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2 SEM LLB (N) SC 3

2018

(June)

LAW

Paper : 2.3

(Specific Contract)

(New Course)

Full Marks : 80

Time : Three hours

The figures in the margin indicate full marks for the questions.

1. Choose the correct answers : $1 \times 10 = 10$
- (i) The liability of the indemnifier to compensate the indemnity holder commences when —
- (a) the indemnity holder has suffered actual loss
 - (b) liability of the indemnity holder becomes certain
 - (c) he is called upon to pay and fixes the date for the same
 - (d) All of the above.

- (ii) Any variance made without surety's consent in the terms of the contract of guarantee discharges the surety —
- (a) as to transactions prior to variations
 - (b) as to transactions subsequent to variations
 - (c) as to all transactions prior or subsequent
 - (d) None of the above.
- (iii) Which of the following is a correct statement ?
- (a) Pledge is a special kind of bailment
 - (b) All pledges are bailment
 - (c) All bailments are not pledge
 - (d) All of the above.
- (iv) Principal can revoke the authority given to the agent —
- (a) at any time before the authority has been exercised
 - (b) at any time after the authority has been partly exercised
 - (c) at any time after the authority has been fully exercised.
 - (b) None of the above.

(v) The term 'endorsement in blank' of an instrument under Negotiable Instruments Act, 1881 means —

(a) where the endorser does not write anything on the instrument

(b) where the endorser signs his name only on the instrument

(c) where the endorser writes the name of the person to whom it is to be paid

(d) where the endorser states the amount to be paid to the order of a specified person.

(vi) A cheque may be crossed by —

(a) Drawer

(b) The Holder

(c) The Banker

(d) All of the above.

(vii) The test for determining the existence of a partnership has been laid down in the case of —

(a) Grace vs Smith

(b) Waugh vs Carver

(c) Cox vs Hickman

(d) Abbott vs Abbott.

(viii) Which among the following is/are feature(s) of Limited Liability Partnership ?

- (a) LLP is not a body corporate with distinct legal entity
- (b) Mutual agency is one of the basic feature of LLP
- (c) The Indian Partnership Act, 1932 is not applicable to LLP
- (d) All of the above.

(ix) Which of the following option is incorrect with reference to Sale of Goods Act, 1930 ?

- (a) Section 2(4) — Document of Title to Goods
- (b) Section 2(9) — Mercantile Agent
- (c) Section 2(14) — Specific Goods
- (d) None of the above.

(x) The principle of 'Caveat Emptor' is enunciated in the Sales of Goods Act, 1930 under —

- (a) Section 14
- (b) Section 15
- (c) Section 16
- (d) Section 18.

2. State *two* points of distinctions for each of the following : 2×5=10

(a) Contract of Indemnity and Contract of Guarantee

(b) Bailment and Pledge

(c) Negotiation and Assignment

(d) Partnership and Company

(e) Condition and Warranty.

3. Discuss the nature regarding the commencement of liability of the indemnifier in a contract of indemnity emphasizing the position of English law and Indian laws. Cite relevant case-laws in this regard.

12

Or

‘The liability of surety is co-extensive with that of the principal debtor’. Explain citing relevant illustrations and case laws. 12

4. (a) Discuss the law relating to bailee’s right of lien over the goods bailed. 8

(b) State the various rights of a pawnee.

4

Or

(a) Explain the term 'agency' and state the essentials of a contract of agency.

2+4=6

(b) State the circumstances which incurs an agent to be personally liable for contracts entered into by him on behalf of his principal. 6

5. What are the characteristics of Negotiable Instruments ? Discuss briefly the various kinds of negotiable instruments dealt within the Negotiable Instruments Act, 1881.

6+6=12

Or

Explain the various modes of discharge of liability of parties to a negotiable instrument.

12

6. (a) 'The law of partnership is nothing, but an extension of the law of principal and agent'. Comment. 6

(b) State the various rights and liabilities of a minor when admitted to the benefits of a partnership. 6

Or

What do you mean by 'Goodwill of a firm'? State the rights of the buyer and seller of goodwill of the firm on dissolution. What are the provisions in the Indian Partnership Act regarding the goodwill of a firm after dissolution ? 3+4+5=12

7. How a contract of sale is made ? Discuss the various implied conditions in case of — 4+4+4=12

(i) sale by description

(ii) sale by sample.

Or

(a) What are the circumstances which entitles an unpaid seller to exercise his right of lien ? 4

(b) What conditions must be satisfied for exercising the right of stoppage in transit ? 4

(c) State the rules relating to right of re-sale by an unpaid seller. 4
