

# CA FOUNDATION

### SUBJECT-LAW

Test Code – CFN 9334 (Date :)

(Marks - 50)

<u>Topic</u>: Sale of Goods Act, & Indian Partnership Act

### Question 1:

(A)

A, B and C are partners in a Partnership firm. They were carrying their business successfully for the past several years. Spouses of A and B fought in ladies club on their personal issue and A's wife was hurt badly. A got angry on the incident and he convinced C to expel B from their partnership firm. B was expelled from partnership without any notice from A and C. Considering the provisions of Indian Partnership Act, 1932 state whether they can expel a partner from the firm?

(4 Marks)

(B)

M/s Woodworth & Associates, a firm dealing with the wholesale and retail buying and selling of various kinds of wooden logs, customized as per the requirement of the customers. They dealt with Rose wood, Mango wood, Teak wood, Burma wood etc.

Mr. Das, a customer came to the shop and asked for wooden logs measuring 4 inches broad and 8 feet long as required by the carpenter. Mr. Das specifically mentioned that he required the wood which would be best suited for the purpose of making wooden doors and window frames. The Shop owner agreed and arranged the wooden pieces cut into as per the buyers requirements.

The carpenter visited Mr. Das's house next day, and he found that the seller has supplied Mango Tree wood which would most unsuitable for the purpose. The: carpenter asked Mr. Das to return the wooden logs as it would not meet his requirements.

The Shop owner refused to return the wooden logs on the plea that logs were cut to specific requirements of Mr. Das and hence could not be resold.

- (i) Explain the duty of the buyer as well as the seller according to the doctrine of "Caveat Emptor".
- (ii) Whether Mr. Das would be able to get the money back or the right kind of wood as required serving his purpose?

(6 Marks)

(C)

Explain the meaning of Sub – Partnership & Partnership at will.

(6 Marks)

### **Question 2:**

(A)

Ms Pooja goes to a beauty salon. She asks for a facial and a hairdo. She does not disclose any allergies to the beautician. The beautician applied some hair dye without asking anything about the possible allergies. Ms Pooja developed dermatitis. Is the beautician liable?

(4 Marks)

(B)

A, B and C are partners in a manufacture of machinery. A is entitled to three eighths of the partnership property and profits. A becomes bankrupt whereas B and C continue the business without paying out A's share of the partnership assets or setting accounts with his estate. Can A's official receiver demand any share ?

(6 Marks)

(C)

What do you understand by the term "unpaid seller" under the Sale of Goods Act, 1930? When can an unpaid seller exercise the right of stoppage of goods in transit?

(6 Marks)

## **Question 3:**

(A)

Dissolution of a firm is different from the dissolution of Partnership. In the light of the above statement make out the difference between the two.

(6 Marks)

(B)

P brought a musical instrument from a musical shop on a condition that he will purchase it, if he likes that instrument. After a week he has informed the shop owner that he has agreed to purchase the musical instrument. When does the ownership get transferred?

(6 Marks)

(C)

Mr. A, a farmer, sold his 4 cows to Mr. B. In a period of 2 years, cows had given birth to 2 calves. Now Mr. A demands the calves back as he claims that he has just sold the cows and not the calves. State whether Mr. B is required to return the calves?

(3 Marks)

(D)

What are the Liabilities of a minor in Partnership firm.

(3 Marks)