

Register Number :

Name of the Candidate :

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**L.L.M / M.L.
DEGREE EXAMINATION, 2007**

**(BRANCH - I : CONTRACTS INCLUDING
MERCANTILE LAW)**

(FIRST YEAR)

(PAPER - II)

**120. SPECIAL CONTRACTS INCLUDING
BANKING AND NEGOTIABLE
INSTRUMENTS ACT**

May]

[Time : 3 Hours

Maximum : 100 Marks

*Answer question No. 1 and
any other FIVE questions.*

*Question No. 1 carries 25 marks
and ALL other questions carry 15 marks each.*

1. (a) A, a farmer, got a loan from B. Because of the Debt Relief Act, his liability was greatly reduced. Even then he is not in a

Turn over

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position to pay the debt. D, files a suit against the surety, for the entire amount, who argued that he is liable to pay only the reduced amount. Whether his argument is valid? Analyse the problem in the light of relevant provisions and leading cases.

(OR)

- (b) X delivers some jewellery to Y on sale or return. Without specifying any time for its return in case of non-acceptance. Y allows the jewellery to remain with himself without signifying his approval or refusal. After a month, burglary takes place in Y's house and the jewellery is stolen. Can X sue Y for the price of the jewellery? Decide in the light of relevant provisions.
2. 'Delegatus non - protest delegare'. Discuss the maxim stating the exceptions to the rule in the contract of agency.
 3. "Indemnity is not necessarily given by repayment after payment. Indemnity requires that the party to be indemnified shall never be called upon to pay" - Elucidate.

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4. "Although sharing of profits is an essential element of partnership, it is not the sole test". - Examine.
5. "A condition or warranty as to quality or fitness of the goods is implied only so far as a buyer does not buy on his own judgement". - Discuss.
6. What do you understand by presentment of a negotiable instrument? State the cases in which presentment for payment is not necessary.
7. "The right to combine several accounts kept by a customer, is a right of the banker only, not of his customer". Critically analyse the correctness of the statement.
8. Write short notes on :
 - (a) Holder in due course.
 - (b) Dishonour of cheques.
 - (c) Protection of collecting banker.