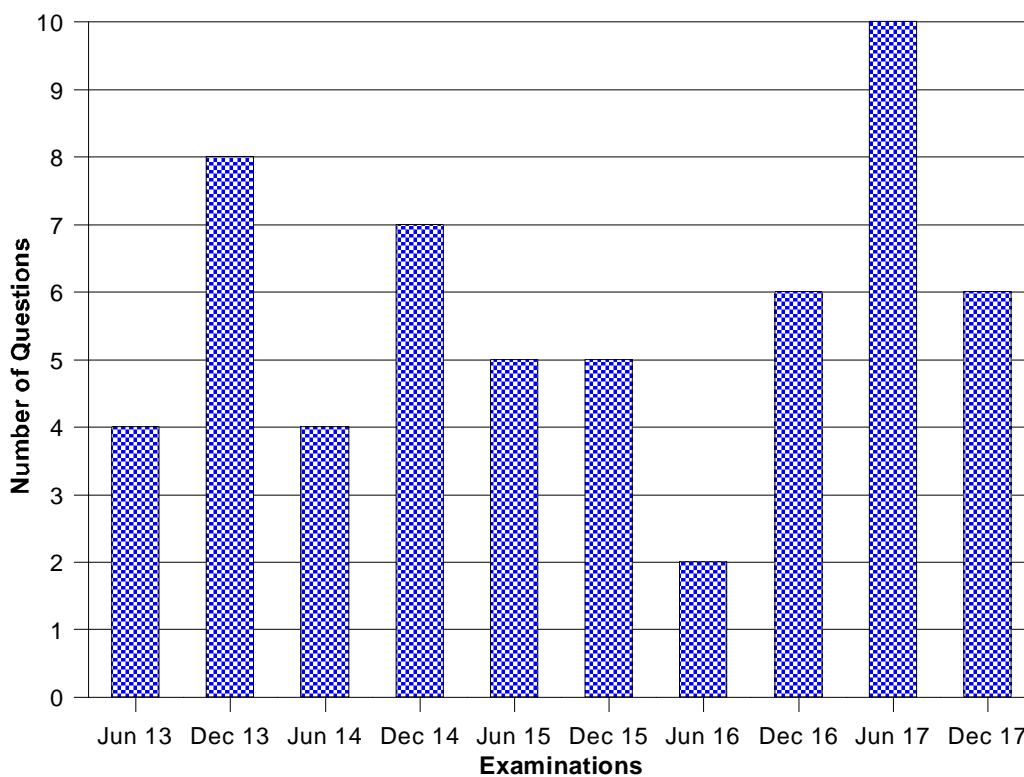


CHAPTER	The Indian Contract Act, 1872
1	
Unit : 1	Nature of Contracts



2006 – November

- [1] P agrees to pay a certain sum to Q, if Q brings on earth a star from sky. This is a:
- (a) Valid contract
 - (b) Void contract

- (c) Voidable contract
 - (d) Enforceable contract
- [2] Indian Contract Act, 1872 is passed by:
- (a) Indian Parliament
 - (b) British Parliament
 - (c) U.S. Congress
 - (d) None of these

- [3] In an auction sale, 'X' is the highest bidder. The auctioneer accepts the offer by not speaking but striking the hammer on the table. This amounts to :
- Express acceptance
 - Implied acceptance
 - Future acceptance
 - No acceptance
- [4] A enquires from B, "Will you purchase my cow for \$ 100?" B replies, "I shall purchase your cow for \$ 100 provided you purchase my parrot for \$ 120." In this case :
- B has accepted the offer of A
 - B has made a counter offer to A
 - A is bound by the actions of B
 - B cannot make such an offer
- [5] Which one of the following promises is enforceable?
- X promises to pay ₹ 5,000/- to Y who saved him from drowning
 - X promises to pay ₹ 5,000/- to his son
 - X promises to donate ₹ 5,000/- to an Officer's Club
 - X promises to pay ₹ 5,000/- as additional fees to his advocate for winning a suit
- [6] Which of the following is false? An offer to be valid must:
- Contain a term the non-compliance of which would amount to acceptance
 - Intend to create legal relations
 - Have certain and unambiguous terms
 - Be communicated to the person to whom it is made
- [7] A agrees to sell to B a horse for ₹ 25,000 if he wins race and for ₹ 15,000 if he does not. The horse wins the race. The agreement is :
- Valid and enforceable
 - Void and enforceable
 - Void and wagering
 - Voidable and wagering
- [8] The Law of Contract extends to _____
- Whole of India
 - Whole of India except the State of Jammu and Kashmir.
 - North India only.
 - South India only.
- [9] On the 5th of a month X makes an offer to Y, by a letter, which reaches Y on 6th. On the 7th, Y posts his letter of acceptance. Meanwhile, on the 6th X posts a letter to Y revoking the offer. On seeing it Y sends a telegram to X on 8th confirming the acceptance given through his letter of the 7th. Discuss the legal effects of three letters and the telegram :
- There is no contract between X and Y
 - The contract is concluded between X and Y on 7th when B posts the letter of acceptance
 - Either (a) or (b)
 - None of the above

2007 - February

2007 - May

- [10] _____ Contract is good in substance but suffers from some technical defect:
- (a) Valid
 - (b) Illegal
 - (c) Voidable
 - (d) Unenforceable
- [11] X Promises to pay Z ₹ 5,00,000 if Z can make his dead wife alive. Such an agreement is :
- (a) Valid
 - (b) Void
 - (c) Impossible to perform
 - (d) Unenforceable
- [12] Agreement is defined in section _____ of the Indian Contract Act, 1872 :
- (a) 2 (e)
 - (b) 2 (c)
 - (c) 2 (g)
 - (d) 2 (i)
- [13] X makes a proposal to Y, which Y accepts. But before the acceptance came to the knowledge of X, Y revokes his acceptance by telegram :
- When is the revocation complete?
- (a) When the telegram is received by X
 - (b) When X accepts the revocation
 - (c) When the telegram is dispatched
 - (d) When the contents of the telegram come to the knowledge of X

2007 – August

- [14] When two parties exchange identical offers in ignorance at the time of each other's offer, the offers are called :
- (a) Counter offer
 - (b) Cross offer
 - (c) General offer
 - (d) Special offer
- [15] An agreement which is enforceable by law at the option of one or more of the parties thereto, but not at the option of the other, is a:
- (a) Valid contract
 - (b) Unenforceable contract
 - (c) Voidable contract
 - (d) Void agreement
- [16] X invites Y for his son's wedding. Y accepts the invitation. In this case there is an agreement but no contract, since -
- (a) There is no consideration
 - (b) There is no intention to create legal relationship.
 - (c) There is no written document.
 - (d) There is no formal acceptance of the offer.
- [17] X offers to sell his house to Y for ₹10 Lacs and states in his letter that the offer would be considered as accepted if acceptance is not communicated within a certain time. Here, the letter of X would :
- (a) Amount to a proposal
 - (b) Amount to a promise
 - (c) Not amount to a proposal
 - (d) Amount to acceptance

2007 - November

[18] L says to J, "I shall sell my house, will you buy?" J says "Yes, I shall buy". The agreement is void due to:

- (a) Uncertainty of meaning
- (b) Uncertainty of price
- (c) Uncertainty of existence of subject matter
- (d) Uncertainty of quality of subject matter

[19] An Executed Consideration is :

- (a) An act of mutual exchange of promises
- (b) An act done in the expectation of a proposal
- (c) An act done in response to a positive promise
- (d) All of the above

[20] Which one of the following constitutes an offer in a self – service store?

- (a) Picking up an article and approaching the cashier's desk for payment
- (b) Display of goods at the shop window
- (c) There is no offer in such cases
- (d) When the customer asks for some goods

2008 – February

[21] In case of illegal agreements, the collateral agreements are :

- (a) Valid
- (b) Voidable
- (c) Void
- (d) None

[22] S agrees to sell his DVD player to R promising to deliver it on the date of payment. R promises to pay the amount, one month hence. This is an example of :

- (a) Void contract
- (b) Illegal contract
- (c) Unilateral contract
- (d) Bilateral contract

[23] Goods displayed in a shop window with a price label will amount to :

- (a) Offer
- (b) Acceptance of offer
- (c) Invitation to offer
- (d) Counter offer

[24] The communication of an acceptance is complete as against the acceptor :

- (a) When it is put in course transmission to him so as to be out of reach of the acceptor
- (b) When it comes to the knowledge of the proposer
- (c) When both the proposer and the acceptor declare the acceptance
- (d) When the acceptor accepts his acceptance in a court of law

[25] The juristic concept of contract consists of :

- (a) Agreement & Obligation
- (b) Free Consent & Capacity
- (c) Offer and Acceptance
- (d) Consideration & Coercion

2008 – June

- [26] All innocent promises collateral to the main illegal promise contained in a contract will be regarded as :
- (a) Valid
 - (b) Void
 - (c) Illegal
 - (d) Voidable
- [27] S offered a reward to anyone who returns his lost dog. F bought the dog to S without having heard of the offer. Which of the following is correct?
- (a) F is entitled to the reward
 - (b) F is not entitled to the reward
 - (c) S has to find the dog himself
 - (d) No reward can be given for the return of lost dog
- [28] A, by a letter dated 10th January 2008, offers to sell his house to B for ₹ 40 Lacs. The letter reaches B on 17th January 2008, who posts his acceptance on 18th January 2008 which reaches A on 30th January 2008. Here, the communication of offer is complete on :
- (a) 18.01.2008
 - (b) 30.01.2008
 - (c) 17.01.2008
 - (d) 10.01.2008
- [29] In the above question, the communication of acceptance is complete against A on 18th January 2008 and against B on:
- (a) 18.01.2008
 - (b) 30.01.2008
 - (c) 17.01.2008
 - (d) 10.01.2008

2008 – December

- [30] An offer allowed to remain open for acceptance over a period of time is known as :
- (a) Standing offer
 - (b) Continuing offer
 - (c) Open offer
 - (d) All of the above
- [31] Offer to public in general is known as :
- (a) Cross offer
 - (b) Counter offer
 - (c) General offer
 - (d) Standing offer

2009 – June

- [32] A invited B for a dinner at his house. B did not come on the appointed day. A cannot sue B as
- (a) There was no intention to create legal relationship.
 - (b) There was no promise.
 - (c) There was no acceptance
 - (d) There was no offer
- [33] A promise is a :
- (a) Consideration
 - (b) Contract
 - (c) An accepted proposal
 - (d) Proposal
- [34] Is the statement true or false :
“All contracts are agreements but all agreements are not contract”
- (a) True
 - (b) False
 - (c) Partly true
 - (d) Can't say

[35] Same as Q 8 [Feb. 07]

[36] If the transaction is illegal, collateral transactions are :

- (a) Void
- (b) Illegal
- (c) Unenforceable
- (d) None of these

[37] An agreement enforceable by law is :

- (a) Obligation
- (b) Promise
- (c) Proposal
- (d) Contract

[38] Same as Q 16 [Aug. 07]

[39] B's son is lost. A goes in search of B's son. Meanwhile, B makes an offer to pay ₹ 1,000 to the finder of his son. A finds B's son. Can A claim ₹1,000 from B ?

- (a) Yes, A has found B's son.
- (b) No, A had no knowledge of the offer.
- (c) No, A is hired by B.
- (d) None of these.

[40] A sent a proposal for sale of goods to B through a letter. However, letter was still in transit, A sent the letter of revocation of offer to B which was received by B before the first letter reached B.

- (a) The contract is valid
- (b) The revocation is valid as it reached B before the first letters reached B.
- (c) The contract is void.
- (d) None of these.

2009 – December

[41] Voidable Contracts are:

- (a) Not enforceable by Law
- (b) Enforceable at the option of both the parties
- (c) Enforceable at the option of one party only
- (d) Enforceable at the option of one or more parties but not at the option of other or others.

[42] B sends acceptance through telegram to A and it was lost in transit due to mishandling of postman. The contract is:

- (a) Voidable
- (b) Valid
- (c) Void
- (d) Illegal

[43] The essential element of a valid contract is

- (a) Consideration
- (b) Free consent
- (c) Consensus- ad- idem
- (d) All of these

2010 – June

[44] Cash withdrawn through ATM of a Bank is:

- (a) Unilateral Contract
- (b) Tacit Contract
- (c) Executed Contract
- (d) Executory Contract

[45] A Contract is :

- (a) An agreement between Indian Nationals.
- (b) An agreement enforceable by parties to contract
- (c) An agreement enforceable by law
- (d) Not an agreement at all.

- [46]** Which of the following is false? An offer to be valid must:
- Contain a term the non-compliance of which would amount to acceptance.
 - Be certain and definite.
 - Be capable of creating legal relations.
 - Be communicated to the person to whom offer is made.
- [47]** A asks B a watch repairer, to repair his watch without forming any contractual relationship, still a legal relationship has arisen and it will create_____.
- Express Contract
 - Implied Contract
 - Tacit Contract
 - Formal Contract
- [48]** A price list belongs to the category of :
- An offer
 - An invitation to offer
 - Answer to a query
 - Acceptance of an offer
- [49]** A sells some smuggled goods at ₹ 100. The contract is void on the ground :
- Illegality
 - Opposed to public policy
 - Fraudulent
 - None of the above.
- [50]** A one – sided contract in which only one party has to perform his promise called.
- Bilateral contract
 - Executory contract
 - Unilateral contract
 - Executed contract.
- [51] Same as Q 16 [Aug. 07]**
- [52]** A contract known by conduct of parties.
- Implied contract
 - Express contract
 - Unilateral contract
 - Tacit Contract
- [53]** Collateral agreement to an illegal agreement is :
- Void
 - Valid
 - Lawful
 - Enforceable
- [54]** All agreements are contracts if they are Made by the free consent of the parties competent to contract, for a lawful consideration and with a lawful object and are not expressly declared as _____ by law.
- Valid.
 - Void.
 - Lawful.
 - Forceable.
- [55]** When counter offer is made original offer.
- Lapse.
 - Change
 - Continue
 - None of the above.
- [56]** A prospectus issued by a company for subscription of its share and debentures is :
- An invitation to make an offer to buy.

2010 – December

- (b) An express offer to sell the Share / Debentures.
- (c) Implied offer to sell the share/ debenture.
- (d) None of the above.

2011 – June

- [57] _____ is one sided contract in which only one party has to perform.
- (a) Unilateral contract
 - (b) Bilateral contract
 - (c) Illegal contract
 - (d) Unenforceable contract
- [58] In telephonic conversation, the acceptance is completed when :
- (a) The words are heard by offeror
 - (b) The words are spoken by offeree
 - (b) The words are heard and action is taken.
 - (d) None of these.
- [59] When offer is made to a definite person, it is known as.
- (a) Special offer
 - (b) Counter offer
 - (c) Cross offer
 - (d) General offer.

2011 – December

- [60] Yatra travels operates AC buses from Mumbai to Nasik. The bus is standing at the Bus stop in Mumbai waiting for passengers travelling to Nasik and is ready for departure. There is an _____ for passengers to board the bus.

- (a) Internal offer
- (b) External offer
- (c) Express offer
- (d) Implied offer

[61] A Contract where the Consent of the One of the parties has been obtained by undue influences, will become _____

- (a) Void and can not be Enforced
- (b) Voidable at the option of the party whose Consent has been obtained by under influence
- (c) Valid provided it is approved by Court of Law.
- (d) An illegal Contract

[62] A voidable contract is one which is _____.

- (a) Not enforceable by either of the parties thereto.
- (b) Enforceable by either of the parties thereto.
- (c) Enforceable only with the permission of the court.
- (d) Enforceable at the option of one of the parties thereto.

[63] A offers to sell his house to B, who agrees to purchase it subject to approval by B's solicitors. Which one of the statements is correct?

- (a) B's statement is absolute and unqualified.
- (b) B's statement is not absolute and unqualified.
- (c) B's statement is absolute but qualified.
- (d) All the above statements are correct.

2012 – June

- [64]** For a binding contract both the parties to the contract must:
- Agree upon the same thing in the same sense
 - Put the offers and counter offer
 - Stipulate there individual offer and consideration.
 - Not agree with each other.
- [65]** Legal obligation means a duty enforceable by:
- Law
 - Society
 - Custom
 - None of the above
- [66]** Only those agreements which _____ are contracts:
- Contains a promise
 - Are not legally enforceable
 - Are legally enforceable
 - Are not void
- [67]** Non - fulfillment by an offeree of a condition precedent to acceptance leads to _____:
- Completion
 - Communication
 - Lapse
 - Execution
- [68]** _____ agreements are created by situation:
- Written
 - Oral
 - Void
 - Implied
- [69]** When a bookseller sells a book on cash payment then it is called as _____ :
- Unilateral Contract
 - Bilateral Contract
 - Executed Contract
 - Executory Contract
- [70]** M/s Law Book Company made an offer to sell a new law book released recently only to the members of Bar Council. This offer is called:
- General offer
 - Specific offer
 - Implied offer
 - Invitation to offer
- [71]** A match fixing contract between a player and a broker is a:
- Valid Contract
 - Unenforceable Contract
 - Void Contract
 - Illegal Contract
- [72]** H, a coolie in uniform at the railway station carried the luggage of Z, a passenger, from the platform to the taxi stand without being asked by Z to do so and Z did not attempt to stop him from carrying the luggage. In this case, Z _____ to make payment to H:
- Is bound
 - Is not bound
 - Is free
 - None of the above
- [73]** "Holiday Packages" announced as an advertisement are an example of _____ :
- Offer
 - Counter offer
 - Invitation to offer
 - None of the above

2012 – December

- [74] An agreement to put a fire on a person's car is a _____.
- Legal
 - Voidable
 - Valid
 - Illegal.
- [75] A specific offer can be accepted by _____.
- Any person
 - Any friend to offeror
 - The person to whom it is made
 - Any friend of offeree.
- [76] Implied contract even if not in writing or express words is perfectly _____ if all the conditions are satisfied :-
- Void
 - voidable
 - Valid
 - Illegal.
- [77] When an offer is made to the world at large, it is _____ offer
- Counter offer
 - Special offer
 - General offer
 - None of the above.
- [78] In case of illegal agreements the collateral transactions are:-
- Valid
 - Void
 - Voidable
 - None of the above.
- [79] A contract is an agreement:-
- Made by the parties who are competent to contract
 - Not enforceable by law

- Enforceable at the option of the aggrieved party
- Made without free consent and consideration.

2013 – June

- [80] Under the Indian Contract Act, 1872, the enforceability at Law of an agreement requires:
- Lawful agreement
 - Lawful consideration
 - Free consent of the parties to the agreement
 - All of the above
- [81] An offer is made with an intention to have negotiation from other party. This type of offer is:
- Invitation to offer
 - Valid offer
 - Voidable
 - None of the above.
- [82] M/s. Law Book Company made an offer to sell a new law book released recently only to the members of Bar Council. This offer is called:
- General offer
 - Specific offer
 - Implied offer
 - Invitation to offer
- [83] _____ is good in substance, but suffers from some technical defects like absence in writing, barred by limitation etc.
- Valid contract
 - Voidable contract
 - Illegal contract
 - Unenforceable contract

2013 – December

[84] There is no binding Contract in case of —— as one's offer cannot be construed as acceptance

- (a) Cross offer
- (b) Standing offer
- (c) Counter offer
- (d) Special offer

[85] An advertisement for sale of an old flat is published in a leading newspaper. This kind of offer is

- (a) Special offer
- (b) Continuing offer
- (c) Open offer
- (d) General offer

[86] —— is a game of chance.

- (a) Conditional Contract
- (b) Contingent Contract
- (c) Wagering Contract
- (d) Quasi Contract

[87] A offers B to supply books @ ₹100 each but B accepts the same with condition of 10% discount. This is a case of

- (a) Counter offer
- (b) Cross offer
- (c) Specific offer
- (d) General offer

[88] —— contracts are also called contracts with —— executed consideration.

- (a) Unilateral
- (b) Completed
- (c) Bilateral
- (d) Executory

[89] If entire specified goods is perished before entering into contract of sale, the contract is

- (a) Valid
- (b) Void
- (c) Voidable
- (d) Cancelled

[90] In case of unenforceable contract having some technical defect, parties

- (a) Can sue upon it
- (b) Cannot sue upon it
- (c) Should consider it to be illegal
- (d) None of the above

[91] In case a counter offer is made, the original offer stands:

- (a) Rejected
- (b) Accepted automatically
- (c) Accepted subject to certain modifications and variations
- (d) None of the above

2014 – June

[92] A advertises to sell his old Car by advertising in a newspaper. This offer is called:

- (a) General offer
- (b) Special offer
- (c) Continuing offer
- (d) None of the above

[93] A void contract means :

- (a) An agreement which is not enforceable by law
- (b) A contract which ceases to be enforceable by law
- (c) An agreement which creates liability for punishment
- (d) A contract which is enforceable at the option of an aggrieved party

- [94]** Which of the following statements is not correct ?
- Acceptance must be absolute
 - Communication of an offer is essential
 - An offer must not be conditional
 - Acceptance may be given in any manner
- [95]** _____ amounts to rejection of the original offer.
- Cross offer
 - Special offer
 - Standing offer
 - Counter offer
- [96]** Which one of the following statement is correct?
- The Indian Contract Act, 1872, is a private law.
 - The rights and duties of parties to a contract are not limited.
 - The provisions of the Indian Contract Act, 1872, are a complete code.
 - Law takes cognizance of all rights and duties decided by the parties to contract.
- [97]** Specific offer can be communicated to _____.
- all the parties of contract.
 - general public in universe.
 - specific person.
 - None of the above.
- [98]** An offer which is open for acceptance over a period of time is:
- Cross offer.
 - Counter offer.
 - Standing offer.
 - Implied offer.
- [99]** An unenforceable contract is one which is:
- A contract which is void from beginning.
 - A contract which cannot be enforced because of certain technical defects.
 - A contract which is made without legal consideration.
 - All of the above.
- [100]** Amar makes a proposal to Bheem to sell his car for ₹ 50,000. Bheem posts a letter of acceptance. The communication of acceptance shall be completed against Bheem when _____.
- letter of acceptance is posted.
 - proposal was received by Bheem.
 - Amar receives the letter of acceptance.
 - letter of acceptance is written by Bheem.
- [101]** Status obligations _____:
- give rise to legal obligations.
 - are voidable agreements.
 - are out of the scope of the Indian Contract Act, 1872.
 - are within the scope of the Indian Contract Act, 1872.

2014 – December

[102] A minor in partnership firm is liable:

- (a) personally.
- (b) only in case of insolvency of firm.
- (c) unlimited liability.
- (d) None of the above.

2015 - June

[103] Mohan invites Sohan to stay with him in Mumbai during X'mas vacations. Sohan accepts the invitation and informs Mohan accordingly. When Sohan reaches Mohan's house, he finds it locked. He, therefore, stays in a hotel. Sohan now wants to claim from Mohan the hotel charges. The option available to Sohan is that:

- (a) Sohan can claim the hotel charges from Mohan.
- (b) Sohan can claim damages
- (c) Sohan can file a suit against Mohan
- (d) None of the above.

[104] Mayur Travellers ply its tourist buses from Chennai to Thirupathi. The bus is standing at Chennai Railway Station waiting for the passengers. Mr. Ramalingam, a passenger desirous of going to Thirupathi boards the bus without permission of the driver or the conductor of the bus. This is a case of:

- (a) Express offer
- (b) Internal offer
- (c) External offer
- (d) Implied offer.

[105] Kedar promises to make a gift of ₹ 5,000 towards the servicing of his car. The service man incurs liabilities on the faith of his promises. Kedar refused to pay as there was not any valid contract between them. Can the serviceman recover the promised amount from Kedar?

- (a) The serviceman can recover ₹ 5,000 from Kedar.
- (b) The serviceman cannot recover anything from Kedar as these was not any valid contract between them.
- (c) The serviceman can recover to the extent of liabilities from Kedar.
- (d) The serviceman can sue Kedar in the court.

[106] A is a manufacturer of Ball Pen. He advertises in the trade press that in future price of his pen will be ₹ 5 and strict action will be taken against who is not observing this price. B had read the advertisement but he forgot and retails the pen at ₹ 8. Advice A:

- (a) A can take a serious action against B because it was clearly written in the advertisement
- (b) A cannot take any action as there is no privity of contract between A and B
- (c) A cannot take any action as it is an unintentional mistake
- (d) A can take a serious action because B had read the advertisement before retailing.

[107] A nephew of X ran away from home. He sent his servant Y in search of the nephew. After that, X announced a reward to any body giving the information relating to the nephew. Y before seeing the announcement traced the nephew and informed X. Y claims for reward. In this case:

- (a) Y's suit will be dismissed on the ground that he could not accept the offer.
- (b) The Court may direct Y to recover the amount
- (c) Y cannot even claim the expenses incurred
- (d) Y is liable to receive the amount.

2015 – December

[108] A invites B for his son's wedding. B accepts the invitation. In this case there is an agreement but no contract, since

- (a) There is no consideration
- (b) There is no intention to create legal relationship
- (c) There is no written document
- (d) There is no formal acceptance of the offer.

[109] B received an offer by letter. He gives his acceptance by letter which are duly stamped addressed and put in the letter box. This amounts to:

- (a) Valid acceptance
- (b) Not a valid acceptance

(c) Not the prescribed manner of acceptance

(d) None of these.

[110] _____ is a contract where parties to the contract have yet to perform their promises

- (a) Executed contract
- (b) Variable contract
- (c) Executory contract
- (d) Void contract.

[111] Mahavir Tour Operators operates Super A.C. Buses from Jaipur to New Delhi. The bus is standing at the bus-stand in Jaipur waiting for passenger travelling to New Delhi and is ready for departure. There is an _____ for passengers to board the bus.

- (a) Implied offer
- (b) Express offer
- (c) Internal offer
- (d) Counter offer.

[112] _____ is a contract in which only one party has to perform his part of promises

- (a) Bilateral contract
- (b) Illegal contract
- (c) Unenforceable contract
- (d) Unilateral contract

2016 – June

[113] 'A' Telegraphed to 'B', will you sell me your bungalow? Let me know the "lowest price". 'B' replied, "lowest price of bungalow is \$ 900". 'A' agreed to buy and asked about his title deeds. To this he received no reply.

- (a) Yes, 'B' is liable to sell because offer was accepted by 'A'
- (b) No, there was no contract because 'B' communicated only the lowest price
- (c) Yes, it became a legal contract with the communication of lowest price by 'B'
- (d) No, this offer was mere a negotiate offer to receive offer.

[114] An agreement where the consideration is unlawful is _____.

- (a) Voidable
- (b) Void
- (c) Unenforceable
- (d) Valid.

2016 – December

[115] You urgently want to reach home at Hathras from your place of employment at Delhi. On reaching terminal for bus you see that there is an airbus belonging to Chandra Travels Pvt. Ltd. Which is standing at bus terminal and waiting for passengers. Here it is:

- (a) Internal offer
- (b) External offer
- (c) Implied offer
- (d) Express offer.

[116] The communication of an acceptance is complete as against the acceptor:

- (a) When it is put in course of transmission to offeror so as to out of reach of the acceptor
- (b) When it comes to the knowledge of the proposer

- (c) When both the proposer and the acceptor declare the acceptance
- (d) When the acceptor accepts his acceptance in a Court of law.

[117] _____ arises when obligations are created without the existence of a contract.

- (a) Quasi contract
- (b) Contingent contract
- (c) Wagering agreement
- (d) Anticipatory contract

[118] Which one of the following falls into the category of offer?

- (a) Newspaper advertisement regarding sale
- (b) Display of goods by a shopkeeper on window with prices marked on them
- (c) An advertisement for a concert
- (d) Announcement of reward to the public.

[119] A voidable contract is one which:

- (a) Can be enforced at the option of the aggrieved party
- (b) Can be enforced at the option of both the parties
- (c) Cannot be enforced in a Court of law
- (d) Courts prohibit.

[120] Cash withdrawn by a consumer of a Bank from an Automatic Teller Machine is an example of:

- (a) Void contract
- (b) Express contract
- (c) Tacit contract
- (d) Bilateral contract.

2017 – June

- [121] "Ignorance of law is no excuse" comes under _____.
- mistake of law of the land
 - mistake of foreign law
 - unilateral mistake
 - bi-lateral mistake
- [122] In the event of the buyer becoming insolvent before paying the price of the goods, in the absence of lien over goods, the seller:
- Can sell the goods
 - Must send the goods to the official receiver
 - Can retain the goods
 - Appropriate the goods against any other sum due by him to the buyer
- [123] Communication of acceptance is complete as against the proposer if and only:
- When it comes to the knowledge of the proposer
 - When it is put in the course of transmission to him so as to be not of power of the acceptor to withdraw the same
 - When the acceptance is communicated to the proposer
 - All of the above.
- [124] An offer made without any spoken words or written is:
- Specific offer
 - Quasi agreement
 - Implied offer
 - Counter offer.
- [125] A proposal may be _____.
- general proposal
 - specific proposal
 - express or implied proposal
 - all of the above
- [126] The term "Quid Pro quo" is applied in relation to _____.
- consideration
 - capacity of the parties
 - free consent
 - legality of object
- [127] X sold and delivered, 10 quintal of wheat to Y. Y instead of expressing his acceptance of the wheat in writing or by words sent the same to a flour mill. The acceptance of goods _____.
- has not taken place
 - by implied adoption has taken place
 - by default has taken place
 - by estoppel has taken place
- [128] Position to dominate the other party and obtain unfair advantages is _____.
- coercion
 - undue influence
 - mistake
 - fraud
- [129] A voidable contract means:
- Contract forbidden by law
 - Contract enforceable by law
 - Contract enforceable by law at the option of one or more parties
 - Contract made either by spoken words or written.

[130] An agreement to remain unmarried is _____.

- (a) valid
- (b) voidable
- (c) void
- (d) unenforceable

2017 – December

[131] When the consent of a party to a contract is not free, the contract is _____.

- (a) void
- (b) voidable
- (c) valid
- (d) illegal

[132] An offer is lapsed by:

- (a) Revocation
- (b) Rejection of offer by the offeree
- (c) Counter offer
- (d) All of the above.

[133] A 'lunatic person' is a _____.

- (a) minor
- (b) insolvent person
- (c) alien enemy
- (d) person of unsound mind

[134] An offer open for acceptance over a period of time is _____.

- (a) void offer
- (b) counter offer
- (c) implied offer
- (d) standing offer

[135] An Executory contract is _____.

- (a) a contract made without words
- (b) a contract enforceable by the option of one party
- (c) something still remains to be performed in contract
- (d) a void contract

[136] A specific proposal is:

- (a) Proposal made in words – written or spoken
- (b) Proposal made to public at large
- (c) Proposal made to a particular or ascertained person
- (d) Proposal made otherwise than in words.

Answer

- | | | | |
|---------|---------|---------|---------|
| 1. (b) | 2. (a) | 3. (b) | 4. (b) |
| 5. (a) | 6. (a) | 7. (c) | 8. (b) |
| 9. (a) | 10. (d) | 11. (b) | 12. (a) |
| 13. (a) | 14. (b) | 15. (c) | 16. (b) |
| 17. (c) | 18. (b) | 19. (c) | 20. (a) |
| 21. (c) | 22. (d) | 23. (c) | 24. (b) |
| 25. (c) | 26. (c) | 27. (b) | 28. (c) |
| 29. (b) | 30. (d) | 31. (c) | 32. (a) |
| 33. (c) | 34. (a) | 35. (b) | 36. (b) |
| 37. (d) | 38. (b) | 39. (b) | 40. (a) |
| 41. (d) | 42. (b) | 43. (d) | 44. (b) |
| 45. (c) | 46. (a) | 47. (b) | 48. (b) |
| 49. (a) | 50. (c) | 51. (b) | 52. (d) |
| 53. (a) | 54. (b) | 55. (a) | 56. (a) |
| 57. (a) | 58. (a) | 59. (a) | 60. (d) |
| 61. (b) | 62. (d) | 63. (c) | 64. (a) |
| 65. (a) | 66. (c) | 67. (c) | 68. (d) |
| 69. (c) | 70. (b) | 71. (d) | 72. (a) |
| 73. (c) | 74. (d) | 75. (c) | 76. (c) |
| 77. (c) | 78. (b) | 79. (a) | 80. (d) |
| 81. (a) | 82. (b) | 83. (d) | 84. (a) |
| 85. (d) | 86. (c) | 87. (a) | 88. (b) |
| 89. (b) | 90. (b) | 91. (a) | 92. (a) |
| 93. (b) | 94. (d) | 95. (d) | 96. (a) |
| 97. (c) | 98. (c) | 99. (b) | 100.(c) |
| 101.(c) | 102.(d) | 103.(d) | 104.(d) |
| 105.(c) | 106.(b) | 107.(a) | 108.(b) |
| 109.(a) | 110.(c) | 111.(a) | 112.(d) |
| 113.(d) | 114.(b) | 115.(c) | 116.(b) |
| 117.(a) | 118.(d) | 119.(a) | 120.(c) |
| 121.(a) | 122.(b) | 123.(b) | 124.(c) |
| 125.(d) | 126.(a) | 127.(b) | 128.(b) |
| 129.(c) | 130.(c) | 131.(b) | 132.(d) |
| 133.(d) | 134.(d) | 135.(c) | 136.(c) |

