## PARUL UNIVERSITY FACULTY OF LAW LL.B. Summer 2018 – 19 Examination

(15)

Enrollment No:

## **Instructions:**

- 1. All questions are compulsory.
- 2. Figures to the right indicate full marks.
- 3. Make suitable assumptions wherever necessary.
- 4. Start new question on new page.
- **Q.1 Do as directed.** (1 marks each. All Compulsory)
  - 1. The grace period for maturity of Bill of Exchange and Promissory Note is 30 days. (True/False)
  - 2. The negotiable instruments are non-transferable. (True/False)
  - 3. In case of dishonor of cheque, demand notice to the maker of cheque must be served within 45 days of date of dishonor. (True/False)
  - 4. Only immovable goods are covered under the Sale of Goods Act, 1930. (True/False)
  - 5. Caveat Emptor means
    - (a) Buyer must be aware.
    - (b) Seller must be aware.

- (c) Buyer must take a chance. (d) Seller must take a chance
- 6. A, a contractor, appointed B to manage his entire work. It was agreed that B would receive 50% of the profits as his remuneration and would bear all the losses, if any. Here, B is
  - (b) A's agent
  - (a) A's partner (c)Sole proprietor
    - (d)None of these
- 7. Which of the following statement about a minor partner is incorrect?
  - (a) A minor can be admitted only to the benefits of an existing firm.
  - (b) A minor cannot be admitted to the benefits of a new firm taking minor as partner.
  - (c) A minor cannot be a full-fledged partner in a firm.
  - (d) A minor can be a full-fledged partner in a firm.
- 8. In a partnership firm, the difference of opinion over some 'fundamental matter' can be settled
  - (a) All the partners (b)Majority of partners (c) Senior partners
    - (d)Managing partner.
- 9. Which of the following is an absolute duty and cannot be excluded by an agreement to the contrary?
  - (a) Duty to share losses equally.
  - (b) Duty to indemnify for loss caused by partner's fraud.
  - (c) Duty to indemnify for loss caused by negligence.
  - (d) Duty to account for profits of a competing business.
- 10. Before attaining the age of majority, a minor admitted to the benefits of a firm has the right to (a) Receive agreed share of property and of profits.
  - (b) Access and to inspect the accounts of the firm.
  - (c) Sue the firm for his share of property or profits.
  - (d) All of the above
- 11. "Indemnity" means
  - a) Security from damage or loss c) An act for protection
- b) Security for more profit
- d) Both (a) and (b)
- 12. The contract of insurance is infact contract of
  - a) Urgency b) Indemnity
  - d) None of above c) Both (a) and (b)
- 13. Any guarantee obtained by means of misrepresentation made by the creditor or with his knowledge and assent concerning a material part of the transaction is
  - a) Valid b) Invalid
  - c) Both (a) and (b) d) None of above

| <ul> <li>a) Bailor</li> <li>b) Bailee</li> <li>c) Both (a) and (b)</li> <li>d) None of above</li> <li>15. A hires a carriage of B. The carriage is unsafe though B is not aware of it and A is injured.</li> <li>a) B is responsible to A for the injury</li> <li>b) B is not responsible to A for the injury</li> <li>c) No one is responsible to each other</li> <li>d) None of above</li> </ul> | 15)         |
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| <ul><li>15. A hires a carriage of B. The carriage is unsafe though B is not aware of it and A is injured.</li><li>a) B is responsible to A for the injury</li><li>b) B is not responsible to A for the injury</li></ul>  | 15)         |
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| 1. Doctrine of caveat emptor.  |             |
| <ol> <li>Contingent Goods.</li> <li>Characteristics of Negotiable Instruments.</li> </ol>  |             |
| 4. Difference between indemnity and guarantee.   |             |
| 5. Difference between an agent and a servant.  |             |
|  |             |
| Q.3 A) Discuss various types of Negotiable Instruments with their characteristics.   | <b>08</b> ) |
| OR   |             |
| A) Explain the rights of Unpaid seller under the Sale Goods Act, 1930. (   | <b>08</b> ) |
|  |             |
|  | 07)         |
|  | 07)         |
| <b>B</b> ) Discuss the effect of non-registration of a partnership firm.   | 07)         |
| <ul><li>Q.4 A) "All partners are agents of the firm. The vice-versa is not true". Discuss the same in the background of post Cox v. Hickman (1860) decision.</li></ul>   | 07)         |
|  | 08)         |
| <ol> <li>Future Goods.</li> <li>Essential elements of Contract of Sale.</li> </ol>   |             |
| 3. Rights of indemnity holder when sued  |             |
| 4.Uberrimae Fidei Contract   |             |

5. Kinds of Guarantee