

GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR
Course: Law of Contracts-II
(Specific Contracts, Partnership and Sale of Goods)
Semester-III (Batch: 2018-23)

End Semester Examination: October-2019

Date: 16th October, 2019

Duration: 3 hours

Max. Marks: 50

Instructions:

- Read the questions properly and write the answers in the given answer book.
- The respective marks for each question are indicated in-line.
- Do not write anything on the question paper.
- Indicate correct question numbers in front of the answers.
- No questions or clarifications can be sought during the exam period, answer as it is, giving reason, if any.

Part-A

Marks

- Q.1 Publisher P is a world renowned Law Publisher at Delhi. Publisher P appoints a researcher S as his agent to write a book on Law of Agency comprising of seven chapters. For the purposes of the contract of agency, publisher P authorizes the researcher S to purchase books, reports, computer, printer and other resources required to accomplish the task. Publisher P agrees to reimburse the cost of the same jointly with the remuneration, payment of which was to be done upon the completion of the job. Publisher P also authorizes the researcher S to take help of other researchers in any manner he deems fit.

Hence, researcher S enters into a partnership agreement with his friend F whereby they agree to work jointly and in equal partnership for the purpose of writing the book and till its completion. They inform this arrangement to publisher P who ratifies this partnership. The researcher S and his friend F work diligently for three months and are able to complete five chapters in the book. They purchase several books, computer, printer etc. and make the payment of the same jointly. After three months, researcher S is selected for researcher exchange programme and is required to go to University of Oxford for one year. He messages his friend and partner F that he is leaving the partnership and as it was a partnership at will, he tells him to consider this as the notice of dissolution of partnership. Knowing of this, friend F refuses to work on the book alone and submits the incomplete manuscript to publisher P.

The researcher S informs publisher P that he no longer would be able to continue the task and claimed his part of remuneration and reimbursement of money spent on purchase of resources. Publisher P refuses to pay the amount and so researcher S and his friend F deny to return the resources (books, computer, printer etc.) to publisher P.

Read the above facts and answer the following:

- (a) Whether the partnership between S and F is a partnership at will? (04)
- (b) Whether S and F's remuneration had become due? (04)

(c) Whether S and F can retain the resources with themselves? (04)

(d) Whether S and F can file a suit against publisher P to recover their dues? (04)

Q.2 Because of this dispute, everybody comes to know of such a project. D, the director of the University, who also follows each and every work of publisher P is very enthusiastic of the work. In order to support the completion of the book, he enters into a contract with publisher P to purchase the very first copy of the book at triple the price of the book. After, two months, when the book is published, publisher P donates the first copy to the Supreme Court library, keeps the second with himself and gives the third copy to the director D. Knowing of the fact that the book delivered to him was a third copy and not the first one, director D refused to take the delivery and asked the librarian L to return the first copy to him as he is the owner of the book.

(a) Differentiate between contract of sale and agreement to sell. Whether publisher P and director D entered into a contract of sale? Given the scenario, determine the rights and liabilities of publisher P and director D. (10)

Part-B

Q.3 Write a short note on Limited Liability Partnership and discuss how it is different from a company and a general partnership? (09)

Q.4 Taimur is a minor. (15)

- (a) Can Taimur be appointed as an agent?
- (b) Can Taimur appoint Mr. Khan as his agent?
- (c) Can Taimur become a partner in a partnership?

Answer the above questions by analyzing the position of minors in contract of agency and in partnership. Discuss the rights and liabilities of Taimur in each of the cases.
