

KNT/KW/16/6950

**B.A.LL.B. Five Years Course Semester—II (Credit Base System) Examination****LAW OF CONTRACT—II****Compulsory 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 and 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**) :—

- (i) A guarantee which the creditor has obtained by means of keeping silence as to a material circumstance is :
  - (a) Void
  - (b) Invalid
  - (c) Voidable
  - (d) Valid
- (ii) Which of the following partners are not liable in 'relation to the firm' ?
  - (a) Partner by holding out
  - (b) Working partner
  - (c) Sub-partner
  - (d) Partner by estoppel
- (iii) In which of the following cases compulsory dissolution of a partnership is possible ?
  - (a) By business becoming illegal
  - (b) By notice of dissolution
  - (c) By transferring the business place of firm from one place to another place
  - (d) By mutual agreement
- (iv) Under Section 19 of the Sale of Goods Act, 1930, the property in goods passes to the buyer :
  - (a) when the contract is made
  - (b) when the payment of price is made
  - (c) on delivery of goods
  - (d) when the parties intend the property in goods to pass
- (v) In the case of \_\_\_\_\_ the sale may be notified to be subject to a reserve or upset price.
  - (a) Sale by description
  - (b) Sale by auction
  - (c) Sale by sample
  - (d) Sale by estoppel

- (vi) In case the goods, sold by sample as well as description, corresponds with the sample only then the :
- (a) The buyer can reject the goods
  - (b) Buyer can not reject the goods
  - (c) Contract is automatically terminated
  - (d) Seller is liable to punishment
- (vii) Under the Sale of Goods Act, 1930, existing goods are classified as :
- (a) Specific goods
  - (b) Ascertained goods
  - (c) Unascertained goods
  - (d) All of the above
- (viii) A person employed to do any act for another or to represent another in dealing with the third person is :
- (a) A Principal
  - (b) A Pawnor
  - (c) An Agent
  - (d) A Bailor
- (ix) Right of ownership of a partner in a firm is :
- (a) Sole ownership
  - (b) Co-ownership
  - (c) Legal ownership
  - (d) Corporeal ownership
- (x) Appropriation of goods means :
- (a) Certain goods are assigned to a particular contract
  - (b) Consignment of goods
  - (c) Transfer of goods
  - (d) None of the above
- (xi) A, B and C are in Partnership. A and C are adjudicated insolvent, while B wants to continue the firm. Which of the following is true ?
- (a) Firm is also declared insolvent
  - (b) B has to repay the debts of the firm
  - (c) Firm is automatically dissolved, B can not continue
  - (d) The Court has to give order for dissolution
- (xii) Co-Sureties are liable to :
- (a) Contribute individually
  - (b) Contribute equally
  - (c) Contribute only unpaid share
  - (d) None of these
- (xiii) The Partnership deed must be properly drafted and stamped according to the provision of :
- (a) Indian Partnership Act
  - (b) Indian Stamp Act
  - (c) Income Tax Act
  - (d) The Companies Act

(xiv) The provision concerning the discharge of principal debtor is contained in Section :

- (a) 130
- (b) 132
- (c) 133
- (d) 134

(xv) Partnership agreements may be :

- (a) Implied
- (b) Expressed
- (c) (a) or (b)
- (d) Only (b)

10×1=10

### SECTION—B

2. Write short notes on (any **THREE**) :

- (a) Continuing Guarantee
- (b) Rights of Lien
- (c) Retirement and expulsion of Partners
- (d) Rights of Surety.

5×3=15

3. Write short notes on (any **THREE**) :

- (a) Kinds of Agent
- (b) Rights and duties of agent
- (c) Doctrine of Caveat emptor
- (d) Distinguish between Pledge and Bailment.

5×3=15

### SECTION—C

#### (Long Answer Questions)

4. Discuss the different modes of discharge of the liability of Surety ?
5. What do you mean by Bailment ? What are the essential features of Bailment ?
6. What is agency by ratification ? Examine the conditions for a valid ratification with illustrations.
7. What is Partnership ? Explain the liability of the partner to third parties and among themselves.
8. Explain the remedies available to a seller and buyer for breach of a contract of Sale.
9. Write short notes on :
  - (a) Rights of unpaid seller
  - (b) Delegatus non potest delegate.
10. Explain in detail the exemption clause in standard forms of contract.
11. Define contract of guarantee. What are the rights of co-sureties ?

8×5=40