01. “Acceptance of an Offer Forms a Binding Contract”.

Explain whether there is a binding contract in the following instances:

(a) “A” offers to sell his harvest of tomatoes to “B” at Rs.150/- per kilogram.

(b) “X” offers to let his business premises to “Y” for Rs.10,000/- per month until the situation in the country returns to normalcy.

(c) “C” who purchases a horse from “D” agreed to pay an additional sum to “D” if the horse wins at the horse races.

(d) A company agrees with “X” that on the expiry of the existing contract of “X” with the company, the company would favourably consider an application by “X” for the renewal of his contract.

(02½ marks each, Total 10 marks)

02. “X” takes over the garments business of “Y”. “Z” who had been used to deal with “Y”, places an order for a consignment of garments from “Y”. “X” supplies the order without informing “Z” that the ownership of the business has changed. When “Z” learns that goods have not come from “Y”, “Z” refuses to pay. “X” contemplates legal action against “Z”.

Advise “X” with the reasons. (10 marks)
03. Explain four(04) methods in which the legal relationship of principal and agent can be created. (10 marks)

04. (a) What are the characteristics of a Bill of Exchange? (05 marks)

(b) State what is the difference between “Blank Endorsement” and “Special Endorsement”. (05 marks)

(Total 10 marks)

05. (a) Define “a Contract of Sale of Goods” under the Sale of Goods Ordinance and list the three(03) essential elements in the contract of sale of goods. (05 marks)

(b) State five(05) implied conditions under the Sale of Goods Ordinance. (05 marks)

(Total 10 marks)

06. (a) Define an “Industrial Dispute” as provided in the Industrial Disputes Act and give three(03) examples to illustrate three(03) types of disputes contemplated by the definition. (05 marks)

(b) Explain the term “Misconduct” and state five(05) examples of misconduct which would justify Termination of Service. (05 marks)

(Total 10 marks)