

Seat No. : _____

MA-106

March-2019

B.B.A., Sem.-V

CC-301 : Mercantile Laws

Time : 2:30 Hours]

[Max. Marks : 70

1. (a) Write the following :

- (i) State the provisions regarding minor under Indian Contract Act, 1872. **7**
- (ii) Explain : Stranger to the contract cannot sue. **7**

OR

- (i) “All contracts are agreements but all agreements are not contracts.” Explain the statement with elements of valid contract.
- (ii) Write a note on wagering agreements.

(b) State whether following statements are **true** or **false** : (any **four**) **4**

- (1) All illegal agreements are void but all void agreements are not illegal.
- (2) Declaration of intention is a valid offer.
- (3) A bid in an auction sale can be revoked at any time.
- (4) The case of Balfour v. Balfour is based on the principle of communication of offer.
- (5) Undue influence is presumed to be exercised in case of pardanashin woman.
- (6) Quasi contract is no contract at all.

2. (a) Write the following :

- (i) Explain the duties of bailor under the contract of bailment. **7**
- (ii) State the difference between particular lien and general lien. **7**

OR

- (i) Explain the rights of pawnor and pawnee.
- (ii) Explain the difference between indemnity and guarantee.

- (b) State whether the following statements are **true** or **false** : (any **four**) **4**
- (1) The contract of bailment is a type of pledge.
 - (2) There is value addition in goods under particular lien.
 - (3) It is not the duty of bailee to return the goods with accretion.
 - (4) Finder of the goods can sell the goods if they are perishable in nature.
 - (5) There are two parties in the contract of guarantee.
 - (6) Opening saving bank account and depositing money in it is bailment.
3. (a) Write the following :
- (i) “No seller can give better title to buyer than what he has.” Explain the rule exceptions, if any. **7**
 - (ii) Explain F.O.B. contract. **7**
- OR**
- (i) Explain implied conditions under the contract of sale.
 - (ii) Classify goods giving one example for each.
- (b) Select the correct alternative from those given below : (any **three**) **3**
- (1) C.I.F. stands for _____ contract.
 - (a) cost, insurance and freight
 - (b) cover in freight
 - (c) contract, installment and finance
 - (d) cost, interest and freight
 - (2) ‘Caveat emptor’ means _____.
 - (a) Let the seller beware
 - (b) Let the buyer beware
 - (c) Let the manufacturer beware
 - (d) Let the chemist beware
 - (3) Giving possession of car keys is _____ delivery of goods.

(a) actual	(b) constructive
(c) symbolic	(d) None of the above
 - (4) Which of the following are not goods ?

(a) Old currency notes	(b) Movable property
(c) Actionable claim	(d) Wig and denture
 - (5) In _____, breach of contract does not terminate the contract.

(a) Condition	(b) Warranty
(c) Guarantee	(d) None of the above

4. (a) Write the following :
- (i) What is negotiable instrument ? Explain its characteristics and presumptions. 7
 - (ii) Write a note on : Inland and foreign instruments. 7

OR

- (i) Explain the difference between promissory note and bills of exchange.
 - (ii) Write a note on : Indorsement and its types.
- (b) Fill in the blanks with suitable answer from those given in the bracket (any **three**) : 3
- (1) There are _____ parties in promissory note. (two/three/four)
 - (2) _____ prepares bills of exchange. (Debtor/Creditor)
 - (3) The instrument which is drafted with several mistakes is known as _____ instrument. (inchoate/foreign/ambiguous)
 - (4) Every instrument which is payable on demand is entitled for _____ days of grace. (two/three/four).
 - (5) If the maturity date falls on Sunday or public holiday then _____ business day is to be considered as maturity date. (preceding/succeeding).
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