



FYBAF - Semester II

Business Law

Time 2Hours 30 Minutes

75 Marks

Note :

All Questions are compulsory

Figures to the right indicate Marks.

Q.1 A) State whether the following Statements are TRUE OR FALSE (Any 8 out of 10) (8 Marks)

- i) A minor's agreement is void
- ii) A minor can be an agent.
- iii) A person of unsound mind can enter into a contract when of sound mind.
- iv) Free consent is consensus ad-idem
- v) A contract where consent is not free is voidable at the instance of the innocent party
- vi) In case of coercion the act must be forbidden by the Indian penal code
- vii) Moral or mental pressure is exercised in case of undue influence.
- viii) Silence amounts to fraud when silence is equivalent to speech
- ix) Bilateral mistake of fact makes the agreement void
- x) Fraud and misrepresentation can be of both law and fact.

Q.1 B) FILL IN THE BLANKS (Any 7 out of 10) (7 Marks)

1. When two or more parties agree to the same thing in the same sense, they are said to _____
2. An act amounting to coercion must be forbidden by the _____
3. Undue influence requires _____ between the parties.
4. Fraud can be with regard to _____ and not of _____
5. Silence by itself will not amount to _____
6. Misrepresentation is a false statement made _____
7. _____ is a error of judgement.
8. When the consent is not free, the contract is _____
9. The aggrieved party in case of active fraud _____ rescind the contract if they had the means to discover the truth with ordinary diligence.
10. Ignorance of _____ is no excuse.

Q 2.

- A. Explain the Rights and duties of Pawner.
- B. When is negotiable instrument said to be discharged?

OR

- C. Describe the duties and rights of a Bailee
- D. Define principal and agent. Write a note on creation of a agency.



Q 3.

- A. Define contract. Explain the essentials of contract.
- B. Define a promissory note and explain the essentials.

OR

- C. "No consideration, No contract". Discuss and state the exceptions to the rule.
- D. Define a "contract of indemnity". What are the essentials.

Q 4. DISTINGUISH BETWEEN

- A. Void Agreement and Voidable Agreement
- B. Bills of Exchange and Cheque

OR

- C. Condition and Warranty
- D. Agreement and Contract

Q 5. Write a short notes on:- (Any 3 out of 5)

15 Marks

1. Rights and Duties of the buyer under **SOGA**, 1930
2. Fraud
3. Void Agreement
4. Auction sale
5. Delcredere agent

ALL THE BEST.....