

Time: 3 hrs.

Marks:100

- Note:
1. All questions are compulsory with internal options.
  2. Figures to the right indicate full marks.
  3. Draw neat diagram wherever necessary.

**Q1 A Fill in the blanks with appropriate word from the alternatives given below: (Any 10) (10)**

1. An agreement not enforceable by law is \_\_\_\_\_.  
a) void agreement    b) valid agreement    c) purposeful agreement    d) sound agreement
2. Consent means parties agreeing on \_\_\_\_\_.  
a) something in the same sense    b) something different  
c) something without any proof    d) something in return
3. The law relating to contracts in India is contained in the \_\_\_\_\_.  
a) Indian Contract Act 1872    b) Companies Act 2013  
c) Partnership Act 1932    d) Consumer Protection Act 1986
4. The object and purpose must be legal for a contract to be \_\_\_\_\_.  
a) valid    b) violent    c) variant    d) void
5. Offer must be accepted before it is \_\_\_\_\_.  
a) revoked    b) managed    c) matured    d) cracked
6. Acceptance may be revoked by the acceptor \_\_\_\_\_.  
a) before the letter of acceptance reaches the offerer  
b) before letter reaches government  
c) the letter of acceptance reaches the offerer  
d) after 10 days of letter been accepted
7. The new offer over the original offer is called a \_\_\_\_\_.  
a) counter offer    b) combined offer    c) called offer    d) open offer
8. When the terms and conditions of the agreement between the parties are not clear the agreement is \_\_\_\_\_.  
a) not enforceable by law    b) consensus by agreement  
c) agreed by party    d) enforceable by law
9. Sale of Goods means \_\_\_\_\_.  
a) transfer of possession and ownership    b) transfer of possession only  
c) transfer of guarantee    d) transfer of ownership only
10. \_\_\_\_\_ means any of the acts stated committed by a party to a contract to induce him to enter into a contract.  
a) Fraud    b) Misrepresentation    c) Mistake    d) Consent
11. \_\_\_\_\_ takes place when original (existing) contract is replaced by the new contract.  
a) Novation    b) Provision    c) Probation    d) Procarnation
12. \_\_\_\_\_ means subsequently accepting an act which is being done without instruction or authority of the person, who is accepting it.  
a) Ratification    b) Modification    c) Guarantee    d) Tradition

**Q1 B State whether the following statements are True or False (Any 10) (10)**

1. A broker is one who negotiates and makes contracts between the principal and the third party.
2. A contract of sale of goods is a contract whereby, the seller transfers or agrees to transfer the property in goods to the buyer for a price.

3. Caveat Emptor means 'Let the buyer beware'.
4. In sale of auction, every bid is an offer.
5. Negotiable instruments are always payable in terms of money.
6. Maturity of an instrument refers to the date on which the amount becomes due.
7. Crossed Cheque is the image of a normal paper cheque generated, written and signed in a secure system using digital signature and asymmetric crypto system.
8. Posting is the mode of establishing the fact that a promissory note or a bill of exchange has been dishonored.
9. When the holder of the promissory note endorses the promissory note to someone else, he becomes the debtor.
10. The person accepting the proposal is called the endorser.
11. In a contract of indemnity the primary liability is always of the principal debtor.
12. The person to whom the goods are delivered is called as trainee.

- Q2 Explain the concepts (Any 04) (20)**
1. Cheque
  2. Agreement
  3. Bills of Exchange
  4. Bailor
  5. Bailee
  6. Contract of sale
  7. Promissory note
  8. Fraud
- Q3**
- A Explain the essentials of a valid contract under Indian Contract Act 1872. (10)
  - B Explain contract of sale and state its essentials. (10)
- OR
- C Describe the law relating to minor's agreement under the Indian Contract Act 1872. (10)
  - D Write a note on Negotiable Instruments Act 2015. (10)
- Q4**
- A Explain goods and types of goods. (10)
  - B Explain the concept of "Cheque" and state the reasons and penalties of cheque. (10)
- OR
- C Distinguish between fraud and misrepresentation. (10)
  - D Define the term agent. Explain the modes/ways of creation of an agency. (10)
- Q5**
- A Define the contract of guarantee and state its essentials. (10)
  - B Write a note on e-contracts. (10)
- OR
- C Explain the contract of indemnity in detail. (10)
  - D Distinguish between coercion and undue influence. (10)