

# School of Law

Bachelor of Law  
ETE - Jun 2023

Time : 3 Hours

Marks : 100

Sem II -

J1UB202T/BLA01134/BLA02134/BBLB1027

Law of Contract II

*Your answer should be specific to the question asked Draw neat labeled diagrams wherever necessary*

1. X, Y and Z have started a partnership firm. They have taken a loan from a nationalised bank, and as security for the loan, they have given a 20 per cent share in profit to the bank as well as some control in the management of the business of the firm. Whether the bank would be liable to the third party as a partner? K1 CO1 (5)
2. What are the rights available to a finder of goods under Sections 168 and 169 of the Indian Contract Act, 1872? K1 CO1 (5)
3. Explain the doctrine of 'caveat emptor' and state its exceptions. K2 CO2 (5)
4. Discuss in detail, the definition of "Goods" as given under the Sale of Goods Act, 1930. K2 CO2 (10)
5. Define "Unpaid Seller". When can an unpaid seller exercise his right of lien on the goods and when is this right terminated? K3 CO3 (10)
6. Highlight the main points of difference between a Contract of Indemnity and a Contract of Guarantee with suitable examples. K3 CO3 (10)
7. What are the rights available to a pawnee in a contract of Pledge? K4 CO4 (10)

**OR**

- Highlight the rights and duties of a bailee in a contract of bailment. K4 CO5 (10)
8. 1. A agrees to sell B ten bales of Egyptian cotton out of 100 bales lying in his godown. The godown had been destroyed by fire at the time of the contract. A is unaware of this fact. Who is to bear the loss? Give reasons.  
2. Distinguish between condition and warranty. When does a condition become a warranty? Explain by giving illustrations. K5 CO6 (15)

**OR**

- "If certain duties necessary to protect the interest of bailor are not imposed upon the Bailee under contract of bailment, no person shall be willing to be a party as bailor in such contract." In the light of this statement discuss the duties of a Bailee. K5 CO4 (15)
9. There are various rights available to an Agent under the Indian Contract Act, 1872. Explain the same with relevant provisions. K5 CO6 (15)
  10. Explain the principle enshrined in the ancient Latin maxim "*Nemo dat quod non habet*" and discuss the exception drafted to the said rule for the protection of commercial transactions. K4 CO5 (15)