

TKN/KS/16/7235

**Second Semester LL.B. (Three Years Course) (C.B.S.)
Examination**

Course Code : 2.1

LAW OF CONTRACT—II

Compulsory Paper—I

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**) : $1 \times 10 = 10$

(i) A valid guarantee can be given :

- (a) Irrespective of any debt
- (b) Only if there is a principal debt
- (c) Only if there is no principal debt
- (d) Both (a) and (c).

(b) Termination of Agency

(c) Expulsion of partner

(d) Finder of goods.

3. Write short notes on : $5 \times 3 = 15$

(a) Unpaid seller

(b) Remedies for breach of contract

(c) Continuing guarantee

(d) Pledge.

SECTION—C

(Long answer questions)

Answer the following (any **FIVE**) : $8 \times 5 = 40$

4. Define guarantee. State differences between Indemnity and Guarantee ?

5. Define Bailment. Explain the rights of bailor and bailee.

6. Define law of agency. State the rights and duties of the agent.

7. Define Sale and Agreement to sell. State differences between them.

8. What do you mean by standard form of contract ?
What are its advantages ?

(c) May be constructive

(d) Has to be actual.

(vi) Bailment without reward is called :

(a) Pledge

(b) Constructive bailment

(c) Gratuitous bailment

(d) Hire.

(vii) If the bailee does any act, with regard to the goods bailed, which is inconsistent with the conditions of the bailment, then contract of bailment is :

(a) Void

(b) Voidable

(c) Invalid

(d) Illegal.

(viii) Under the contract of guarantee :

(a) If principal debtor is liable, guarantor is liable

(b) If principal debtor is not liable, guarantor is liable

(c) If principal debtor is liable guarantor is not liable

(d) All the above.

(ix) Bailor in pledge is known as :

- (a) Pawnor
- (b) Pawnee
- (c) Bailee
- (d) None of the above.

(x) _____ prima facie passes with the property.

- (a) Title
- (b) Risk
- (c) Possession
- (d) None of the above.

(xi) For passing of property goods must be in _____ state.

- (a) Merchantable
- (b) Satisfactory
- (c) Deliverable
- (d) Good.

(xii) Which of the following is an assets of the firm ?

- (a) Trade mark
- (b) Copyright
- (c) Goodwill
- (d) All of the above.

(xiii) A and B agree to buy 50 mobile phone to share between them, it is a :

- (a) Partnership
- (b) Co-ownership
- (c) Jointventure
- (d) None of the above.

(xiv) The Relation of partners to one another is usually governed by :

- (a) Status
- (b) Operation of law
- (c) Agreement
- (d) All of the above.

(xv) As per the Sale of Goods Act, 1930 goods may be :

- (a) Existing goods
- (b) Future goods
- (c) Contingent goods
- (d) All of the above.

SECTION—B

(Short answer questions)

2. Write short notes on (any **THREE**) : 5×3=15

- (a) Discharge of surety

- (ii) A contract of guarantee may be :
- (a) Oral
 - (b) Written
 - (c) Oral or written
 - (d) None of these.
- (iii) Under Indian Contract Act, 1872, a contract of Indemnity is defined in Section :
- (a) 126
 - (b) 127
 - (c) 128
 - (d) 124
- (iv) In case the sub agent is not lawfully appointed, for the act of such sub-agent, the agent is liable :
- (a) Towards the principal and third parties
 - (b) Towards the third parties only
 - (c) Towards the principal only
 - (d) Towards none.
- (v) For the purpose of pledge, delivery of possession of goods :
- (a) May be symbolic
 - (b) Either actual or constructive

9. What is dissolution of firm ? Explain various modes of dissolution of firm.
10. What do you mean by conditions and warranties ? State difference between two.
11. Define partnership. State the nature and mode of determining the existence of partnership.