

10. Answer the following:

- a) A minor who was a very promising tennis player received coaching lessons in tennis from a professional under an agreement by virtue of which the coach was to be paid a certain sum of money for coaching. The money was not paid and the coach filed a suit. Is he entitled to get a decree under the Indian Contract Act, 1872?
- b) The plaintiff, a doctor, purchased from a retailer two woolen underpants manufactured by the defendants. Next day after wearing one of them he became ill. His illness was diagnosed as dermatitis caused by a chemical irritant which the defendants had negligently omitted to remove in the process of manufacture. By explaining *fitness for buyer's purpose* state whether the defendant is held liable to the plaintiff under the Sale of Goods Act, 1930.
- c) A letter which was addressed to Mr. A contained the following statement: "*In your account of Rs. 5000 is due from my son Mahesh, I shall pay the amount by December 2016. You rest assured.*" It was contended that it should not be treated as a promissory note because the person to whom the amount was to be paid was not indicated therein. Can it be treated as a *promissory note*. Also bring out the essentials of a valid promissory note under the Negotiable Instruments Act, 1881.

PART-C

Answer any five of the following:

(30x1=30)

- 11. An accused is required under the Criminal Procedure Code to furnish a surety in the sum of five thousand rupees for his good behaviour. He deposits the sum with the defendant and persuades him to become surety. After the period of suretyship is over the accused sues the defendant for the amount. By explaining under what circumstance an agreement becomes *unlawful*, state whether the agreement is valid and the money is recoverable under the provisions of the Indian Contract Act, 1872.
- 12. A signs his name on a blank but stamped instrument. He gives the paper to B with authority to fill it up as a promissory note for Rs. 5000 only. But B fraudulently fills the paper for Rs. 10000 the stamp put upon it being sufficient to cover the amount. He then hands it to H for Rs. 10000, who takes it without notice of fraud. By explaining the rights and privileges of a *Holder in Due Course*, state whether A will be bound to pay the full amount to H.

PAPER-II
CONTRACT LAW AND NEGOTIABLE INSTRUMENT ACT

PART-A

Answer any five of the following:

(5x5=25)

1. Explain the essentials of a *valid contract*.
2. It is the general rule that only an owner can ordinarily create a valid pledge. But in certain cases even a non-owner can create a valid pledge.
3. Explain the general features of a *bailment*.
4. Explain the difference between a *sale* and an *agreement to sell*.
5. Explain the *rights of partners*.
6. Differentiate between a *cheque*, *bill of exchange* and a *promissory note*.

PART-B

Answer any three of the following:

(15x3=45)

7. 'A' undertakes to write a book in six volumes; each volume dealing with a distinct subject. After completing three volumes 'A' becomes blind. Can 'A' get payment for the work done? Give your decision supported by reasons under Indian Contract Act, 1872.
8. A company issued a cheque on its bankers. A receipt was appended to the cheque and it ordered the banker to make the payment "provided the receipt form at foot hereof is duly signed, stamped and dated." By explaining the *cheque*, state the validity of the cheque.
9. The plaintiff and the defendant were in business in partnership. Their business was in dissolution. The defendant, being the managing partner, the conduct of dissolution was left to him. He was advised by the plaintiff to dispose of immediately certain bales of cotton which constituted a part of the company's assets. But the defendant said that it should be done at the end of the dissolution. By that time prices of cotton went down materially and the goods realized much less than they would have done otherwise. Explain whether the loss was due to the willful neglect of the defendant. Also explain the duties of the partners.