

Time: 2.30 HRS

Marks: 75

May 2019

Q.1.A] Answer the following multiple choice questions. [Any 8]

8 mks

1. When a contract is performed by both the parties, the contract comes to an end by.....
 - a) lapse of time
 - b) discharge by performance
 - c) discharge by agreement
 - d) discharge by breach
2. When an innocent party is claiming for monetary damages, it may be.....
 - a) liquidated damages.
 - b) vindictive damages.
 - c) any of them.
 - d) all of them.
3. Which is not goods.....
 - a) live stock
 - b) shares
 - c) valid Indian Currency
 - d) Goodwill
4. Doctrine OF Caveat emptor places the burden on the
 - a) buyer
 - b) seller
 - c) third party
 - d) government.
- 5) the lien of an unpaid seller depends on
 - a) possession
 - b) title.
 - c) ownership
 - d) possession and ownership
- 6) Suresh and Pawan go into a shop. Suresh says to the shopkeeper, Kamal, let Pawan have the goods, and if does not pay you, I will. This is a
 - a) contract of guarantee
 - b) contract of indemnity
 - c) contract of surety
 - d) Quasi- contract
- 7) Under the Negotiable Instrument Act, which of the following refers to "a written document by which a right is created in favour of some person"?
 - a) promise
 - b) instrument
 - c) agreement
 - d) contract
- 8) For what term of imprisonment an offender under section 138 of the Negotiable Instruments Act can be punished .
 - a) two years
 - b) one year
 - c) three years
 - d) five years.
- 9) The right of subrogation in a contract of guarantee is available to the
 - a) Creditor
 - b) Principal debtor
 - c) Surety
- 10) Who is not a party to a Cheque?
 - a) drawer
 - b) drawee
 - c) payee
 - d) Acceptor

Q.1.B) State whether the following statements are True or False: (Any 7)

7 mks

- 1) Stranger to a contract cannot sue while stranger to consideration can sue.
- 2) Where a party to a contract does not suffer any loss on account of breach of a contract can never claim damages.
- 3) A Contract once entered needs to be performed under all circumstances.
- 4) Any person who voluntarily makes a payment on behalf of another, can recover it.

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- 5) Death of a surety does not put an end to the contract of guarantee.
- 6) Sale of Goods Act only deals with immovable property.
- 7) Cheque is valid for the period of three months.
- 8) Payee is the person to whom money is to be paid.
- 9) In a contract of sale, money is a consideration.
- 10) Unascertained goods are same as generic goods.

Q.II. A) Define a Proposal and what are the essential requirements of a valid proposal? 8 mks
B) "No Consideration, No Contract"- Discuss & State exception to the rule. 7 mks

OR

C) Define the "Contract of Guarantee" and state the essential requirements of Contract of Guarantee. 8 mks
D) Explain fully Agency by Ratification 7 mks
Q.III. A) State the Distinction between Sale & Agreement to sell. 8 mks
B) Explain the Doctrine of Caveat Emptor & State its exception. 7 mks

OR

C) Who is 'Unpaid Seller'? What are his various rights under the Sale of Goods Act? 8 mks
D) What is an Auction Sale? What are the rules applicable to Auction Sales? 7 mks

Q.IV. A) What is a Bill of exchange? How does a Promissory Note differ from a bill of exchange? 8 mks
B) What is meant by a special crossing of a Cheque? How does special crossing differ from general crossing of a Cheque? 7 mks

OR

C) State the various modes of Discharge of Negotiable Instrument. 8 mks
D) Write a note on Dishonor of Cheque. 7 mks
Q. V. A) Define a Consumer as per Consumer Protection Act and also state who is not a Consumer as per the Act. 8 mks
B) What are the Objects of the Consumer Protection Act, 1986? 7 mks

OR

D) Short Note (Any 3): 15 mks

- 1) Auction Sale 2) Unfair Trade Practices 3) Hire purchase agreement
- 4) Deficiency in Services 5) Consumer Dispute
