

ND-106

November-2018

B.B.A., Sem.-V**CC-301 : Mercantile Laws**

Time : 2:30 Hours]

[Max. Marks : 70

1. (A) (i) Define a 'contract'. Explain the essential elements of a valid contract. 7
 (ii) Discuss the position of a 'Minor' under 'Indian Contract Act'. 7
- OR**
- (i) Explain the various modes for 'Discharge of Contract'.
 (ii) What is a 'quasi contract' ? Explain the rules related to the quasi contract.
- (B) Do as directed (any four) : 4
- (i) Define 'Novation'.
 (ii) When offer is accepted, it becomes a _____.
 (a) Acceptance (b) Tender
 (c) Promise (d) Consideration
- (iii) Books displayed on the shelf of a stationery shop is _____.
 (a) offer (b) invitation to offer
 (c) counter offer (d) revocation of offer
- (iv) All agreements without consideration cannot be treated as a valid contract. (True/False)
- (v) What is a 'Tender' ?
 (vi) An active concealment with an intention to deceive is called _____. (coercion/fraud)
2. (A) (i) Define 'Bailment'. Explain the essential elements of Bailment. 7
 (ii) Give difference between Indemnity and Guarantee. 7
- OR**
- (i) Explain the rights and duties of Bailor in the contract of Bailment.
 (ii) Discuss various modes to terminate the contract of agency.
- (B) Do as directed (any three) : 3
- (i) It is the duty of the bailee to take reasonable care of the goods bailed. (True/False)
- (ii) Contract of insurance can be taken as
 (a) Contract of Indemnity (b) Contract of Guarantee
 (c) Contract of Agency (d) None of the above
- (iii) What is the meaning of a 'Lien' ?
 (iv) Define a 'substitute agent'.
 (v) One of the parties to the pledge is
 (a) Finder of goods (b) Pawnee
 (c) Bailor (d) Bailee

3. (A) (i) Discuss the points of difference between contract of sale and agreement to sell under the Sale of Goods Act. 7
(ii) Explain the implied conditions and warranties related to the contract of sale. 7

OR

Attempt the following (any two) : 14

- (1) F.O.B. and C.I.F. contract.
(2) Doctrine of Caveat Emptor.
(3) Essential elements for a contract of sale.
(4) Exceptions related to the title of the goods.

(B) Do as directed (any four) :

- (i) Define 'unascertained goods'.
(ii) The ownership of goods can be transferred by documents in case of _____ contract.
(a) FOB (b) CIF
(c) Ex-ship (d) All of the above
(iii) The Sale of Goods Act is applied for movable and immovable goods. (True/False)
(iv) 'Caveat Emptor' means
(a) No implied conditions
(b) Let the buyer beware
(c) No assurance of quality and fitness
(d) All of the above
(v) Specific goods are included in existing goods. (True/False)
(vi) Contract of sale is a/an _____ contract. (Bilateral/Unilateral)

4. (A) (i) Define a Negotiable Instrument. Explain the essentials required for an instrument to be a negotiable instrument. 7
(ii) Discuss the various types of Endorsement under 'Negotiable Instrument Act'. 7

OR

- (i) Give the difference between a Cheque and a Promissory Note.
(ii) Define 'Holder and Holder in due course'. What are the rights of the holder in due course? 3

(B) Do as directed (any three) :

- (i) There are three parties in Promissory Note. (True/False)
(ii) Protest is a certificate issued by a _____. (Bank/Notary Public)
(iii) The Notice of Dishonour can be oral or written. (True/False)
(iv) Which of the following is not a Negotiable instrument?
(a) Foreign instrument (b) Crossed cheque
(c) Inland instrument (d) None of the above
(v) A cheque is a kind of Bill of Exchange. (True/False)