

LAW OF SPECIAL CONTRACTS

Time: 3 Hours

Maximum Marks: 50

PART A

Answer ANY FIVE Questions. Each question carries FOUR marks

(5 X 4 = 20)

- I. ~~(a)~~ What is a contract of indemnity? What are the rights of an indemnity holder?
✓(b) Define bailment. What are the duties of a bailor of goods?
(c) What is a pledge? Explain the law on redemption of goods.
(d) What is a partnership? How is it different from joint ownership of property?
~~(e)~~ Who can be an agent? What are the rights of an agent?
✓(f) Distinguish between a condition and a warranty. What are the implied conditions mentioned under the Sale of Goods Act, 1930?
(g) Differentiate between transfer of property and transfer of possession under the Sale of Goods Act, 1930.
✓(h) What is a bill of exchange? How is it different from a promissory note?

PART B

Answer ANY TWO Questions. Each question carries SIX marks)

(2 X 6 = 12)

- ✓II. Sujit employed an agent to buy a car for him. The agent entrusted Amjad, a car mechanic, to identify a suitable car. Based on the recommendation of Amjad, the agent bought a car for Sujit. The car broke down in a week. Examine the rights of Sujit in relation to this transaction and his remedies available against the agent and Amjad.
- III. Xavier sold his laptop to Bajwa on 1 January 2017. Bajwa took the laptop with him after giving a cheque dated 10 January 2017 for the price. On 12 January 2017, when Xavier presents the cheque for payment, it is returned for insufficiency of funds. Advise Xavier in respect of remedies, if any, available to him (i) for recovery of price, (ii) for recovery of the laptop.
- IV. Sonam lets her maid purchase groceries for the household from the neighbourhood super market on credit and personally settles it at the beginning of every month based on accounts kept by the maid. Is Sonam liable to settle the bill if her maid has purchased grocery more than what was required for her household? Advise.

PART C

(Answer ANY TWO Questions. Each question carries NINE marks.

(2 X 9 = 18)

- ✓V. To what extent can a partner bind his firm using his implied authority? What are the mutual rights and obligations of partners?
- ✓VI. What is a guarantee? What are the rights of a guarantor available against the ~~surety~~ ^{creditor} and the principal debtor?
- VII. Explain the remedies available to a holder of a negotiable instrument against the maker thereof. How is it different from that which is available to a holder in due course?