

**PARUL UNIVERSITY****FACULTY OF LAW****I- B.A/I-B.Com/ I-B.B.A LLB. Summer 2017 – 18 Examination****Semester: 2****Date: 18/05/2018****Subject Code: 17300152****Time: 10:30 am to 1:00 pm****Subject Name: Contract-1****Total Marks: 60****Instructions:**

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

**Q.1 State true or false -****(15)**

1. An offer may contain a term the non compliance of which may amount to an acceptance.
2. An acceptance once made cannot revoke at all.
3. A promise to contribute in charity is supported by consideration.
4. An agreement of an Idiot is like that of minor, is void.
5. Collateral transactions to an illegal agreement also become tainted with illegality.
6. An outgoing partner who agrees with his partners not to carry on a business similar to that of the firm within specified local limits may carry on that business.
7. A contract of Insurance is not a contingent contract
8. In contingent contract the future event is only collateral
9. Contractual obligations involving personal skill cannot be assigned.
10. If special damages are to be claimed, the attendant circumstances must be brought to the notice of other party.

**Choose the right Answer:**

11. A person who is not party to the contract
 

a) Cannot sue	b) Can sue
c) Can sue only in well recognized cases	d) None of these
12. A contract by an Idiot is
 

a) Voidable	b) Enforceable
c) Invalid	d) Void ab Initio
13. An employee, by the terms of his service agreement, is prevented from accepting a similar engagement after the termination of his services. The restraint is \_\_\_\_\_
 

a) Valid	b) Void
c) illegal	d) Unenforceable
14. A wagering agreement is \_\_\_\_\_
 

a) Forbidden by law	b) Immoral
c) Opposed to Public Policy	d) None of these
15. If a new contract is substituted in place of an existing contract, it is called
 

a) Alteration	b) Rescission
c) Novation	d) None of these

**Q.2 Write short notes : (All compulsory) (15)**

1. Wagering Agreement
2. Exception under (Sec-25)-Contract without consideration is valid.
3. Concept of Undue advantage in Contract
4. Privity of Contract
5. Exceptions to an agreement in restraint of trade

**Q.3 Describe answer in detail: (08)**

A) Describe in detail Essentials of valid contract with examples.

**OR**

A) Discuss position of minor as regards to in agreement. (08)

B) Explain the concept of contingent contract with legal rules to the contingent contract  
With Examples or case laws related to it. (07)

**OR**

B) Types of Contract in detail. (07)

**Q.4 A) Solve the Practical Problem [ All compulsory] (07)**

1. A servant employed for one year on monthly salary of 800 Rs. The whole salary to be paid at the end of the year. The servant wrongfully leaves the services after 6 months. Is he entitled to any salary? **2**
2. A agrees to pay B a sum of money if a certain ship does not return. The ship is sunk. A refused to pay. Advise B **2**
3. A knows that the car he was buying from B was ten years old although B has represented that he had purchased it new only four years ago. Can A avoid the contract on the ground of fraud? **3**

**B) Define the Terms in Brief- [ Any-4] (08)**

1. Rescission of Contract
2. Tender
3. Coercion
4. Misrepresentation
5. Ratification
6. Quantum Meruit