

**JSM – 21/6**

**Law of Contract**

*Time : 3 hours*

*Full Marks : 150*

*The figures in the right-hand margin indicate marks.*

*Candidates should attempt **six** questions, selecting **two** from Section – A, **two** from Section – B and **one** each from Section – C and Section – D.*

**Section – A**

1. (a) Define Consent. When is it said to be free ?  
10  
(b) What is 'Coercion' ? What happens to the contract where the consent is caused by 'Coercion' ? Distinguish between Coercion and Undue Influence. 15
2. (a) An offer has value or legal consequences only when accepted. Define acceptance. Explain the conditions for a valid acceptance.  
15  
(b) Explain the law relating to 'Mistake'. 10

3. (a) Define 'Indemnity'. Distinguish between 'Contract of Indemnity' and 'Contract of Guarantee'. 15
- (b) What are the rights of 'indemnity-holder'? 10

### Section – B

4. (a) What is a contract of Sale ? Distinguish between Sale and Agreement to sell. 15
- (b) Explain the implied conditions in a contract of sale of goods. 10
5. (a) Define Price. How is the price of goods ascertained ? 10
- (b) Differentiate between 'Condition' and 'Warranty'. 15
6. (a) Explain the maxim **Nemo Dat Quod Non-Habet**. State the exceptions to this, if any. 15
- (b) Define 'Unpaid seller'. Comment on the following :  
'The right of stoppage in transit is just an extension of the right of lien'. 10

### Section – C

7. (a) Define Partnership. What are the different kinds of partnership ? 10
- (b) Write a note on the types of partners. 15
8. (a) Differentiate between a Partnership and a Company. 10
- (b) Explain the rights and duties of Partners. 15
9. (a) What do you understand by the registration of partnership firm ? What are the consequences of non-registration ? 15
- (b) Discuss the provisions with respect to dissolution of the firm. 10

### Section – D

10. (a) Differentiate between the three kinds of negotiable instruments mentioned in the Negotiable Instruments Act. 15
- (b) Write a note on the crossing of cheques. 10

11. (a) Differentiate between Holder and Holder in Due Course. 10
- (b) What is negotiation under the Negotiable Instruments Act. Explain the various kinds of negotiation. 15
12. Section 138 of the NI Act deals with the punishment for dishonour of cheques. Discuss, in detail, the important points of the said provision. 25

