UNIT I

1. **Define contract**

   Sec 2(h) of Indian contract act define a contract as "an agreement enforceable by law"

2. **What do you mean by agreement ?**

   Sec 2(b) of act "every promise and every set of promises forming the consideration for each other"

3. **Tell the meaning of Promise**

   A proposal when accepted becomes a promise.

4. **Find the meaning of "Consensus ad idem"**

   It means both the parties must agree on the same thing in the same sense.

5. **Who are declared as Incompetent to contract?**

   1. Minor 2.Persons of unsound mind 3. Persons disqualified by law

6. **Recall the meaning of valid contract**

   An agreement which is enforceable by law is said to be valid contract

7. **What is void contract ?**

   A contract which ceases to be enforceable by law becomes void when it ceases to be enforceable.

8. **What is voidable contract ?**

   An agreement enforceable by law at the option of one or more of the parties not at the option of others.

9. **What is Illegal Contract?**

   An Illegal contract is one which breaks some rule of basic public policy or criminal in nature. It is void ab initio

10. **Tell the meaning of offer.**

   A proposal made by one party to another to enter into a legally binding agreement with him.

UNIT II

11. **What is consideration?**

   Something in return. It is the price for which the promise of other is bought.

12. **Name the kinds of consideration.**

   Past, Present and future consideration

13. **Tell the meaning of capacity to contract.**

It means competence of the parties to enter into a valid contract

14. **Who is a minor?**

A minor is a person who has not completed 18 years of age.

15. **What is void ab initio?**

Void from the very beginning and not voidable

16. **Tell the persons of unsound mind.**

1. Idiot 2. Lunatics 3.Drunken

17. **Name any two persons disqualified by law ?**

1.Alien Enemy 2. Insolvents

18. **Define free consent.**

When two or more persons agree upon the same thing in the same sense it is free consent"

19. **What is coercion?**

Coercion means forcibly compelling a person to enter into a contract

20. **What is misrepresentation?**

A statement or assertion made by one party to the other.

UNIT III

21. **What is contract of Indemnity**

To make good the loss

22. **How many parties involved in contact of indemnity ?**

Two parties . they are Indemnifier 2. Indemnity holder

23. **Define contract of guarantee**

Sec126 of the act "a contract to perform the promise or discharge the liability of a third in case of his defaults.

24. **How many parties involved in contract of guarantee?**

Three parties involved. They are 1) Surety 2) Principal debtor c) Creditor

25. **What is contract of bailment?**

Delivery of goods by one person to another for some purpose.

26. **What is lien?**

Lien denotes the right to retain the possession until a debt due to him is satisfied.

27. **Who is a finder of goods ?**

A person who finds lost goods and holds them for the true owner.

28. **Recall the meaning of Pledge.**

Bailment of goods as security for payment of debt or performance of a Promise

29. **What is Mortgage ?**

Transfer of interest in the immovable property for the purpose of securing the payment of loan is called mortgage.

30. **Who are the person involved in plege?**

Pawnor : Bailor & Pawnee : Bailee

IV UNIT

31. **Define sale**

A contract of sale, sales contract, sales order, or contract for sale is a legal contract for the purchase of assets by a buyer from a seller

32. **What is agreement to sell**

An agreement of sale constitutes the terms and conditions of sale of a property by the seller to the buyer.

33. **Define goods**

“Every kind of movable property other than actionable claims and money

34. **What is warranty?**

A *warranty* is a product manufacturer or service provider's documented guarantee of quality as promised to a customer

35. **What is expressed condition?**

An express condition is the manifested intention of the parties.

36. **What is doctrine of caveat emptor?**

Caveat Emptor. Latin for "let the buyer beware."

37. **What does caveat emptor mean in real estate?**

It is a principle of contract law in many jurisdictions that places the onus on the buyer to perform due diligence before making a purchase.

38. **What do u mean by unpaid seller?**

A seller of goods is an unpaid seller within the meaning of the Sale of Goods Act 1979 when the whole price has not been paid

39. **What is right to stoppage in transit?**

The right of stoppage in transit means that an unpaid seller has the right to stop the goods while they are in transit

40. **What is right of lien?**

A lien is a legal right granted by the owner of property, by a law or otherwise acquired by a creditor.

UNIT V

41. **Define Agent**

A principal or agent is the legal agreement when one party acts on the behalf of the other.

42. **Define principal**

Principal is a person, legal or natural, who authorizes an agent to act to create one or more legal relationships with a third party.

43. **What does indemnity mean in legal terms?**

An indemnity contract arises when one individual takes on the obligation to pay for any loss or damage

44. **What is right of lien?**

A lien is a legal right granted by the owner of property, by a law or otherwise acquired by a creditor.

45. **Define substituted agent**

A Substituted agent is a person who is named by the Agent for performing such part of the business of the agency as is entrusted to him.

46. **How an agency be terminated when is it irrevocable?**

An agency may terminate in the same way as a contract is discharged except where the agency is irrevocable.

47. **What is agency by estoppels?**

The principal may be bound by the acts of the agent performed on the principal's behalf.

48. **Who is pretended agent?**

A person untruly representing himself to be the authorized agent of another,

49. **What is ostensible or apparent authority?**

A situation where a reasonable third party would understand that an agent had authority to act

50. **What is a seller's sub agent?**

Sub-agency is a type of brokerage relationship. ... When this happens, the other cooperating broker becomes a “sub-agent” of the listing broker.

UNIT I

1. Examine the Elements of contract
2. Interpret about Revocation
3. Assess the rules governing acceptance
4. Relate voidable contract and Void agreement
5. Sketch the rules as to communication of offer and acceptance

UNIT II

6. Demonstrate Wagering and contingent contract
7. Examine Consideration and rules governing consideration
8. Interpret No contract No consideration
9. Show the Persons of unsound mind.
10. Sketch the essentials of Coercion & undue influence

UNIT III

11. Find the essentials of contract of guarantee
12. Relate contract of Guarantee and Indemnity
13. Examine the requisites of Bailment and differentiate with Pledge
14. Show the Law relating to lien
15. Assess the duty of Finder of goods

UNIT IV

16. Examine the rights of unpaid seller
17. Sketch the different kinds of goods
18. Examine the difference between the sale and agreement to sell
19. Dramatize the exceptions of Doctrine of caveat emptor
20. Examine the difference between the condition and warranty

UNIT V

21. Examine the various rights of Agent
22. Sketch the essential as to agency
23. Examine the duties of principal to agent
24. Examine the rights of principal
25. Examine the termination of agency

UNIT I

1. Explain the Essentials elements of a valid contract
2. Classify the types of contract
3. Point out the essentials for making an offer
4. Outline the essential conditions of acceptance .
5. Categorize the different Methods of revocation

UNIT II

6. Explain the rules governing consideration
7. Examine the Exception to the privity of contract
8. Compile the law relating to minor & person disqualified by law.
9. Classify the Kinds of mistake
10. Outline the essentials of Fraud

UNIT III

11. Determine the Rights of surety
12. Deduce how surety is discharged from his liability
13. Summarise the Rights and duties of pawnor and pawnee
14. Arrange the Duties of bailor & bailee.
15. Classify the types of Bailment

UNIT IV

16. Categorize the classification of goods
17. Analyze the rights of buyer
18. Point out the duties of buyer
19. Analyze the meaning of auction sale and state the legal rules regarding the same
20. Analyse the rights of unpaid seller

UNIT V

21. Analyze the creation of agency
22. Categorize the various classification of agent
23. Printout the relationship with agent
24. Analyze the liability agent to third party
25. Explain the term Agency by estoppels

COMMERCIAL LAW
UNIT V
KI QUESTIONS

1. Sub gent is called as
   a) **Acting the control of original agen**t
   b) Bailor
   c) Bailee
   d) Principal
2. Liability by Estoppels means
   a) Liable for the unauthorized act of the agent by the principal
   b) Unlimited liability
   c) Limited liability
   d) All of the above
3. Irrevocable Agency means
   a) Agency cannot be revoked by the principal
   b) Agency can be revoked by the principal
   c) Ratification of contract
   d) Agreement
4. Who is pretended agent?
   a) Who represent himself to be an agent of another
   b) Creditor
   c) Principal
   d) Subagent
5. The agency may be terminated at any time and at any stage by the mutual agreement between -------- and ------
   a) Principal and his agent
   b) Principal and debtor
   c) Agent and sub agent
   d) All of the above
6. Express agreement means
   a) Agreement is given by words spoken or written
   b) Agreement in oral only
   c) Agreement by foreigners
   d) All of the above
7. Where acts are done by one person on behalf of another but without knowledge is called
   a) Ratification
   b) Agency by estoppels
   c) Express agreement
   d) Implied agreement

8. ----- is an agent who is employed to buy or sell goods on behalf of another
   a) Broker
   b) Principal
   c) Pretended agent
   d) Sub gent
9. ------- is an agent appointed by a seller to sell his goods by public auction.
   a) Auctioneer
   b) Broker
   c) Factor
   d) Principal
10. ----- is employed to buy and sell goods or transact business generally for other person receiving for his labour a money payment called commission
    a) Commission agent
    b) Broker
    c) Principal
    d) All of the above
11. ------ is the agent of his customer
    a) Banker
    b) Principal
    c) Agent
    d) Subagent
12. -------does not guarantee the performance of contract
    a) Del credere agent
    b) Commission agent
    c) Principal
    d) Subagent
13. ------ are those who does not come within the scope of the definition of the term mercantile agent.
    a) Non mercantile agent
    b) Del credere agent
    c) Subagent
    d) Banker
14. -------- is appointed to effect insurance policies on behalf of his principal
    a) Insurance agent
    b) Non mercantile agent
    c) Del credere agent
    d) Banker
15. **-------**is one who is appointed to perfom a special act or represent his principal in some particular transaction
    a) Special agent

b) Insurance agent
c) Del credere agent
d) Non mercantile agent

16. **------** in absence of any contract to the contrary an agent is entitled to retain goods papers and other property
    a) Right of lien
    b) General lien
    c) Particular lien
    d) All of the above
17. An authority is said to be implied when it is to be inferred from the circumstances of the case
    a) Implied authority
    b) Express authority
    c) Apparent authority
    d) All of the above
18. An authority of an agent extends to the performance of every lawful thing necessary to do an act for which he is appointed-----
    a) Ostensible or Apparent authority
    b) Express authority
    c) Implied authority
    d) All of the above
19. The principal is liable for the misrepresentation or fraud committed by his agent while acting in the course of his business is called----
    a) Liability for misrepresentation
    b) Express authority
    c) Implied authority
    d) Apparent authority
20. ----- is one which has been conferred upon the agent by his principal
    a) Real or actual authority
    b) Express authority
    c) Implied authority
    d) Apparent authority