

- N.B. 1. All questions are compulsory and carry equal marks. 2. Figures to the right indicate full marks. 3. Illustrate answers with examples, cases where necessary. 4. Answer each question on a **new page**. 5. Each Answer must have the correct question No. and sub-No. in the margin.



Q.1A Answer any 08 of the 10 Fill in the blanks with the appropriate words

(8)

- 1.A.a The terms of contract must be certain and not _____.
- 1.A.b The term _____ in relation sale of goods means ownership in goods.
- 1.A.c A _____ is a stipulation collateral to the main purpose of the contract.
- 1.A.d Transfer of _____ instrument to another person by signing on it is called as indorsement .
- 1.A.e In a _____ the person who makes promise to pay is called as maker.
- 1.A.f A _____ party to a contract is a Stranger to a contract, thus cannot sue.
- 1.A.g Generally, right of lien can be exercised even through part _____ of goods.
- 1.A.h In case of _____ by an unpaid seller, the seller must give notice to the defaulting buyer.
- 1.A.i Risk prima facie _____ with property.
- 1.A.j In a contract of _____ purchase, the payment is made in installments.

Q.1B Answer any 07 of the 10 stating whether the following are True or False

(7)

- 1.B.i Accommodation Bill of Exchange is accepted without consideration.
- 1.B.ii The life of a cheque is five months from the date of issue.
- 1.B.iii A promissory note is an unconditional undertaking.
- 1.B.iv Drawee and acceptor are different.
- 1.B.v The Banker is the drawee in case of a cheque..
- 1.B.vi A negotiable instrument may not be written.
- 1.B.vii Omission of date will annul the instrument..
- 1.B.viii Negotiable instrument can be in terms of money or kind.
- 1.B.ix It is only the RBI that can create a promissory note payable to bearer.
- 1.B.x A Bill of Exchange can be conditional.

Q.2a Discuss essentials of valid contract. (15)

OR

Q.2b Define and explain "Consideration".

Q.3a Who is an unpaid seller? What are his rights? (15)

OR

Q.3b. Explain 'condition' and 'warranty' in a contract of sale.

Q.4a Explain the Characteristics of a negotiable instrument. (15)

OR

Q.4b Define a promissory note. Explain its essential characteristics.

Q5 Write briefly explanatory notes on any **Three**:

(5 marks each) (15)

- 5a. Unlawful consideration.
- 5b. Distinguish Sale with Agreement to Sell.
- 5c. Holder in Due Course.
- 5d. Sub-Agent.
- 5e. Bill of Exchange.