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Reg. No.....

Name.....

**FIVE YEAR B.A., LL.B. (HONOURS)/B.B.A., LL.B. (HONOURS)/B.Com., LL.B.
(HONOURS) DEGREE EXAMINATION, SEPTEMBER 2025**

Second Semester

F.L.4—LAW OF CONTRACT

(2024 Admissions—Regular/2018 to 2023 Admissions—Supplementary)

Time : Three Hours

Maximum : 75 Marks

Part A

Write short notes on any five of the following.

Each question carries 3 marks.

1. *Nudum pactum.*
2. Concept of estoppel in minor's agreement.
3. Effect of mistake of fact on agreements.
4. Wagering agreement.
5. Fundamental breach of contract.
6. Substituted performance of contract.

(5 × 3 = 15 marks)

Part B

Answer any three of the following problems.

Each question carries 10 marks.

7. ABC Ltd. advertised in several newspapers that their mosquito repellent cream is a good mosquito repellent thereby making it an effective preventive against Dengue, Chikungunya or any other disease spread through mosquito bite. The company promised to pay Rs. 10,000 to any person who buys the cream, applies it thrice a day as per printed directions, and still suffers from any of such diseases. Ms. 'X' purchased the cream, applied it as per the printed directions but still suffered from Dengue, while the cream was in use. She would like to know whether she can institute a suit against the company for the promised reward or not. Advise her.

Turn over

8. An old lady by deed of gift, made over certain landed property to the defendant, her daughter. By the terms of the deed, which was registered, it was stipulated that an annuity of Rs. 5 lakh per annum should be paid every year to the plaintiff who was the brother of the old lady. The defendant had on the same day executed an agreement in the plaintiffs favour to give effect to the stipulation of the gift deed. The annuity was, however, not paid and the plaintiff sued to recover it. Decide.
9. 'A' sold his land worth Rs. 5 lakhs to Dr. 'B', a medical attendant of his son, just for Rs. 50,000 only as he needed the money badly for medical treatment of his son. However, 'A' later on seeks cancellation of the sale-deed on the ground that the contract to sell the land was induced by exercising undue influence upon him. Decide referring to statutory provisions and case law.
10. The plaintiff, 'H', a mill owner, engaged 'B', the defendant, to repair a broken crankshaft of a steam engine at the mill. 'B' caused the crankshaft to be returned to 'A' only after a week later than agreed, during which time A's mill remained closed. 'A' sued 'B', to recover potential profits that he would have received during the unexpected week of closure. The defendant contended that such an action was unreasonable as he had not known that the delayed return of the crankshaft would necessitate the mill's closure and thus that the loss of profit failed to satisfy the test of proximity. Decide.

(3 × 10 = 30 marks)

Part C

Answer any two of the following questions.

Each question carries 15 marks.

11. "A proposal, when accepted, becomes a promise." What are the essentials of valid proposal and acceptance ? Discuss the law governing communication of acceptance and explain when communication of acceptance is complete when it is sent by post, telephone, e-mail and WhatsApp.
12. What are the circumstances under which a party to a contract may plead 'impossibility' as an excuse from performing his contractual obligation ? Explain in detail referring to statutory provisions and important judicial pronouncements.
13. "The right to rescind a contract is a more drastic remedy than the right to damages and therefore some restrictions are placed on it." What is meant by 'rescission' of a contract ? What are the grounds on which a contract may be rescinded ? Under what circumstances, rescission may be refused ? Is a party rightfully rescinding the contract entitled to compensation ?

(2 × 15 = 30 marks)