed the quantity of 1800 kg of basmati rice grown in the State of Maharashtra in white colour bags of 30 kg each and the remaining quantity of 200 kg, grown in Chhattisgarh State, in pink colour bags of 25 kg each. Referring to the provisions of the Sale of Goods Act, 1930 analyse, whether the buyer has the right to reject the entire quantity of basmati rice supplied by the seller. On the other hand what is the remedy available to buyer if he has to accept the entire quantity to fulfil his other contracts with other parties ?

13

Condition → Warranty

Limited
liability
Partnership

3 DA

Question d(c) → DA

6 marks

Q1) Define what is a Small LLP

waarde

2(1)(b)

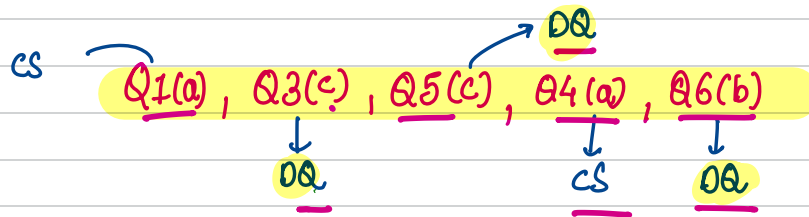
③
25/40
↓
50

Q2) Differentiate between LLP & Partnership firm

Q3) Procedure for change of Name of LLP (17)

Indian Contract Act

1872



32 marks

Q1) What is the Law of Privity, State its exceptions?

Q2) How is bailment terminated?

Q3) How is Agency terminated?

Q4

Paridhee, a minor, falsely representing her age, enters into an agreement with an authorised Laptop dealer Mr. Mittal, owner of MP Laptops, for purchase of Laptop on credit amounting 60,000/- on 1 August 2022. She promised to pay back the outstanding amount with interest @ 16% p.a. by 31st July 2023. She told him that in case she won't be able to pay the outstanding amount, her father Mr. Ram will pay back on her behalf. After One year, when Paridhee was asked to pay the outstanding amount with interest she refused to pay the amount and told the owner that she is minor and now he can't recover a single penny from her. She will be a major on 1 January 2025 and only after that agreement can be ratified. Explain by which of the following ways, Mr. Mittal will succeed in recovering the outstanding amount with reference to the Indian Contract Act, 1872.

- (i) By filing a case against Paridhee, a minor for recovery of outstanding amount with interest?
- (ii) By filing a case against Mr. Ram, father of Paridhee for recovery of outstanding amount?
- (iii) By filing a case against Paridhee, a minor for recovery of outstanding amount after she attains majority?

Mr. Sohan, a wealthy individual provided a loan of ₹ 80,000 to Mr. Mukesh on 26th February, 2023. The borrower, Mr. Mukesh asked for a further loan of ₹ 1,50,000. Mr. Sohan agreed but provided the loan in parts on different dates. He provided ₹ 1,00,000 on 28th February, 2023 and remaining ₹ 50,000 on 3rd March, 2023. On 10th March, 2023 Mr. Mukesh while paying off part ₹ 75,000 to Mr. Sohan insisted that the lender should adjust ₹ 50,000 towards the loan taken on 3rd March, 2023 and balance as against the loan on 26th February, 2023. Mr. Sohan objected to this arrangement and asked the borrower to adjust in the order of date of borrowal of funds. Now you decide:

1. Whether the contention of Mr. Mukesh correct or otherwise as per the provisions of the Indian Contract Act 1872?
2. What would be the answer in case the borrower does not insist on such order of adjustment of repayment?
3. What would be the mode of adjustment/appropriation of such part payment in case neither Mr. Sohan nor Mr. Mukesh insist on any order of adjustment on their part?



Woollen Garments Limited entered into a contract with a group of women in July, 2023 to supply various woollen clothes for men, women and kids like sweaters, monkey caps, mufflers, woollen coats, hand gloves etc. before the commencement of the winter season. The agreement expressly provides that the woollen clothes shall be supplied by the end of October, 2023 before starting of winter season. However, due to the prolonged strike, women group could tender the supplies in March, 2024 when the winter season was almost over. Analysing the situation and answer the following questions in light of the provisions of The Indian Contract Act, 1872 :

- A. Whether company can reject the total supply by women group ?
- B. Whether company can accept the total supply on request of women group ?

Indian

20 marks

Partnership

Act

QA ← Q1(a) / Q3(a) / Q5(b) → CS → QA

Q1

33

Sohan, Rohan and Jay were partners in a firm. The firm is dealer in office furniture. They have regular dealings with M/s AB and Co. for the supply of furniture for their business. On 30th June 2018, one of the partners, Mr. Jay died in a road accident. The firm has ordered M/s AB and Co. to supply the furniture for their business on 25 May 2018, when Jay was also alive. Now Sohan and Rohan continue the business in the firm's name after Jay's death. The firm did not give any notice about Jay's death to the public or the persons dealing with the firm. M/s AB and Co. delivered the furniture to the firm on 25 July 2018. The fact about Jay's death was known to them at the time of delivery of goods. Afterwards the firm became insolvent and failed to pay the price of furniture to M/s AB and Co. Now M/s AB and Co. has filed a case against the firm for recovery of the price of furniture. With reference to the provisions of Indian Partnership Act, 1932, explain whether Jay's private estate is also liable for the price of furniture purchased by the firm?

Q2

28

Ram and Shyam are partners in a partnership firm styled as RS & Co. (the firm). Gopal, a renowned businessman, is their common friend. Ram introduced Gopal to Sundar, a supplier to the firm, as his newly joined partner. Gopal knowing that he is not a partner preferred to keep quiet on such an introduction. This information about Gopal, being a partner of the firm, was shared by Sundar with another businessman Madhav. Next day, Sundar supplied the raw material on credit and Madhav lent 5 lakhs to the firm for a short period on the understanding that Gopal is a partner of the firm. On due dates, the firm failed to discharge its liability towards both. Advise Gopal, whether he is liable to Sundar and Madhav for the aforesaid liability of the firm.

Q3

Cases in which Courts can dissolve the Partnership firm.

44

Q4

What is Implied Authority? Name Activities Outside Implied Authority?

Negotiable Instruments

14 marks

DQ ← Q4(b) / Q6(a) → CS

Q1

Sachin bought 1000 Kg rice from Saurabh for ₹1,50,000 on three months credit. For this purpose, Sachin issued a promissory note to Saurabh on the same date payable after 3 months. On the date of maturity, the promissory note was dishonoured. Saurabh filed suit for the recovery of the amount plus fees of advocate paid by him for defending the suit.

Referring to the provisions of the Negotiable instruments Act, 1881, what amount could be recovered by Saurabh .

Referring to the provisions of the Negotiable Instruments Act, 1881, answer the following in the given scenario:

- (i) Aman drew the bill of exchange (the bill) on Baban, who accepted it, payable to Magan or order. Magan indorsed the bill to Gagan. Gagan indorsed the bill to Akash to be delivered to him on the next day. However, on the death of Gagan on the same day, his only son Ankit delivered the bill to Akash on the next day as intended by his deceased father. On presenting the bill on the due date, Baban refused to pay. Explaining the importance of delivery in negotiation, decide, whether Akash can enforce the payment of the bill against Baban or the previous parties. (4 Marks)
- (ii) Reliable Limited, an Indian company, is a global leader in Petrochemical products. For payment of the sale price of machinery imported from Alex Manufacturing Limited, a USA based company (the exporter), the Indian company drew a bill of exchange on Manish, a resident of Mumbai (India) who accepted the bill at Mumbai payable to the exporter in Los Angeles, USA. Decide,

Q3)

The rules of Compensation as per Section 117?

Indian Regulatory Framework

6 marks

DQ → Q4(c)

Q1) what is law? what are the different types of law?

Q2) what is the composition of Indian Judicial System?