

Paper / Subject Code: 79601 / Business Law 1

Q.P. Code : 29991

[Time: 2½ Hours]

[Marks: 75]

Please check whether you have got the right question paper.

- N.B:
1. Figures to the right indicate full marks.
 2. All questions are compulsory.



Q. 1 OBJECTIVE QUESTIONS (15 MARKS)

A. **FILL IN THE BLANKS (any 8)**

08

- (1) A guarantee which is limited to a single transaction is called _____
(a) *Simple guarantee* (b) *Continuing guarantee*
(c) *No guarantee* (d) *both a & c*
- (2) _____ parties are required in a contract of sale.
(a) 3 (b) 2
(c) 1 (d) *None of the above*
- (3) _____ implies an **Agreement + Conveyance** of property.
(a) *Sale* (b) *Defacto* (c) *None of the above*
- (4) _____ means the right is stopping the goods while they are in transit, to regain possession and retain them, till the full price is paid.
(a) *Right of Lien* (b) *Right of Stoppage in Transit*
(c) *None of the above* (d) *both*
- (5) An accommodation instrument means which has been accepted, made OR indorsed "_____" and for help of a party.
(a) *With consideration* (b) *Without consideration* (c) *Maxim*
- (6) _____ is taking something away as punishment.
(a) *Forfeit* (b) *Fraud* (c) *None of the above*
- (7) _____ means a court order to a party to carry out his obligation in a contract.
(a) *Agency* (b) *Lieu*
(c) *Specific Performance* (d) *None of the above*
- (8) Damages which are not fixed for a fixed amount of money but are awarded by a court as a matter of discretion are _____.
(a) *Liquidated Damages* (b) *Unliquidated Damages*
(c) *None of the above*

(9) _____ is rule of law by which a person is prevented from denying or asserting a fact in legal proceedings.

- (a) *Estoppel* (b) *Injunction*
(c) *Agreement* (d) *None of the above*

(10) Bill of Exchange has _____ parties.

- (a) 2 (b) 3
(c) 4 (d) *None of the above*

(b) True or False (Any 7)

07

- 1) Anyone can be a drawee in case of Bill of Exchange.
- 2) Contract= Agreement + Enforceability.
- 3) I promise to pay B OR order Rs. 500/- is an example of a promissory note.
- 4) Consumer is a person who buys and uses goods and services.
- 5) A Contract of Indemnity has 2 parties.
- 6) When possession is deemed to be transferred is Constructive Delivery.
- 7) Buyer means a person who buys OR agrees to buy goods i.e. a mere agreement to buy is enough to make a person a buyer.
- 8) Fine for cheque bouncing is thrice the amount of cheque.
- 9) An unpaid seller has no rights.
- 10) Contingent Contract does not depend on happening or non-happening of some event in future.

Q.2 Define consideration and explain the essential of valid consideration? 15

OR

Q.2 What do you mean by Principle and agent relation. Discuss the Rights, Duties and Liability of an agent? 15

Q.3 Explain "Fraud" as defined in the Indian Contract Act, 1872. Distinguish between Fraud and Misrepresentation. 15

OR

Q.3 (a) When is consent said to be free? Explain briefly 07

(b) Discuss the duties of the bailor and bailee? 08

Q.4 What is a contract of sale of goods? What are the distinguishing points between sale and agreement to sell? 15

OR

Q.4 Explain holder in due course. What are his privileges? 15

Turn Over

3

Q.5 Write short notes on **any three** of the following:

15

- a) Minor's Agreement
 - b) Essential of Wager Agreements
 - c) Bill in set
 - d) Exceptions to Doctrine of Caveat Emptor
 - e) Rights of bailor
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