



BRAINWARE UNIVERSITY

Term End Examination 2019 – 20

Programme – Bachelor of Business Administration & Bachelor of Law

Course Name – Law of Contract-I

Course Code – BBALLB104/LLB102

(Semester – 1)

Time allotted: 2 Hours 30 Minutes

Full Marks: 60

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group –A

(Multiple Choice Type Question)

20 x 1 = 20

1. Answer any *twenty* from the following
 - (i) Which of the following scenarios could give rise to a contractual duty?

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| a. A train company driving passengers from Edinburgh to London. | b. A soft drinks company offering a free gift on the presentation of three bottle lids. |
| c. A shop offering an item of clothing for sale. | d. All of the options. |
 - (ii) Which one of the following element is not necessary for a contract?

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|----------------------|------------------------------------|
| a. Competent parties | b. Reasonable terms and conditions |
| c. Free consent | d. Lawful concentration . |
 - (iii) Where both parties are under mistake as to matter of fact, the agreement will be :

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|----------------|-------------|
| a. Enforceable | b. Voidable |
| c. Not void | d. Void |
 - (iv) A Guru. (spiritual advisor) induced the Chela (his devotee) to gift him a whole of his property to secure benefit of his soul in the next World.The gift shall be...

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|----------|-------------|
| a. Void | b. Voidable |
| c. Valid | d. Immoral |
 - (v) A contract caused by one of the parties to it being under a mistake as to matter of fact is :

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|--|---|
| a. Void | b. Valid |
| c. Voidable at the option of either party. | d. Voidable at the option of the party who under mistake. |

- (vi) Which may render an agreement void ?
- Coercion causing consent.
 - Undue influence causing consent.
 - Fraud causing consent.
 - Agreement in restraint of trade
- (vii) A intending to deceive B falsely represents that 500 mounds of Indigo are made annual at A's factory and thereby induces B to buy the factory. The contract is :
- Voidable at the option of B.
 - Voidable at the option of A.
 - Valid.
 - Void.
- (viii) A contracts to marry B, being already married to C, and being forbidden by the law to which he is subject to practice polygamy. This causes loss to B
- A need not make compensation to B for the non-performance of his promise
 - A must make compensation to B for the non-performance of his promise
 - either (A) or (B)
 - None of these
- (ix) A delivers a rough diamond to B, a jeweler, to be cut and polished, which is accordingly done.
- B is not entitled to retain the stone till he is paid for the services he has rendered
 - B is entitled to retain the stone till he is not paid for the services he has rendered
 - B is to return the stone.
 - None of these
- (x) A finds B's purse and gives it to him. B promises to give ARs. 50/-
- This is not a contract
 - This is a contract
 - either (A) or (B)
 - None of these
- (xi) If only a part of the consideration or object is unlawful, the contract under Section 24 of the Indian Contract Act, 1872 shall be:
- Valid to the extent the same are lawful
 - Void to the extent the same are unlawful
 - Void as a whole
 - Valid as a whole.
- (xii) Which is not the mode of discharge of contract?
- Performance of contract
 - Lapse of time
 - Breach of contract
 - Injunction
- (xiii) Goods displayed in a shop window with a price label will amount to :
- Offer
 - Acceptance of offer
 - Invitation to offer
 - Counter offer

- (xiv) The person making a proposal is called....
- a. promisor
 - b. Vendor
 - c. Contractor
 - d. Promise
- (xv) In order to convert a proposal into a promise the acceptance must be
- a. Absolute
 - b. qualified
 - c. Absolute or qualified
 - d. Absolute and qualified
- (xvi) A proposal can be accepted
- a. By notice of acceptance.
 - b. By notice of acceptance.
 - c. Both A and B.
 - d. Both A and B.
- (xvii) Which of the following is correct?
- a. Past consideration is no consideration.
 - b. Consideration can be past, present or future
 - c. Consideration can only be present.
 - d. Consideration can only be future.
- (xviii) When at the Desire of the promisor, the promisee or any other person has done or abstained from doing, or does or abstain from doing or promises to do something or obtain from doing something such act or abstinence or promise is called :
- a. Agreement
 - b. Consideration
 - c. Proposal
 - d. Acceptance.
- (xix) The Indian Contract Act, applies to the:
- a. Whole of India excluding Jammu & Kashmir
 - b. Whole of India including Jammu & Kashmir
 - c. States notified by the Central Government from time to time
 - d. None of the above.
- (xx) Valid contracts
- a. are made by free consent.
 - b. are made by competent parties.
 - c. have lawful consideration and lawful object.
 - d. all of the above.
- (xxi) is forbidden by law.
- a. Valid contract
 - b. Illegal agreement
 - c. Voidable contract
 - d. Unenforceable contract
- (xxii) Which of the following relationship raise presumption of undue influence?
- a. Parent and Child
 - b. Religious/ Spiritual Guru and disciple
 - c. Guardian and Ward
 - d. All of the above

- (xxiii) Is a one-sided contract in which only one party has to perform his promise or obligation.
- Void contract
 - Illegal agreement
 - Unilateral contract
 - Bilateral contract
- (xxiv) The Law of Contract is nothing but.....
- A Child of Commercial dealing
 - A Child of Religion
 - A Child of day to day Politics
 - A Child of Economics
- (xxv) Over a cup of coffee in a restaurant, X Invites Y to dinner at his house on a Sunday. Y hires a taxi and reaches X's house at the appointed time, but X fails to perform his promise. Can Y recover any damages from X?
- Yes, as Y has suffered
 - No, as the intention was not to create legal relation.
 - Either (a) or (b)
 - None of these.

Group – B

(Short Answer Type Questions)

4 x 5 = 20

Answer any *four* from the following

- Discuss the concept of supervening impossibility. 5
- Distinguish between coercion and undue influence. 5
- Is time always the essence of contract? 5
- Distinguish between executory and executed contracts. 5
- Write a brief discussion about the case law on Hadley vs. Baxendale. 5
- Analyze the concept of appropriation of payment. 5

Group – C

(Long Answer Type Questions)

2 x 10 = 20

Answer any *two* from the following

- Who is a minor? 03
 - Discuss the liabilities of a minor for necessities. 07
- “Frustration may be defined as the premature termination of an agreement between parties owing to the occurrence of an intervening event or change of circumstances”. Discuss. 10

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|-----|---|----|
| 10. | Discuss the concept of intention to create legal relationship with a case law. | 10 |
| 11. | List the agreements which have been expressly declared to be void under the Indian Contract Act 1872. | 10 |
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