

**B.A.LL.B. Five Years Course Semester—VIII (C.B.S.) Examination****LAW OF TRUST****Optional Paper—6**

Time : Three Hours]

[Maximum Marks : 80

**N.B. :—** (1) Attempt **all** Sections.Section A consists of **10** marks.Section B consists of **30** marks.Section C consists of **40** marks.

- (2) Follow the instructions given in each Section.
- (3) Marks are indicated against each question.

**SECTION—A**1. Choose the correct alternative (any **ten**) :—

1×10=10

- (i) The word 'Trust' was first time used in ancient legal world by :
  - (a) French Lawyers
  - (b) Greek Lawyers
  - (c) English Lawyers
  - (d) Swiss Lawyers
- (ii) The Indian Trust Act shall apply to :
  - (a) The law relating to private trusts and trustees
  - (b) Mutual relations of the members of an undivided family
  - (c) Public or private religious or charitable endowments
  - (d) Trusts of distribute prizes taken in war among the captors
- (iii) Who can create trust among these ?
  - (a) Convict
  - (b) Lunatic
  - (c) Alien
  - (d) None of the above

- (iv) Who cannot become beneficiary among these ?
- (a) The Government
  - (b) Unborn child
  - (c) Corporation
  - (d) Alien
- (v) The person not necessary for the creation of the trust is :
- (a) The author of the trust
  - (b) Trustee
  - (c) Legal representative
  - (d) Beneficiary
- (vi) For creating a trust of movable property it is not necessary that :
- (a) There must be a declaration of intention to create a trust
  - (b) The purpose of trust be specified
  - (c) The beneficiary and the trust property be identified
  - (d) The property is physically transferred to the trustee
- (vii) The concept of 'Trusts' originated in :
- (a) France
  - (b) England
  - (c) Germany
  - (d) Rome
- (viii) "Of all the exploits of Equity, the largest and the most important is the invention and development of Trust" is a statement given by :
- (a) Henry Levey Ulman
  - (b) Snell
  - (c) Maitland
  - (d) Salmond
- (ix) The concept of trust in the legal sense is unknown to :
- (a) The Hindu System
  - (b) The English System
  - (c) The Mohammedan System
  - (d) None of the above

- (x) From the following one enactment in India is not related to trust :
- (a) The Indian Trust Act
  - (b) The Limitation Act
  - (c) The Waqf Act
  - (d) The Sale of Goods Act
- (xi) Where the beneficiary is incompetent to contract, his consent for the execution of the trust may be given by :
- (a) Principal Civil Court of Original Jurisdiction
  - (b) Person having Power of Attorney
  - (c) His legal heir
  - (d) None of the above
- (xii) Whether a trustee is bound to acquaint himself 'as soon as possible' with the nature and circumstances of the trust property :
- (a) TRUE
  - (b) FALSE
  - (c) Not true
  - (d) None of the above
- (xiii) Where co-trustees jointly commit a breach of trust then who is liable for loss to the beneficiary :
- (a) Each one is liable
  - (b) If one be less guilty than another and has had to refund the loss the former may compel the latter
  - (c) Both (a) and (b) are correct
  - (d) Only (a) is correct
- (xiv) Which one is not the right of the trustee ?
- (a) Right to title—deed
  - (b) Right to reimbursement of expenses
  - (c) Right to indemnity from gainer by breach of trust
  - (d) Right to renounce the trust after acceptance

(xv) Can a trustee delegate his office or any of his duties to a co-trustee ?

- (a) Yes
- (b) No
- (c) Partially yes
- (d) None of the above

### SECTION—B

#### (Short Answer Questions)

2. Write short notes on (any **Three**) : 5×3=15
- (a) Discretionary Trust
  - (b) Precatory Trust
  - (c) Author of Trust
  - (d) Intermingling of Trust Fund
3. Write short notes on (any **three**) : 5×3=15
- (a) Extinction of trusts
  - (b) Doctrine of blending and tracing out
  - (c) Registration of public trust
  - (d) Rights of bonafide purchasers

### SECTION—C

#### (Long Answer Questions)

Answer the following (any **five**) :— 8×5=40

- 4. What is Trust ? Distinguish Trust from agency and contract.
- 5. Discuss the Rights of Trustees enshrined under the Indian Trust Act.
- 6. Under what circumstances a trustee can be held liable for the misappropriation of trust property ?
- 7. Elaborate the circumstances under which trustee can be discharged from his duties.
- 8. What are the rights of the beneficiary under the Indian Trust Act ?
- 9. What do you mean by the doctrine of advancement ? In what circumstance this doctrine is applicable in India ?
- 10. Discuss the 'Doctrine of cy-pres' in detail.
- 11. Elaborate charitable and religious endowments.