

CONTRACT – II

JUNE/JULY 2018

1. What is Contract of Guarantee? Explain the various modes of discharge of surety from his liability.
2. Define pledge. State the circumstances in which non-owner can make a valid pledge.
3. What is Agency? Discuss the maxim “Delegatus non protest delegare” Under agency.
4. Explain the rights and duties of partners.
5. Explain the rights of an unpaid seller.
6. Define contract of indemnity. Write the distinctions between contract of indemnity and guarantee.
7. Explain the doctrine of “Caveat emptor” and state the exceptions to it.
8. Write short note on any two of the following:
 - (a) Rights of Bailee.
 - (b) Creation of agency.
 - (c) Effects of non-registration of partnership firm.
9. Solve any two of the following:
 - (a) ‘A’ gives authority to ‘B’ to sell ‘A’s land and to pay himself, out of the proceeds, the debt due to him from ‘A’. Subsequently, ‘A’ revokes authority given to ‘B’. Can he do so? Decide.
 - (b) Prashant for family use purchased milk from Anand, a milk dealer. The milk contained germs of typhoid

- fever. Prashant's wife, after consuming the milk, was infected and she died. Prashant intends to institute a suit against Anand to recover damages. Advise Prashant.
- (c) 'A' lends a horse to 'B' for his own riding only. 'B' allows 'C', a member of his family, to ride the horse. 'C' rides with care, but the horse accidentally falls and is injured. Is 'B' liable to 'A'? Decide.

CONTRACT – II

(OLD/NEW)

DECEMBER 2018

1. Define contracts of indemnity and guarantee and discuss their differences.
2. Define pledge. State the circumstances in which a non-owner can make a valid pledge.
3. What is meant by agency by ratification? Explain the relevant rules.
4. Discuss the rule of caveat emptor with exceptions if any.
5. Explain the remedies available to a seller and buyer for breach of contract of sale.
6. Explain in detail the procedure for the registration of firm and the consequences of its non-registration.
7. State the rules regarding settlement of accounts of the firm after dissolution.
8. Write short note on any two of the following:
 - a) Personal liability of agent.
 - b) Types of partners.
 - c) Continuing guarantee.

9. Solve any two of the following problems:

- a) 'X' is an active partner of a firm with 'Y' and 'Z'. 'X' retires without giving a public notice. Whether 'X' is liable to the creditor in respect of a loan advanced after advanced after his retirement? Decide.
- b) 'X' employs 'Y' to recover the debt Rs. 1500/- from 'Z'. The debt became time barred, because of 'Y' s negligence. Is 'Y' entitled to remuneration for his services?
- 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.