

Seat No. : \_\_\_\_\_

# DA-103

December-2020

B.B.A., Sem.-V

CC-301 : Mercantile Laws

Time : 2 Hours]

[Max. Marks : 50

- Instructions :** (1) All questions in Section – I carry equal marks.  
(2) Attempt any **two** questions in Section – I.  
(3) Question **5** in Section – II is compulsory.

## Section – I

1. (a) What is a contract ? Explain its essential elements in detail. **10**  
(b) Discuss various modes to discharge a contract in the Indian Contract Act. **10**
2. (a) Define the terms indemnity and guarantee and discuss the difference between them. **10**  
(b) Explain the rights and duties of bailor and bailee under Special Contract Act. **10**
3. (a) Discuss the implied conditions and warranties in detail under Sale of Goods Act,1930. **10**  
(b) Write a detailed note on “Caveat Emptor”. **10**
4. (a) Explain the essential elements of a negotiable instrument under the Negotiable Instrument Act, 1881. **10**  
(b) Discuss the difference between a Bill of Exchange and a Promissory Note. **10**

## Section – II

5. Do As Directed : (any **10**) **10**
  - (1) An agreement with a minor is void ab initio. (True/False)
  - (2) An invitation of a friend to attend his birthday party is \_\_\_\_\_ under the Indian Contract Act. (a valid offer/not a valid offer)

- (3) When the offer is accepted it becomes a \_\_\_\_\_. (proposal/promise)
- (4) The term “Quid Pro Quo” is used for \_\_\_\_\_.
  - A Contract
  - An Offer
  - An Acceptance
  - A Consideration
- (5) The Quasi contract is a valid contract with the absence of one or more essential elements of the valid contract. (True/False)
- (6) When the old contract is continued with the new terms, it is known as \_\_\_\_\_. (doctrine of frustration/novation)
- (7) In the contract of guarantee, there are \_\_\_\_\_ no. of contracts. (two/three)
- (8) There are \_\_\_\_\_ no. of parties in the contract of indemnity. (two/three)
- (9) The bailee in the contract of a pledge is known as a pawnee. (True/False)
- (10) The contract of sale under the Sale of Goods Act can be done only for \_\_\_\_\_. (movable goods/immovable goods)
- (11) The ‘Agreement to Sell’ and ‘The Contract of Sale’ are the two different terms. (True/False)
- (12) The contract of sale is an executed contract. (True/False)
- (13) No \_\_\_\_\_ can give a better title to the buyer than what he himself has. (buyer/seller)
- (14) When the seller has not received the payment from the buyer out of the contract of sale, then he is known as an unpaid seller. (True/False)
- (15) What is the full form of “C.I.F.” ?
- (16) A cheque is a kind of Bill of Exchange. (True/False)
- (17) A promissory note contains an unconditional \_\_\_\_\_. (undertaking/ order)
- (18) A crossed cheque contains two parallel lines in the upper left corner on the face of a cheque. (True/False)
- (19) A negotiable instrument is \_\_\_\_\_. (transferable/non-transferable)
- (20) \_\_\_\_\_ is a formal certificate issued by a notary public about the dishonourment of a negotiable instrument. (Noting/Protest)