

Seat No. : _____

N12-110

November-2014

B.B.A., Sem.-V (CBCS)

CC-301 : Mercantile Laws

Time : 3 Hours]

[Max. Marks : 70

1. (a) Select the right option from the given one : **10**
- (1) All illegal contracts are
- (a) void (b) voidable
- (c) valid (d) enforceable
- (2) General insurance is a
- (a) voidable contract
- (b) wager
- (c) contract of indemnity
- (d) contract of guarantee
- (3) A contract which is wholly performed by both the parties is called
- (a) unilateral contract
- (b) bilateral contract
- (c) executory contract
- (d) quasi contract
- (4) As much as is merited is applicable to
- (a) suit for specific performance
- (b) suit for injunction
- (c) suit for Quantum Meruit
- (d) suit for damages
- (5) Let the Buyer Beware means
- (a) Quid Pro Quo
- (b) Caveat Emptor
- (c) Nemo Dat Quod Non Habeat
- (d) None of the above

- (6) Breach of Warranty gives rise to
- (a) only damages
 - (b) cancellation of contract
 - (c) damages as well as cancellation of contract
 - (d) None of the above
- (7) _____ creates jus in personam only a personal right
- (a) Sale
 - (b) Agreement to sell
 - (c) Hire Purchase Agreement
 - (d) Bailment
- (8) Which of the following is not a negotiable instrument under Negotiable Instrument Act, 1881 ?
- (a) Promissory Note
 - (b) Share Certificate
 - (c) Foreign Bill
 - (d) A/c Payee Cheque
- (9) The damages to be awarded in case of wrongful dishonour of cheque is called
- (a) Exemplary Damage
 - (b) Ordinary Damage
 - (c) Nominal Damage
 - (d) Penalty
- (10) When a cheque is dishonoured, the payee should make a demand for payment by way of written notice to the drawer, within_____ days to enforce action under section 138 of the Negotiable Instrument Act, 1881.
- (a) 7
 - (b) 15
 - (c) 30
 - (d) 60
- (b) Define the following :
- (1) Agency by Estoppel
 - (2) Existing Goods
 - (3) Voidable Contract
 - (4) Negotiable Instrument

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2. (a) Define offer. State how the offer lapses. **10**
(b) Explain the case of Carlil V/s. Carbolic Smoke Ball Company with respect to general offer under Indian Contract Act, 1872. **4**

OR

- (a) Define Acceptance. What are the essentials of valid acceptance ? **7**
(b) Define free consent. Explain the difference between coercion and undue influence. **7**

OR

Write short notes : (Any **two**) **14**

- (1) Consideration
(2) Fraud V/s Misrepresentation
(3) Remedies for breach of Contract
(4) Discharge of Contract by Mutual Consent

3. (a) Define contract of guarantee. Describe the characteristics of a contract of guarantee. **7**
(b) Define contract of indemnity. Describe the rights of indemnifier and indemnified under contract of indemnity. **7**

OR

- (a) Who is a surety ? How is the surety discharged from his liability under contract of guarantee ? **7**
(b) Who is a Principal ? Explain in brief the rights and duties of principal under contract of agency. **7**

OR

Write short notes : (Any **two**) **14**

- (1) Bailment V/s Pledge
(2) Kinds of Guarantee
(3) Types of Agents
(4) Rights & Duties of Bailor

4. (a) Define and explain goods, ascertained and unascertained goods with suitable examples under Sale of Goods Act, 1930. **10**
(b) A customer after reaching home from shopping in a self-service super store realized that he had picked up 'Clinik' brand of shampoo, mistaken that it was Clinic' brand. The get up and appearance of the packets was similar. He wants to return back the bottle and get his money back. The store refuses to take it back. Can he do so ? Decide under Sale of Goods Act, 1930. **4**

OR

- (a) Explain the rule “No seller can give a better title than he himself has” And state briefly the exceptions to the rule ? **7**
- (b) Define condition ? State in brief different implied conditions specified under Sale of Goods Act, 1930. **7**

OR

Write short notes : (Any **two**) **14**

- (1) Delivery of Goods
- (2) Sale versus Bailment
- (3) Types of Warranty
- (4) Unpaid Seller’s Right of Lien and Stoppage in Transit

5. (a) Define Bill of Exchange. Describe in brief characteristics of bills of exchange. **7**
- (b) Define cheque. How it is different from Promissory Note ? **7**

OR

- (a) Explain in brief the reasons for the dishonour of cheque. **7**
- (b) Explain in brief different kinds of endorsements. **7**

OR

Write short note : (Any **two**) **14**

- (1) Accommodation Bill
 - (2) Holder V/s. Holder in Due Course
 - (3) Types of Crossing of Cheque
 - (4) Promissory Note V/s. Bill of Exchange
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