

CONTRACT – I
MARCH/APRIL 2021

1. (a) Define 'proposal'. Explain the circumstances under which it lapses.
(b) 'A' proposed to sell a radio to 'B' by letter received by 'B' on 1st March 2021. 'B' posted his acceptance letter on 2nd March 2021 which reached 'A' on 3rd March 2021. Meanwhile 'B' revoked his acceptance by a letter posted on 3rd March 2021 which reached 'A' on 4th March 2021. Is 'B' bound to buy the radio?
2. (a) State the exceptions to the rule that 'An agreement without consideration is void'.
(b) Ganesh agreed to sell his T.V. worth rupees twenty thousand to Mahesh for two thousand rupees. Later Ganesh refuses to sell T.V. to Mahesh on the ground that price is too small. Can he do so?
3. (a) What is contingent contract? Explain the rules relating to the performance of contingent contract.
(b) Reshma agreed to work as house servant and to have immoral relation with Rajesh, for which Rajesh agreed to pay Rs. 10,000/- per month. Reshma kept up her promises, but Rajesh refused to pay. Reshma institutes a suit against Rajesh to recover the promised amount. Decide.
4. (a) Define 'Consnet'. When does it become free?
(b) Mohan aged 16 years, agreed to sell his scooter to Gopal for Rs. 5,000/-, but later refused to perform his promise. Gopal institutes a suit against Mohan. Will he succeed?
5. (a) Explain the doctrine of frustration with decided cases.
(b) Ramesh promised to marry Radhika after the death of his father. However, during the life time of his father, Ramesh married Revathi, another woman. Radhika institutes a suit against Ramesh for breach of contract. Decide.
6. (a) Explain the law relating to the time and place performance of a contract.
(b) Write a short note on discharge of contract by agreement.

7. (a) Explain the law relating to liquidated damages under the Indian Contract Act.
(b) 'A', a trader, leaves his bag containing fruits in the house of 'B' by mistake. 'B' eats those fruits. 'A' claims price of the fruits from 'B'. Decide.
8. (a) Explain the remedies available for breach of contract.
(b) Ashok, due to mistake of law, pays income tax, which he is not bound to pay. Can he recover the same?
9. (a) What is Injunction? Under what circumstances, court can grant perpetual injunction?
(b) Avinash is the owner of a building. Satish expels Avinash from that building by force. Advise Avinash.
10. (a) By whom and against whom a specific performance of contract can be claimed?
(b) Write a short note on Rectification of Instruments.