

DECEMBER 2019
CONTRACT – II
(2018 and 2019 batch)

UNIT – I

1. (a) Define contract of indemnity. State the distinctions between contract of indemnity and contract of guarantee.

OR

(a) What is contract of guarantee? Explain the various modes of discharge of surety from his liability.

(b) Write a short note on 'Rights of the Surety'.

OR

(b) 'A' guarantees payment to 'B' of the price of five sacks of flour to be delivered by 'B' to 'C' and to be paid for in a month. 'B' delivers five sacks to 'C'. 'C' pays for them. Afterwards 'B' delivers four sacks to 'C', which 'C' does not pay for. Is 'A' liable for the same? Decide.

UNIT – II

2. (a) What is Bailment? Explain its important features with decided cases.

OR

(a) Define pledge. Who can make a valid pledge? Explain.

(b) Write a short note on 'Right of Lien'.

OR

(b) 'A' hires a carriage of 'B'. The carriage is unsafe, but 'B' is not aware of it. 'A' is injured while using that carriage. Is 'B' responsible to 'A' for the injury? Decide.

UNIT – III

3. (a) What is agency by retification? Explain its essentials.

OR

(a) Explain the duties of an agent.

(b) Write a short note on 'termination of agency'.

OR

'A' an agent of 'B', sells the goods to 'C' without making proper enquiry as to the solvency of 'C'. At the time of sale, 'C' was an insolvent. Principal 'B' wants to sue the agent. Advise the principal.

UNIT – IV

4. (a) What is partnership? State the types of partners.

OR

(a) Explain the rights and duties of partners in brief.

4. (b) Write a short note on 'Effects of non-registration of partnership firm'.

OR

(b) Rama and Laxman agree to work together as carpenters. According to the agreement, Rama shall receive all profits and pay Laxman Rs. 10,000 per month as wages. Are Rama and Laxman partners? Decide.

UNIT – V

5. (a) Explain the rights of an unpaid seller.

OR

(a) "No one can transfer a better title than he himself has". Explain this statement.

5. (b) Write a short note on "conditions and warranties".

OR

(b) 'A' agrees to supply 100 barrels of groundnut oil to 'B'. 'A' despatches 120 barrels. 'B' refuses to receive on the ground that 'A' has supplied excess oil. Advise 'A'.