

Topics : Sale of Goods Act, Companies Act

Question 1:

(A)

Ram sells 200 bales of cloth to Shyam and sends 100 bales by lorry and 100 bales by Railway. Shyam receives delivery of 100 bales sent by lorry, but before he receives the delivery of the bales sent by railway, he becomes bankrupt. Ram being still unpaid, stops the goods in transit. The official receiver, on Shyam's insolvency claims the goods. **Decide the case with reference to the provisions of the Sale of Goods Act, 1930.** (4 marks)

(B)

Flora Fauna Limited was registered as a public company. There are 230 members in the company as noted below:

(a)	Directors and their relatives	190
(b)	Employees	15
(c)	Ex-Employees (Shares were allotted when they were employees)	10
(d)	5 couples holding shares jointly in the name of husband and wife (5*2)	10
(e)	Others	5

The Board of Directors of the company propose to convert it into a private company. Also advise whether reduction in the number of members is necessary. (6 marks)

Question 2:

(A)

Distinguish between a '**Condition**' and a '**Warranty**' in a contract of sale. When shall a '**breach of condition**' be treated as '**breach of warranty**' under the provisions of the Sale of Goods Act, 1930? Explain. (5 marks)

(B)

Write Short Note on **Non-Profit Organization** and does it requires to get registered as a company under the Companies Act, 2013? If so, what procedure does it have to adopt? (5 marks)

Question 3:

(A)

What are the **implied conditions** in a contract of '**Sale by sample**' under the Sale of Goods Act, 1930? State also the implied warranties operatives under the said Act. (6 marks)

(B)

The paid – up Share Capital of AVS Private Limited is Rs. 1 crore, consisting of 8 lacs Equity Shares of Rs. 10 each, fully paid – up and 2 lacs Cumulative Preference shares of 10 each, fully paid – up. XYZ Private Limited and BCL Private Limited are holding 3 lacs Equity shares and 1,50,000 Equity Shares respectively in AVS Private Limited. XYZ Private Limited and BCL Private Limited are the subsidiaries of TSR Private Limited.

With reference to the provisions of the Companies Act, 2013, **examine whether AVS Private Limited is a subsidiary of TSR Private Limited?** (4 marks)

Question 4:

(A)

When can an unpaid seller of goods exercise his right of lien over the goods under the Sale of Goods Act? Can he exercise his right of lien even if the property in goods has passed to the buyer? **When such a right is terminated? Can he exercise his right** even after he has obtained a decree for the price of goods from the court? (4 marks)

(B)

List out the difference between **Public Company** and **Private Company**. (any six points) (6 marks)

Question 5:

(A)

State difference between "**Sale**" and "**Agreement to Sell**". (Write any 5 Points) (5 marks)

(B)

Define **Unlimited Company**. Explain the provisions of Unlimited Company as per Companies Act, 2013. (5 marks)