

## CONTRACT – II

JUNE/JULY 2016

1. Explain circumstances under which the surety is discharged from his liability. (**Refer Page No.** )
2. What is Bailment? Explain its important features with decided cases. (**Refer Page No.** )
3. Define pledge. State the rights and duties of pledger and pledgee. (**Refer Page No.** )
4. Define lien. Explain different kinds of lien. (**Refer Page No.** )
5. Define Agency. Explain various modes of creation of agency. (**Refer Page No.** )
6. Explain in detail the procedure for the registration of firm and the consequences of its non-registration. (**Refer Page No.** )
7. Define contract of sale and distinguish it from an agreement to sell? (**Refer Page No.** )
8. Write short notes on any two of the following :
  - a. Contract of indemnity. (**Refer Page No.** )
  - b. Conditions and Warranties. (**Refer Page No.** )
  - c. Right of stoppage in transit. (**Refer Page No.** )
9. Solve any two of the following problems:
  - a. Mrs. Vaibhavi purchased a Bus under loan from Karnataka Bank. For which her husband Shekar stood as surety. After one year Shekar divorces Vaibhavi. Later she defaulted in the payment of her instalment. Manager of the Karnataka Bank approaches Mr. Shekar to compel him to clear the dues as he is the surety. Since Shekar is

- no more her husband, whether he is discharged from suretyship? **(Refer Contract - II, Volume - II - Separate Book)**
- b. "F" bought milk from "A". The milk contained the chemicals of typhoid germs. 'F's wife took the milk and got infected and as a result she died. Decide whether A is liable to give damages to "F". **(Refer Contract - II, Volume - II - Separate Book)**
- c. 'R' purchased a motor car from 'D' and used the same for several months. 'D' had no title to the car and therefore. 'R' was compelled to give it up to the true owner. 'R' sued 'D' to recover back the price which he had already paid – Decide. **(Refer Contract - II, Volume - II - Separate Book)**

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**DECEMBER 2016**

**Time: 3 Hours**

**Max.Marks:100**

Instructions: 1. Answer Q. No. 9 and any five of the remaining questions.

2. Q.No.9 carries 20 marks and remaining questions carry 16 marks each.

3. Answer should be written in English or in kannada.

1. Define contract of guarantee and analyse the essential features of the contract of guarantee. **(Refer Page No. )**

2. What is Bailment? Discuss the rights and duties of bailee. **(Refer Page No. )**

3. Discuss the extent of an agents authority. **(Refer Page No. )**

4. "No one can transfer a better title than what he himself possesses".

Explain this principle with exceptions. (**Refer Page No. )**

5. Explain implied conditions provided under sale of Goods Act. (**Refer Page No. )**

6. Discuss the mutual rights and liabilities between the partners of firm. (**Refer Page No. )**

7. State the rules regarding settlement of accounts of the firm after dissolution. (**Refer Page No. )**

8. Write short note on any two of the following:

a) Rights of an indemnity holder. (**Refer Page No. )**

b) Pledge. (**Refer Page No. )**

c) Undisclosed principal. (**Refer Page No. )**

**9. Solve any two of the following problems:**

a) 'A' agrees to sell to 'B' 10 bags of Rice out of 50 bags stored in his godown for Rs. 10,000/-. The Rice is completely destroyed by fire. Can 'B' compel 'A' to supply the Rice? (**Refer Contract - II, Volume - II - Separate Book**)

b) 'X' employees 'Y' to recover the debt Rs. 1,500/- from 'Z'. The debt became time barred, because of 'Y's negligence. Is 'Y' entitled to remuneration for his services? (**Refer Contract - II, Volume - II - Separate Book**)

c) 'A' and 'B' form trading partnership for 5 years. After 2 years, 'A' is convicted of travelling on the Railway without ticket. 'A' files suit for dissolution of the firm on the ground of his own misconduct. Will he succeed? (**Refer Contract - II, Volume - II - Separate Book**)

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