West Bengal Judicial Service (Mains) 2018

Partnership Act · optional paper

Time: 3 hours · Full marks: 100

Group A: answer all questions

1. Although registration of a firm is not compulsory, firms are usually registered. Discuss the above statement with reference to the disadvantages of non-registration of a firm under the law of partnership. (20)

2. (a) Distinguish between Partnership and a Joint Hindu family firm.
(b) X and Y are friends. They decide to buy 1000 bags of sand which they agree to sell on their joint account. What is the relationship between X and Y? (10+5)

3. (a) How can you determine the test of true Partnership?
(b) What is Partnership property? For what purpose can it be used? (10+2½+2½)

Group B: answer Question No. 4 and any two from the rest

4. (a) What are the rights and liabilities of a minor who has been admitted to the benefits of a partnership?
(b) What are the mutual rights and liabilities of Partners? (10+10)

5. (a) State the mode of settlement of accounts between partners after dissolution of the firm.
(b) A, B and C are three partners in a firm. Their capital contributions are A - Rs. 10,000, B - Rs. 5,000, C - Rs. 1,000. They share profits equally. Upon dissolution it is found that realisable assets are Rs. 20,000 and debts payable Rs. 13,000. Discuss the settlement of accounts by the partners. (10+5)

6. (a) State the rights regarding an outgoing partner (i) to carry on a competing business; (ii) to share in the subsequent profit.
(b) Galaxy & Co. is a newly constituted partnership firm and commenced business without registration. Mr. Aayan is a creditor and Mr. Dhayan is a debtor. Discuss the rights of (i) Galaxy & Co. against the creditor Mr. Aayan; (ii) Galaxy & Co. against their debtor Mr. Dhayan. (5+5+5)

7. (a) State the rights of buyer and seller of Goodwill.
(b) When can a partnership be dissolved by operation of law?
(c) Mr. Donglas, one of the partners of X and Co., has caused loss to the firm. Discuss Mr. Donglas's responsibility as per the Partnership Act. (5+5+5)