



Even Semester End Term Examination, May / June 2026

Date: 27/05/2026

Time: 09.30 AM - 12.30 PM

Course Code: LAW2025

Course Name: Law of Contract II

Semester: Second Semester

Max. Marks: 100

Weightage: 50%

CO - Levels	CO1	CO2	CO3	CO4	CO5
Marks	16	76	104	82	82

PART A: Answer Following Questions. 20 M

Qn.No	Questions	M	CO	BT
1	Define the terms "Buyer" and "Seller" given under the Sale of Goods Act, 1930 ?	2	CO1	BT1
2	What is meant by "Goods" under the Sale of Goods Act, 1930 ?	2	CO1	BT1
3	Define the term "Insolvent" under the Sale of Goods Act, 1930.	2	CO1	BT1
4	Explain the meaning of "Price" under the Sale of Goods Act, 1930 ?	2	CO1	BT2
5	Explain the concept of Contract of Indemnity under the Indian Contract Act, 1872, with a suitable example.	2	CO1	BT2
6	Define "Partnership," "Partner," "Firm," and "Firm Name" under Indian Partnership Act, 1932 ?	2	CO2	BT1
7	Define "Agent" and "Principal" under Section 182 of the Indian Contract Act, 1872 ?	2	CO1	BT1
8	"Who may employ an agent" and "who may become an agent" under Sections 183 and 184 of the Indian Contract Act, 1872 ?	2	CO2	BT2
9	Define "Bailment," "Bailor," and "Bailee" under Section 148 of the Indian Contract Act, 1872 ?	2	CO2	BT1
10	Explain "Pledge," "Pawnor," and "Pawnee" under Section 172 of the Indian Contract Act, 1872.	2	CO2	BT2

PART B: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
11	Apply the provisions of the Indian Contract Act, 1872 to explain the	10	CO3	BT3

	various grounds on which the Revocation of authority can be done in a contract of agency under Indian Contract Act 1872.			
12	Discuss the circumstances under which a surety is discharged from liability under the Indian Contract Act, 1872 ?	10	CO2	BT4

PART C: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
13	Apply the provisions of the Indian Contract Act, 1872 to explain the concept of contract of pledge, Pawnor and Pawnee. Further, illustrate the respective rights of the pawnor and pawnee with suitable legal examples.	10	CO3	BT3
14	Explain the legal consequences of mixture of goods by the bailee with the consent of the bailor and without the consent of the bailor under Sections 155, 156, and 157 of the Indian Contract Act, 1872.	10	CO3	BT3

PART D: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
15	Apply the provisions of the Indian Contract Act, 1872 to explain how a surety may enforce his rights against (i) the principal debtor, (ii) the creditor, and (iii) co-sureties in a contract of guarantee.	10	CO3	BT3
16	" <i>Nemo dat quod non habet</i> - A seller cannot convey a better title to the buyer than he himself has". Explain this rule given under sales of goods act 1930 and also discuss if there are any exceptions to this general rule.	10	CO3	BT3

PART E: Answer Any 1 Following Questions. 15 M

Qn.No	Questions	M	CO	BT
17	Define and explain the concept of Contract of Indemnity under Section 124 of the Indian Contract Act, 1872. Further, discuss the rights of an indemnity-holder when sued. Answer with reference to relevant statutory provisions and leading case laws.	15	CO2	BT3
18	Mr. Arun, the owner of a vintage motorcycle, delivered it to M/s Speedline Motors, a mercantile agent, authorising them to sell it for not less than ₹5,00,000. Contrary to Arun's instructions, the agent sold the motorcycle to Ms. Neha for ₹4,20,000. Neha purchased the motorcycle in good faith, without notice of the agent's lack of authority, and paid the full amount. The agent thereafter absconded with the sale proceeds without remitting any money to Arun.	15	CO2	BT4

Arun files a suit against Neha seeking recovery of the motorcycle, contending that:

1. 1. The agent acted beyond the scope of authority by selling below the reserve price;
2. 2. The fraudulent conduct of the agent vitiated Arun's consent;
3. 3. Since the agent misappropriated the proceeds, no valid title could pass to Neha.

Neha argues that she is a bona fide purchaser for value without notice, and that under the law relating to mercantile agents, she has acquired good title to the motorcycle.

Discuss, with reference to the principles laid down in *Folkes v King (1923) 1 K.B. 282*, whether Neha acquires a valid title to the motorcycle.

PART F: Answer Any 1 Following Questions. 15 M

Qn.No	Questions	M	CO	BT
19	Discuss in detail the rights of an unpaid seller against the goods under the Sale of Goods Act, 1930. Explain the various remedies available to an unpaid seller where the buyer fails to make payment.	15	CO4	BT4
20	Ramesh appoints Suresh as his commission agent to negotiate and conclude sales of agricultural produce on his behalf. Under their agreement, Suresh is entitled to 5% commission on every transaction concluded through his efforts. All sale records, invoices, and payment receipts are maintained exclusively by Ramesh, and Suresh has no independent access to these accounts. After several successful transactions, Ramesh refuses to disclose the details of sales and denies payment of commission. Suresh files a suit seeking rendition of accounts against Ramesh. Discuss whether Suresh, as an agent, can maintain a suit against the principal for accounts. Refer to relevant provisions of the Indian Contract Act, 1872, and judicial principles laid down in the case of <i>Naradas v Pappamma AIR 1967</i>	15	CO4	BT4

PART G: Answer Any 1 Following Questions. 20 M

Qn.No	Questions	M	CO	BT
21	Analyze the salient features of the Limited Liability Partnership Act, 2008 with reference to the liability.	20	CO5	BT4
22	After the death of their father, Amit and Rohit jointly inherited agricultural land. Instead of partitioning the property, they sold part	20	CO5	BT4

of it for ₹10,00,000 and used the money to start a furniture trading business together. They did not execute any written partnership deed, but both actively participated in the business and agreed orally to share profits equally. Later, a dispute arose with a customer regarding unpaid dues, and Amit and Rohit jointly filed a suit to recover the money.			
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The defendant argues that since there was no written partnership agreement, Amit and Rohit cannot be treated as partners and therefore cannot sue as a firm.

Discuss whether Amit and Rohit constitute a partnership under law with reference to the case of Abdul Badshah Saheb v. Century Wood Industry (1954). Refer to relevant statutory provisions and case law.