

SECTION - I

FILL UP THE BLANKS:

UNIT - I

1. The set of rules or principles enforced by the sovereign authority of the land to control the mutual dealings of the people is known as -----.
2. The literal meaning of the term "Law" is -----.
3. A rule of conduct imposed and enforced by the sovereign is called -----.
4. ----- is known as business law.
5. The contract mean an agreement which is -----.
6. ----- consists of reciprocal promises between the two parties.
7. According to ----- defines contract, as an agreement enforceable by law.
8. ----- is an agreement creating and defining obligation between the parties.
9. ----- is defined as every promise and every set of promises forming the consideration for each other.
10. TORTS means -----.
11. Agreement = ----- + Acceptance.
12. ----- = Agreement + Enforceability at law.
13. ----- is defined as the *vinculum juris*.
14. ----- means a right against or in respect of a particular person/persons.
15. ----- means a right against or in respect of a thing.
16. All ----- are not contract.
17. "Consideration is the ----- for which the promise of another is sought"
18. Consideration mean -----.
19. Consideration is known as -----.
20. An agreement without consideration subject to certain exceptions is -----.
21. Every person is competent to -----, who is of the age of ----- according to the law to which he is subject and who is of ----- is not disqualified form contracting by any law; is known as -----.
22. Two or more persons are said to consent when they agree upon the same thing in same sense is called -----.
23. The object of an agreement must be -----.
24. According to section 29 an agreement the meanings of which is not certain or capable of being made criteria are -----.
25. An agreement enforceable at law is a -----.
26. An agreement which was legally enforceable when entered into but which has become ----- due to impossibility of performance.
27. Agreement with minor is -----.
28. Section 2 (i) an agreement which is enforceable by law at the option of one or more of the parties but not at the option of the other is called -----.
29. Every void agreement is not illegal unless its objects or consideration is ----- and -----.
30. An express contract is one entered into by words which may be either spoken or written, is called -----.
31. Where the proposal or acceptance is made otherwise then words, it is known as -----.
32. A contract in which there is no intention of either side to make a contract but the law imposes a contract is known as -----.

33. An ----- is known as completed contract.
34. Where both the parties have performed their obligations or carried out the term of contract is called -----.
35. Where the contract is yet to be performed either wholly or partially or one or both the parties have to perform their obligations is called -----.
36. A ----- is one which a promisee on one side is exchanged for an act on the other side.
37. The contract where a promise on one side is exchanged for a promise on the part of other party is called -----.
38. Consideration is not essential for -----.
39. Contracts which are not formal are known as -----.
40. If the act is ----- in itself, physically or legally, it cannot be enforced at law.
41. Section 2(3) "An agreement which is not enforceable by law by either of the parties is -----.
42. A ----- agreement has from the very beginning no legal effects.
43. A void agreement is ----- and its defects are -----.
44. A voidable contract does not affect the -----.
45. Void agreement is ----- at law there does not arise any compensation on account of the non-performance of the agreement.
46. All ----- agreements are void.
47. Parties to an ----- agreement may be liable for -----.
48. A ----- contract in which there is no intention on either side to make a contract, but the law imposes as contract.

Ans: 1. Law; 2. Rules 3. Law 4. Mercantile law 5. Enforceable by law 6. An agreement 7. Section 2(b) 8. Contract 9. An agreement 10. Civil Wrong 11. Offer 12. Contract 13. Obligation 14. Right in personam 15. Right in rem 16. Agreement 17. Price 18. Something in return 19. Quid pro-quo or something in return 20. Void 21. Contracts, majority, sound mind, capacity of parties 22. Consideration ad idem 23. Lawful 24. Void 25. Valid contract 26. Void 27. Void 28. Voidable contract 29. Immoral, Opposed to public policy 30. Express contract 31. Implied contract 32. Constructive or quasi contract 33. Executed contract 34. Executed contract 35. Executory contract 36. Unilateral contract 37. Bilateral contract 38. Formal contract 39. Simple Contract 40. Impossible 41. Void 42. Void 43. Void ab initio, incurable 44. Collateral transactions 45. Unenforceable 46. Illegal 47. Illegal 48. Quasi

1. Every promise and every set of promises forming consideration for each other is an -----.
2. When one person signifies to another his willingness to do or to abstain from doing anything with a view to obtaining the assent of that other to such act is called an -----.
3. The person making the proposal is called the -----.
4. The person making the proposal is called the -----.
5. An ----- is one which may be made by words spoken or written as a letter.
6. An ----- is one which may be gathered from the conduct of the party or from circumstances.
7. An offer made to a definite person or way of persons is called -----.
8. Where an offer is addressed to the whole world is called -----.
9. A ----- inviting the public to subscribe to the shares or debentures of a company.
10. The offeror must intend the creation of -----.
11. An offer must be -----.

12. A ----- offer lapses when the condition is not accepted.
13. An offer lapses if either offeror or offeree dies before -----.
14. Acceptance must be ----- and -----.
15. An offer for the continuous supply of a certain article at a certain rate over a definite period is called a -----.
16. A ----- is a rejection of the original offer and making a new offer.
17. When two parties make identical offers to each other, in ignorance of each other offer, is known as -----.
18. Acceptance converts an offer into a/an -----.
19. Acceptance is an expression by the ----- of his consent to the offer.
20. Acceptance may be -----.
21. Acceptance must be made within a -----.
22. In ignorance of the offer of a reward, acceptance can't be treated as -----.
23. ----- is not an acceptance.
24. Communication of acceptance shall be complete against the acceptor himself when the letter reaches at the -----.
25. A notice of revocation must always be -----.
26. An notice of revocation to be effective must be communicated to the -----.
27. An offer can also lapse by -----.

Answers:

1.	Agreement	2.	Offer
3.	Proposer or offerer	4.	Offeree
5.	Express offer	6.	Implied offer
7.	Specific offer	8.	General offer
9.	Prospectus	10.	Legal relations
11.	Certain and definite	12.	Condition
13.	Acceptance	14.	Absolute, Unconditional
15.	Standing offer	16.	Counter offer
17.	Curs offer	18.	Promise
19.	Offeree	20.	Express or implied
21.	Reasonable time	22.	Acceptance
23.	Mental acceptance	24.	Offeror
25.	Express	26.	Offeree
27.	Revocation		

1. ----- means something in return for the promise.
2. ----- is the price for which the promise of other is bought and the promise thus given for value is infavourable.
3. Consideration must be given at the desire of the -----.
4. Consideration be an -----, ----- and -----.
5. In case of consideration, the desire of the promisor may be -----.
6. When the consideration for a present promise was given before the date of the promise is known as -----.
7. When the consideration for a promise is given simultaneously with the promise is called -----.
8. Consideration need not be ----- but an agreement without consideration is void.
9. Consideration must be -----.
10. Consideration of an agreement is lawful, unless it is -----.
11. ----- means the relationship subsisting between the parties to a contract.
12. A promise without consideration is -----.

13. Nadum Pactum is called -----.
14. Natural love and affection is not a ----- where a promise is made.
15. Contract entered into by an agent can be enforced by the -----.
16. A contract of ----- is made without consideration.
17. No consideration is required for an agreement to receive less than what is due, this is called -----.
18. According to Section 185, which says that no consideration is needed to create -----.
19. A contract without consideration is -----.
20. A ----- can be a consideration for another promise.
21. A contract of ----- is made without consideration.
22. An oral promise to pay a time-barred debt is -----.
23. No consideration is needed to create an -----.

Answers:

- | | |
|---------------------------------|------------------------------------|
| 1. Consideration | 2. Consideration |
| 3. Promisor | 4. Past, Present and Future |
| 5. Express or implied | 6. Past consideration |
| 7. Present consideration | 8. Adequate |
| 9. Real and Lawful | 10. Forbidden by law |
| 11. Privity | 12. Null and Void |
| 13. Naked Promise | 14. Contract |
| 15. Principal | 16. Guarantee |
| 17. Remission in the law | 18. An agency |
| 19. Void | 20. Promise |
| 21. Guarantee | 22. Unenforceable |
| 23. Agency | |

1. Person of unsound mind, persons who are disqualified by law and a minor if any one of the above enters into a contract that contract is known as -----
2. The Indian Majority Act is Majority Act -----.
3. A guardian of a minor cannot bind the minor by the agreement for the purchase of -----.
4. A minor can't be declared to be -----.
5. Contract made by a person of unsound mind is -----.
6. Unsound mind does not mean ----- or loss of memory.
7. An idiot is a person with no intervals of -----.
8. To whom mental power of understanding even ordinary matters are absent because of lack of development of brain is known as -----.
9. ----- means disease of the brain.
10. An ----- is competent to contract with citizens of India living in India.
11. A ----- is personally liable for necessaries supplied to him.
12. Minor can be a ----- or -----.
13. Contracts with alien enemy are -----.
14. Those things that are essentially needed by a minor, is known as -----.
15. A tort is a -----.
16. No doubt, minor has got protection but he has no liberty to ----- other.
17. An ----- cannot enter into a contract as his properties are vested with the official receiver or official assignee.
18. There is always a presumption in favour of -----.

19. ----- means not only lack of capacity to understand the terms of the contract but also law of understanding to realise the contract of the terms of the contract.

Answers:

1.	Void	2.	1875
3.	Immovable Property	4.	Insolvent
5.	Void	6.	Weakness of mind
7.	Saneness, idiot or idiocy	8.	Unsoundness
9.	Lunacy	10.	Alien
11.	Minor	12.	Promisee, Beneficiary
13.	Void	14.	Necessaries
15.	Civil wrong	16.	Cheat
17.	Insolvent	18.	Sanity
19.	Unsoundness of mind		

1. According to Section 13, two or more persons are said to consent when they agree upon the same thing in the same sense is known as -----.
2. For a valid contract, it is necessary that the consent of the parties to be contract must be -----.
3. Free consent is an essential requisite of a -----.
4. A threat or force used by one party against another for compelling him to enter into an agreement is known as -----.
5. An agreement consent to which is obtained by coercion is -----.
6. ----- mean a relation or mutual trust and confidence.
7. Undue influence is suspected in case of -----.
8. Coercion involves the use of -----.
9. Undue influence involves the use of -----.
10. When the consent of the promisor is obtained by coercion, the contract is -----.
11. ----- mean the misrepresentation of a fact with the intention to deceive the other party. (Sec. 19)
12. ----- means false representation.
13. If the false statement is known to be false by the person making it, it is called -----..
14. ----- gives a right to avoid a contract.
15. A false statement made with an intention to deceive is -----.
16. The parties intending to do one thing have by intentional error done something else is known as -----.
17. An intentional misrepresentation is called -----.
18. A friendly advice or persuasion would not constitute -----.
19. ----- involves a criminal act while there is no criminal act is -----.
20. Caveat emptor means -----.
21. In a contract of 'absolute faith' mere silence about material facts will be taken as -----.
22. Mere silence is not -----.
23. ----- may amount an offence of cheating.
24. In case of fraud, the aggrieved party has the right to claim -----.
25. 'ignorance juris non excusal' means -----.
26. Mistake as to subject matter falls into ----- heads.

Answers:

1.	Consensus ad idem	2.	Real and Free
3.	Valid contract	4.	Coercion

5.	Voidable	6.	Fiduciary relation
7.	Inadequacy of consideration	8.	Physical force
9.	Moral pressure	10.	Voidable
11.	Fraud	12.	Misrepresentation
13.	Fraudulent misrepresentation	14.	Misrepresentation
15.	Fraud	16.	Mistake
17.	Fraud	18.	Undue influence
19.	Coercion, Undue influence	20.	Buyer beware
21.	Fraud	22.	Fraud
23.	Fraud	24.	Damages
25.	Ignorance of law is no excuse	26.	Sex

- The collateral transactions to an illegal agreement are -----.
- Wager means -----.
- A promise to give money or money's worth upon the determination of ascertainment of an uncertain event is called -----.
- 'A' agrees to sell 'B' a hundred tons of oil. There is nothing whatever to show what kind of oil was intended to be sold. This agreement is ----- for -----.
- An agreement which purports to oust of the jurisdiction of the courts is continuance of -- ----- and its -----.
- Void mean -----.
- A partner of a firm may be restrained from carrying a similar business is called -----.
- A partner may agree with his partners that on ceasing to be a partner he will not carry on a similar business within a specified period is called -----
- An agreement seeking to restrain a person from exercising a lawful profession, trade or business of any kind is -----.
- An unlawful or illegal agreement is one which is actually -----.
- According to Sec. 2(g), an agreement not enforceable by law is void, such an agreement does not give rise to any legal consequences is called -----.
- Consideration if unlawful is -----.
- If the consideration or object for a promise is such as is forbidden by law the agreement is -----.
- The word ----- mean inconsistent with what is right.
- Consideration of an agreement is of such a nature that if permitted it would defeat the provision of any law, the agreement is -----.
- Agreements which are entered into to promote fraud are -----.
- In a valid contract the ----- and the ----- should be lawful.
- The word ----- means criminal or wrongful harm.
- is an agreement whereby a person agrees to assist another in litigation in exchange of a promise to hand over a portion of the proceeds of the action.

Answers:

1.	Illegal	2.	Bet
3.	Wager	4.	Uncertainty
5.	Void, public	6.	'Of no legal effect, a nullity
7.	Partner's competing business	8.	Rights of outgoing partner
9.	Void	10.	Forbidden by law
11.	Void ab initio	12.	Void
13.	Void	14.	Immoral
15.	Void	16.	Void
17.	Consideration, Object	18.	Injury
19.	Champerty		

1. A contract is said to be discharged when the ----- entered by contract comes to an end.
2. Discharge of contract means -----.
3. When a new contract formed to replace an existing one, the contract so replaced is known as -----.
4. Novation occurs when the consent of -----.
5. A change is one or more of the terms of contract is known as -----.
6. Rescission means ----- of the contract.
7. Rescission result in the----- of the contract.
8. Novation results in the ----- of the contract.
9. An acceptance of lesser amount or lesser degree of performance than what was actually due under the act is known as -----.
10. ----- mean the promise to accept less that what is due under the old contract.
11. ----- mean the payment or the fulfillment of the smaller obligation.
12. On the performance of the obligation undertaken by the parties, the contract is automatically -----.
13. The abandonment of right which a person is entitled to is known as -----.
14. An ----- of a written contract made without the consent of the other party has the effect of discharging the contract which provided the material fact.
15. An agreement to do an act impossible in itself is -----.
16. ----- means substitution of a new contract for the existing one.
17. The breach of contract may be ----- or -----.
18. ----- breach is premature destruction of the contract rather than a failure to perform it.
19. The period of limitation to file a money suit is ----- years.
20. The ----- 1940 lays down that a contract should be performed within a specified period.

Answers:

1.	Rights and liabilities	2.	Termination of contract
3.	Discharge by Novation	4.	All the parties
5.	Alteration	6.	Cancellation
7.	Dissolution	8.	Dissolution and replacement
9.	Remission	10.	Accord
11.	Satisfaction	12.	Discharged
13.	Waiver	14.	Alteration
15.	Void	16.	Novation
17.	Actual, Anticipatory	18.	Anticipatory
19.	Three	20.	Limitation Act.

1. When a party fails to perform his duties in a lawful contract it is called -----
2. Rescission is the ----- of a contract.
3. Return of the benefits received by one party to the contract from the other party under a void contract is known as -----.
4. ----- means the actual implementation of the agreement by both parties.
5. ----- are usually granted to enforce negative stipulations in cases where damages are not adequate relief.
6. A ----- may be granted to restrain the breach of a negative contract.
7. A ----- compels the positive performance of an act.
8. Payment in proportion to the amount of work done is known as -----
9. General damages are also known as -----.

10. The damages which are the result of unusual circumstances affecting the plaintiffs known as -----.
11. The idea of awarding compensation to the injured party, where the conduct of the defendant can't be adequately punished only by avoiding proportionate financial loss actually suffered; is known as -----.
12. The damages which not the natural or probable consequence of the breach of the contract, is known as -----.
13. Quantum Meruit means -----.
14. ----- damages are usually assessed on the basis of actual loss suffered.

Answers:

1.	Breach of contract	2.	Revocation
3.	Restitution	4.	Specific Performance
5.	Injunction	6.	Prohibitory injunction
7.	Mandatory injunction	8.	Quantum Meruit
9.	Ordinary damages	10.	Special damages
11.	Vindictive or exemplary damages	12.	Remove damages
13.	Payment in proportion	14.	General

1. The contract in which the promiser undertakes to perform the contract only on the happening of some future uncertain even, is known as ----- contract.
2. 'A' contracts to pay 'B' Rs 10,000 if B's house is burnt. This is a ----- contract.
3. ----- can't be called contingent contract.
4. ----- is not a contingent contract.
5. If the contingent event becomes impossible of performance, the contract becomes -----.
6. ----- is not necessary that there should be mutual promises.
7. A contract without any condition is ----- contract.
8. Agreements are ----- when they are contingent an impossible events.
9. A fire insurance is an example of ----- contract.
10. Section 30 provides that agreement contingent on impossible event is -----

Answers:

1.	Contingent or Conditional	2.	Contingent
3.	Absolute condition	4.	Life insurance
5.	Void	6.	Contingent contract
7.	Absolute	8.	Void
9.	Contingent	10.	Void

1. A quasi contract is not a contract at all, it is just an -----.
2. A finder of goods is a -----.
3. ----- means as much as you earned.
4. When obligations are implied in the conduct of parties, such obligation is known as -----.
5. In quasi contract a claim also be made on the basis of -----.
6. The claim for quantum meruit when a contract becomes -----.
7. A quasi contract is a -----.
8. Implied contracts are created by -----.
9. A quasi contract is -----.
10. ----- contracts are enforceable even if the essential elements of the contract are not present.

Answers:

1.	Obligation	2.	Bailee
3.	Quantum Meruit	4.	Quasi Contracts
5.	Quantum Meruit	6.	Void
7.	Obligation	8.	Law of the land
9.	Enforceable	10.	quasi

Indemnity and Guarantee

1. A contract by which one party promises to save the other from loss occurred to him by the conduct of the promiser himself or by the conduct of any other persons is known as -----.
2. The person who promises to indemnify the loss of the other is known as -----.
3. The person in whose favour the promise is given to compensate the loss is known as -----.
4. A contract of fire insurance or marine insurance is always a contract of -----.
5. ----- is contract which is not treated as contract of indemnity even though the loss will be compensated.
6. A contract to perform the promise or to discharge the liability of a third person in case of his default is known as -----.
7. The person who gives the guarantee for another is known as -----.
8. In a contract of guarantee, the person in respect of whose default the guarantee is given is known as -----.
9. In a contract of guarantee, the person to whom the guarantee is given is known as -----.
10. ----- is a promise to pay a debt owed by a third person in vase of the default of the later.

Answers:

1	Indemnity	2	Indemnifier
3	Indemnity holder	4	Indemnity
5.	Life insurance	6.	Contract of guarantee
7.	Surety	8.	Principal Debtor
9.	Creditor	10.	Contract of Guarantee

UNIT - II

1. ----- means every kind of movable property other than money and actionable claim.
2. A contract whereby the seller transfers or agree to transfer the property in goods to buyer for price is known as -----.
3. To constitute a contract of sale, there must be two parties as ----- and -----.
4. An agreement to sale is an -----.
5. In a -----, the consideration is an undertaking to return the goods after the accomplishment of purpose.
6. Where the goods are transferred by one person to another person without any price or consideration the transaction is called -----.
7. Where property in the goods is transferred from the seller to the buyer against a price called -----.
8. The ----- in a sale can re-sale the goods.
9. A ----- agreement is not subject to such implied warranties and conditions.

10. Transfer of limited interest is known as -----.
11. In case of ----- transfer of whole interest of the seller in the goods.
12. Goods owned and possessed by the seller at the time of making the contract of sale is known as ----- goods.
13. Those goods which are identified and agreed upon at the time of contract of sale is made is known as ----- goods.
14. The goods are almost of exactly the same type and quality and the buyer is to select keeping in mind the defective piece only is known as -----.
15. When the goods are not separately identified or ascertained at the time of making a contract of sale are known as -----.
16. The goods to be produced are manufactured by the seller after making of the contract of sale is known as -----.
17. The acquisition of which by the seller depends upon a contingency which may or may not happen is called -----.
18. ----- means the money consideration for a sale of goods.
19. An sale is a/an -----.
20. ----- Section of the Sale of Goods Act defines the term 'Unpaid Seller'.
21. Every kind of movable property other than actionable claim and money is called -----.
22. Contract of sale includes both sale and ----- to sale.

Answers: 1. Goods 2. Contract of sale of goods 3. One is seller and another one is buyer 4. Executory Contract 5. Bailment 6. Gift 7. Sale 8. Buyer 9. Hire Purchase 10. Mortgage 11. Sale 12. Existing goods 13. Specific goods 14. Ascertained goods 15. Unascertained goods 16. Future goods 17. Contingent goods 18. Price 19. Executed contract 20. 45 21. Goods 22. Agreement

1. A stipulation is a contract of sale with reference to goods which are subject matter thereof may be a ----- or -----.
2. A ----- is a stipulation essential to the main purpose of the contract the breach of which gives rise to a right to treat that contract as repudiated.
3. Statements which form an integral part of the contract, is known as -----.
4. Stipulation gives rise to -----.
5. A ----- is a stipulation collateral to the main purpose of the contract, the breach of which gives rise to a claim for damages but not a right to reject the goods and treat the contract are repudiated.
6. The conditions and warranties which are agreed upon between the parties in express words, either spoken or written are called -----.
7. Where the conditions and warranties are applicable in a contract of sale by operation of law they are said to be -----.
8. ----- are subject to contract to the contrary.
9. There is always an ----- condition in a contract of sale that the goods purchased should be of a merchantable quality.
10. The contract express or implied that the bulk of goods are or shall be equal to the sample is called -----.
11. In case of breach of warranty the ----- is liable to the ----- in damage.
12. An ----- warranty on the part of the seller that the goods are free from any charge or encumbrance.
13. The modern tendency is to narrow the scope of the rule of -----.

14. The doctrine of ----- will not apply and the seller will be held liable for breach of implied conditions as to quality or fitness of the goods.
15. In case of breach of a warranty the buyer can -----.
16. In case of sale by ----- the caveat emptor doctrine is not applicable.
17. The contract ceases to be legal on the breach of a -----.
18. Collateral stipulation is known as -----.
19. The contract ceases to exist on the breach of a -----.
20. Suppose BCC Pvt. Ltd. has 40 Air conditioner and the Co. promises to sell any one AC to a person Shaswat. In this case goods is ----- goods.

Answer: 1. Condition, warranty 2. Condition 3. Stipulation 4. Legal consequences 5. Warranty 6. Express condition and warranty 7. Implied condition and warranties 8. Implied condition and warranties 9. Implied 10. Sale by sample 11. Seller , Buyer 12. Implied 13. Caveat Emptor 14. Caveat Emptor 15. Claim damages only 16. Description 17. Condition 18. Warranty 19. Condition 20. Unascertained

1. The transfer of ownership of the goods from the seller to the buyer which constitutes an ownership in the buyer is known as -----.
2. The risk of loss also passes with the ownership of goods from -----.
3. In case of loss or destruction of goods it is the ----- who suffers.
4. In case of sale of specific goods is a -----.
5. When the goods are in such a state that buyer would under the contract be bound to take delivery of them is known as -----
6. C.I.F. contracts are generally contracts of sale by -----.
7. Under a contract the seller himself has to pay the cost of goods, insurance charges during transit to the buyer and the freight is known as -----
8. C.I.F. contracts are generally contracts of sale by -----.
9. F.O.B. stands for -----.
10. Contracts the seller is to put the goods on board a ship at his own expenses for carriage to buyer is known as -----.
11. The seller undertakes to give delivery to the buyer from a ship which have arrived at the port of delivery and has reached a place therein which is usual for the delivery of goods, is known as -----.
12. ----- means that no one can pass a better title than he himself has.
13. Nemo Dat Non Quod Habet is incorporated in ----- of the Sales of Goods Act.
14. An agent having in the customary course of business as such agent authority either to sell goods or to consign goods for the purpose of sale or to buy goods or to raise money on the security of goods is known as -----.
15. A sale is said to be completed when ----- is transferred from one party to the other party.
16. In an agreement to sell the transfer of ownership is -----.

Answer: 1. Transfer of property 2. The seller to buyer 3. Owner 4. Deliverable goods 5. Deliverable state 6. Cost, Insurance and Freight 7. C.I.F. 8. Description 9. Free on board 10. F.O.B. 11. Ex-ship contracts. 12. Nemo Dat Non Quod Habet 13. Section 27 14. Mercantile Agent 15. Ownership 16. Conditional

1. A person who has sold goods to another person but has not been paid for the goods or been paid partially is called as -----.
2. Unpaid seller comes under -----.
3. Right of unpaid seller against goods is -----.

4. ----- is the right to retain possession of goods until payment in respect of them is paid.
5. The ----- has the right to retain the goods till he receives the price of goods from the buyer.
6. The ----- is linked with possession and not the title.
7. When the seller has delivered the goods to the carrier for transmission to the buyer or his agent is the -----.
8. If the ownership of goods has been transferred to the buyer and he refuses to make the payment for the goods, the seller has the right to file a -----.
9. If the goods are sold on credit, interest will run from -----.
10. Where the seller has waived the lien which may be express or implied, the right of lien si -----.
11. According to Section ----- where the buyer refuses to accept the delivery of goods the seller can sue the buyer.
12. According to Section 57, where the seller refuses to deliver the goods, the buyer has the right to sue the seller for -----.
13. Unpaid seller is defined under Section -----.
14. When an unpaid seller has made partial delivery of goods, he can exercise his right of -- -----.
15. The seller has the right of stoppage of goods when the----- of goods has not been made.

Answers: 1. Unpaid seller 2. Section 45 3. Lien 4. Lien 5. Seller 6. Right of Lien 7. Duration of transit 8. Suit against the buyer 9. The expiry of the credit 10. Terminated 11. 56 12. Damages 13. 45 14. Lien on the remainder 15. Price

UNIT – III

1. The relation between the persons who have agreed to share the profits of a business carried on by all or any one of them acting for all; is known as -----
2. Partnership is an association of -----
3. The persons who have entered into partnership agreement with one another are individually called ----- and collectively known as -----
4. In case of partnership; an agreement is an essential ingredient without it no partnership can come into existence is -----
5. The name under which partners carry on their business is called -----
6. Partnership is created by ----- and not by -----.
7. The relation which subsists between persons who own property jointly or in common is known as -----.
8. ----- is not a partnership.
9. ----- involves a community of profit or loss.
10. A ----- has no separate legal existence form the members forming it.
11. In case of partnership firm the member must not exceed from ----- in any business.
12. In case of banking business maximum number must be -----.
13. In a public company the member must not be less than -----.
14. A partner in a firm cannot transfer his share without the ----- of the other partners.
15. Where a partnership entered into for a fixed term is continued after the expiry of such term it is treated as having become a -----

16. Where a provision is made by a contract for the duration of the partnership, the partnership is called -----.
17. Where a partnership is constituted with respect to the business in general, it is called as -----
18. The document in writing containing the various terms and condition as to the relationship of the partners to each other is called -----.
19. A partner who is actively engaged in the conduct of a business is called -----.
20. A dormant partner is also known as -----.
21. A partner who does not contribute any capital or share in profit, but lends his name and credit to the firm is called as -----.
22. When one of the partners agrees to share the profit derived by him from the firm with a stranger is called -----.
23. A partner leaving the existing firm is called a -----.
24. A person who is admitted as partner in an existing firm called an -----

Answers: 1. Partnership 2. Two or more persons 3.Partner, Firm 4.An Agreement 5. Firms name 6. An Agreement Status 7.Co-ownership 8.Co-ownership 9.Partnership 10.Partnership Firm 11.20 12.10 13.7 14.Consent 15.Partnership at will 16.Partnership of fixed period 17.General partnership 18.Partnership Deed 19. Active or Actual partner 20. Sleeping partner 21.Nominal partner 22. Sub-partner 23. Retiring or out-going partner 24. Incoming partner

1. A partnership business is the business of all the partners and therefore, all the partners have equal power of management, under Section -----.
2. The profits of a partnership are to be divided ----- between the partners.
3. When there is no agreement between the partners the rate of interest to allowed on such advances is -----.
4. The clause further provides that if in emergency a partner has done something which, under the circumstances, a person of ordinary prudence may also have done, he will be entitled to -----.
5. Rendering an account means -----.
6. The liability of the partners under Section 10 is absolute and cannot be avoided by -----.
7. The omission to perform a duty and implied that a partner does something which he ought not to do at all or that a partner fails to do something which he ought to have done is called -----.

Answer: 1. Section 42(a) 2. Equally 3.6% p.a. 4.Indemnity 5.Explaining the account 6.A contract of contrary 7. Willful Neglect

1. The authority of a partner to bind the firm may be-----.
2. When a partner is expressly authorized by an agreement of all the partners to do certain acts on behalf of the firm, it is called -----.
3. A partnership firm is also liable for the acts done by a partner within the scope of his -----.
4. The liability of partners in a partnership is -----.
5. To indemnify for fraud is -----.
6. On the ----- of any partner of the firm is said to be reconstituted.

Answers: 1. Either express or implied 2. Express authority of a partner 3. Implied authority 4. Unlimited 5. A duty of partner 6. Admission, retirement, death, insolvency etc.

1. Registration of partnership firm is -----.
2. Penalty for furnishing false statement filled for registration of a firm is -----.
3. Partnership deed may be ----- or -----.
4. No suit can be filed by a partner against the firm, against any other partner and against third party if the firm is not -----.
5. The modes of voluntarily dissolution of a firm are -----.
6. Subject to a contract to the contrary, a partnership firm is ----- due to death of a partner.

Answer: 1. Voluntary or not compulsory 2. Up to 3 months imprisonment 3. In writing or oral 4. Registered 5. Voluntary and Compulsory 6. Dissolved

1. According to Section 39 of Indian Partnership Act dissolution of partnership between all the partners of a firm is called the -----.
2. In case of -----, there is total termination of relations between the parties.
3. ----- means the complete breakdown of partnership relations between all the partners.
4. ----- merely involves change in the relation of partners.
5. The consent required for dissolution should be the -----.
6. ----- happens by the death of partner or by the insolvency of partner.
7. In case of ----- of partner the will not ordinarily be required for dissolution.
8. A firm is ----- when all the partners are adjudged insolvent.
9. A firm is dissolved when the business of the firm becomes -----.
10. If the assets of a firm are insufficient, the partners shall bear deficiency in ----- ratio.
11. A firm is deemed to be dissolved when the relations between ----- breaks down.

Answers: 1. Dissolution of partnership 2. Dissolution of firm 3. Dissolution of firm 4. Dissolution of partnership 5. Consent of all the partners 6. Dissolution 7. Insanity 8. Compulsory dissolved 9. Unlawful 10. Profit sharing ratio 11. All the partners

UNIT - IV

1. Negotiable Instrument Act came into force with effect from -----
2. Negotiable Instrument Act contains ----- sections.
3. According to Section 13(1), a promissory note, bill of exchange or cheque payable either to order or to bearer is known as -----.
4. ----- is transferable like cash by delivery.
5. In case of bearer instrument, the property passes by means of delivery to the -----
6. In case of order instrument, it is transferrable by -----.
7. A negotiable instrument must be in -----.
8. The statute of negotiable instrument are -----.
9. Two example of non-negotiable instruments are -----.
10. An instrument is also capable of being transferred by delivery and/or endorsement, but the transferor of these documents can't give the holder a better title than he himself, is known as -----.
11. Two examples of Quasi-negotiable instruments are -----.

12. Negotiation of a negotiable instrument may be done by -----.
13. Transfer of negotiable instrument may be done by -----.
14. If a finder of a bill gets payment of lost bill, the person who pays it in due course gets ----
-----.
15. The undertaking contained a promissory note to pay a certain sum of money is -----
.
16. Three examples of negotiable instruments are -----.
17. A negotiable instrument is a ----- document.
18. Total number of sections in the Negotiable Instrument Act, 1881 is -----
19. Due to inadequacy of money in X's bank A/c, the cheque got bounced then X will face ----
-----.
20. A ----- note is not a promissory note.
21. A bill of exchange is drawn by the -----.
22. A cheque is a kind of -----.
23. There are ----- and ----- parties in bills of exchange and promissory notes
respectively.
24. Promissory note is defined u/s ----- of Negotiable Instrument Act, 1881.

**Answers: 1. March 1, 1881 2. 147 3. Negotiable Instrument 4. Negotiable Instrument
5. Transferee 6. Endorsement and delivery 7. Writing 8.3 9. Money order, Letter of credit
10. Quasi negotiable instrument 11. Bill of lading, railway receipts 12. Holder 13. Good
title 14.**

- 1) An instrument in writing containing an unconditional undertaking signed by the maker, to pay a certain sum of money to or to the order of a certain person or bearer of the instrument is known as -----.
- 2) In a promissory note, the person who promises to pay is known as -----.
- 3) In a promissory note, the part to whom the payment will be made is known as -----.
- 4) Promissory note must be in -----.
- 5) Promissory note must contain an -----.
- 6) In the absence of the ----- an instrument cannot be called a promissory note.
- 7) The writing of a person's name in order to authenticate and give effect to the contract continued in the instrument is known as -----.
- 8) The amount promised to be paid by the promissory note must be -----.
- 9) Where a document does not specify the person to whom the money is to be paid, it is not a -----.
- 10) A ----- is not a promissory note both of them the money is to be paid, it not a ----
-----.
- 11) Bill of exchange is sometimes known as -----.
- 12) An instrument in writing containing an unconditional order signed by the maker, directing a certain person to pay a certain sum of money only to or to order of a certain person or to the bearer of the instrument is known as -----
- 13) Bill of exchange must be signed by -----.
- 14) Bill of exchange must contain -----.
- 15) Bill of exchange is -----.
- 16) The name of the parties in case of a bill of exchange are -----
- 17) Promissory note contains ----- parties ; one is ----- and another is -----
.
- 18) The drawer of a bill of exchange stands in immediate relation with -----.
- 19) In case of promissory note, the maker stand in immediate relationship with -----.

- 20) Banker draft is not -----.
- 21) A bill of exchange must be duly presented for payment otherwise ----- will be discharged.
- 22) A cheque must be crossed but there is no provision of crossing in case of -----.
- 23) Open cheques are otherwise known as -----.
- 24) Cheques are of ----- types.
- 25) The cheques can be crossed by -----.
- 26) Marking of a cheque is done by the -----.
- 27) The types of crossing are -----.
- 28) A bill which not expressed to be payable on demand is entitles of ----- days grace.
- 29) Which instrument is not an inland instrument is called -----.
- 30) Many bill are drawn and accepted without any consideration and the various parties sign the bills for the purpose of lending their name to oblige their friends, such bill is called -----.

Answers: 1. Promissory note 2. The maker 3.The payee 4.Written 5.Unconditional promise to pay 6.The signature of the maker 7.Signature 8.Certain and definite 9.Promissory note 10. Bank note or currency note 11. Draft 12.Bill of exchange 13.The drawer 14.3 Parties 15.Unconditional order 16.The drawer, the drawee and the payee 17.2.Maker, Payee 18.The acceptor 19.The payee 20.A cheque 21.The drawer 22.Bill of exchange 23.Bearer cheque 24.2, 25.The drawer, the holder and the Banker 26.Drawee baker 27.3 (general, special, restrictive) 28. 3 days 29. Foreign instrument 30. Accommodation bills.