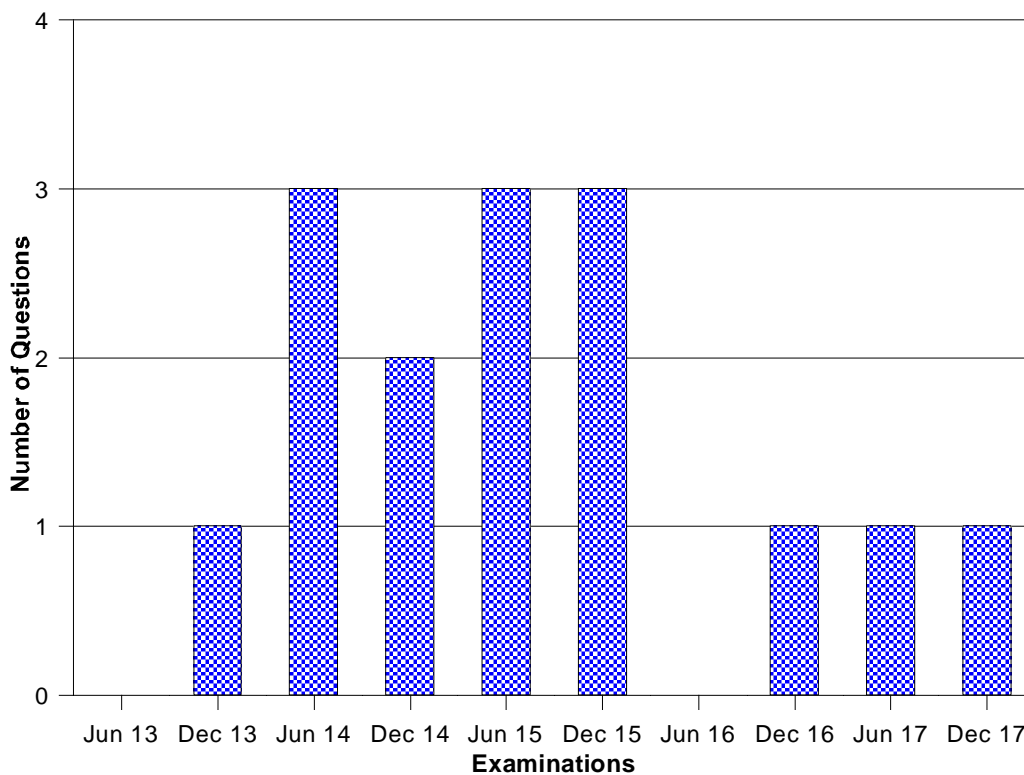


CHAPTER	The Indian Contract Act, 1872
1	
Unit : 5	Breach of Contract



2006 – November

[1] Which one of the following is relevant in normal circumstances in determining the amount of damages from breach of contract?
 (a) Normally expected loss

- (b) Difference between market price and contract price
- (c) Sudden closure price of production
- (d) Additional expenses for procuring the goods

- [2] A party who does not suffer any loss in case of breach of contract is entitled to:
- (a) Statutory damages
 - (b) Liquidated damages
 - (c) Exemplary damages
 - (d) Nominal damages

2007 – February

- [3] Specific Performance may be ordered by the court when :
- (a) Damages are an adequate remedy
 - (b) Damages are not an adequate remedy
 - (c) Defaulting party is not ready to pay damages
 - (d) Contract is not voidable

2007 - May

- [4] Damages which an aggrieved party claim besides general damages for any loss he has suffered owing to special circumstances known to both the parties at the time of signing the contract are known as :
- (a) General damages
 - (b) Special damages
 - (c) Nominal damages
 - (d) Vindictive damages
- [5] The remedies open to a person, suffering from breach of contract are :
- (a) Suit for Damages
 - (b) Suit for Injunction
 - (c) Suit upon Quantum Meruit
 - (d) All of these

2007 – August

- [6] _____ damages are measured on the basis of extent of shock to the sentiments of promisee
- (a) Vindictive
 - (b) Nominal
 - (c) Loss of reputation
 - (d) Discomfort
- [7] In case of anticipatory breach, where the promisee elects to keep the contract alive, if during the time the contract remains open, some event happens discharging the promisor from his liability, the contract becomes :
- (a) Voidable
 - (b) Illegal
 - (c) Contingent
 - (d) Void
- [8] P contracts with Q to deliver possession of a house under construction within a period of six months; failing which he would pay the monthly rental of Q. The monthly rental payable by P for Q is in the nature of :
- (a) Penalty
 - (b) Liquidated Damages
 - (c) Exemplary Damages
 - (d) Special Damages

2007 - November

- [9] N chartered M's ship and agreed to load it with a cargo in Orissa within 50 days. N was unable to supply the cargo but M continued to demand it. Meanwhile war broke out, rendering the performance impossible. In such a case :
- M cannot sue for damages
 - Contract is discharged
 - Neither (a) nor (b)
 - Both (a) and (b)
- [10] In which of the following cases a claim is not enforceable on the ground of quantum meruit?
- A is engaged by B to write a book to be published in instalments in weekly magazine. The magazine is abandoned after a few issues
 - A is employed as a managing director in a company. After he renders service for sometime it is found that the directors were not qualified to appoint him as such
 - A undertakes to build a house for B for ₹ 25,000, but after having done half the work he abandons the contract. B afterwards completes the house
 - A decorates B's flat and fits a wardrobe and a book-case for a lump sum of ₹ 15,000. The work is done but B complains of faulty workmanship

2008 – February

- [11] G, a film star agreed to act exclusively for Y, a film producer, for one year. During the year, she contracted to act for some other producer. In this case, Y :
- Can restrain G by an injunction
 - Cannot sue G at all
 - Has to produce the film with other actors only
 - Cannot restrain G by an injunction

2008 – June

- [12] E contracts to marry F. Before the agreed date of marriage, E marries K. Here, F is entitled to sue E for :
- Anticipatory Breach in an express manner
 - Actual Breach in an express manner
 - Anticipatory Breach in an implied manner
 - Actual Breach in an implied manner

2008 – December

- [13] The phrase "Quantum Meruit" Literally means :
- As soon as possible
 - As much as is earned
 - According to merit
 - Quantity of goods
- [14] The damages which are not natural and direct are known as :
- Penalty
 - Liquidated damages
 - Ordinary damages
 - Remote damages

[15] Generally, the following damages are not recoverable :

- (a) Ordinary Damages
- (b) Special Damages
- (c) Remote Damages
- (d) Nominal Damages

[16] _____ damages are awarded to establish a right of decree for the breach of contract.

- (a) Ordinary damages
- (b) Nominal damages
- (c) Special damages
- (d) Liquidated damages

2009 – December

[17] Same as Q 16 [Dec. 08]

2010 – December

[18] If a party refuses to perform his part of promise before the due date of performance, it is known as:-

- (a) Advance breach of contract.
- (b) Anticipatory breach of contract.
- (c) Actual breach of contract.
- (d) Accidental breach of contract.

2011 – June

[19] Suman, age of 17 year, enter into a contract for the sale of property but breaches the contract before performance. Can buyer file any claim in this condition?

- (a) Yes
- (b) No
- (c) Can't say
- (d) None.

2011 – December

[20] Ordinary damages are Claimed on breach of a Contract.

- (a) True
- (b) False
- (c) Not Claimed at all
- (d) No damages are allowed

[21] Where the plaintiff has proved that there has been a breach of contract but he has not suffered any damage, the damages awarded are called

- (a) Special damages
- (b) Nominal damages
- (c) Exemplary damages
- (d) Vindictive damages.

[22] The damages which arise due to some special or unusual circumstances:

- (a) are recoverable
- (b) are not recoverable
- (c) are recoverable at the discretion of partly at default.
- (d) cannot be claimed as a matter of right.

2012 – June

[23] In a breach of promise to marry _____ may be awarded.

- (a) no damages
- (b) exemplary damages
- (c) special damages
- (d) nominal damages

[24] Sometimes a party is entitled to claim compensation in proportion to work done by him. This is possible by a suit for:

- (a) Damages
- (b) Injunction
- (c) Quantum meruit
- (d) None of these

[25] In case of a breach of contract the remedy available to the aggrieved party is:

- (a) Suit for recession
- (b) Suit for damages
- (c) Suit for specific performance
- (d) All of the above.

2012 – December

[26] A fair and genuine pre-estimated sum of damages likely to result due to breach of contract is termed as

- (a) Liquidated Damages
- (b) Ordinary damages
- (c) Penalty
- (d) None of the above.

[27] Exemplary damages are otherwise called as _____.

- (a) punitive damages
- (b) vindictive damages
- (c) both (a) and (b)
- (d) none of the above.

[28] In case of deterioration caused due to delay in transit the damages can be recovered, even without any notice, from _____.

- (a) carrier
- (b) seller
- (c) buyer
- (d) all the above.

[29] Breach of contract on the due date is known as:-

- (a) Anticipatory Breach
- (b) Actual Breach
- (c) Both 'A' and 'B'
- (d) None of the above.

2013 – December

[30] The damages awarded by way of punishment are:

- (a) Vindictive damages
- (b) Special damages
- (c) Nominal damages
- (d) Ordinary damages

2014 – June

[31] The court may order for a specific performance of a contract where :

- (a) One party prevents the other party from performance of the contract
- (b) Damages are not adequate remedy
- (c) The promisee has not attempted to mitigate the loss
- (d) Damages payable are huge.

[32] Which of the following statements is incorrect?

- (a) Ordinary damages are recoverable
- (b) Special damages are recoverable if both the parties know about them.
- (c) Indirect damages are not recoverable
- (d) None of the above

[33] In case of anticipatory breach of contract, the aggrieved party may treat the contract:

- (a) As discharged and bring an immediate action for damages.
- (b) As operative and wait till the time of performance arrives.
- (c) Exercise either of the options listed in (a) and (b) as above.
- (d) None of the above

2014 – December

[34] In case of anticipatory breach of contract the ____.

- (a) contract automatically comes to an end.
- (b) promisor is discharged of his liability.
- (c) promisee has no remedy.
- (d) promisee can claim damages.

[35] A suit for specific performance of a contract can be instituted by the promisee where _____:

- (a) the promisor has breached the contract.
- (b) the promisee has suffered abnormal loss.
- (c) damages are not adequate remedy.
- (d) parties agree to go to the Court.

2015 – June

[36] If the promisee accepts the anticipatory breach of contract committed by the promisor, then:

- (a) The promisee need not perform his part of the contract, but he cannot claim damages from the promisor
- (b) The promisee must perform his part of the contract before claiming damages from the promisor.
- (c) The promisee need not perform his part of the contract, but he can claim damages from the promisor only after the date of performance
- (d) The promisee needs to perform his part of the contract immediately in order to keep the contract alive.

[37] The Court, in a case, may order specific performance of the promise made by a party to a contract:

- (a) When the contract is voidable
- (b) When the damages are an adequate remedy
- (c) When defaulting party is not ready to pay damages
- (d) When damages are not an adequate remedy.

[38] In case of breach of a contract, the damages awarded by way of punishment are known as _____.

- (a) ordinary damages
- (b) special damages
- (c) nominal damages
- (d) vindictive damages

2015 – December

- [39] Which of the following statement is true with respect to a voidable contract, the injured party _____
- (a) is entitled to recover compensation
 - (b) has a right to sue for damages
 - (c) has a right to rescind the contract
 - (d) all of these.
- [40] _____ is only a circulation of an offer, it is an attempt to induce offers & precedes a definite offer
- (a) Express offer
 - (b) Implied offer
 - (c) Specific offer
 - (d) Invitation to offer.
- [41] Where damages are not an adequate remedy in case of breach of contract, the court may
- (a) Suit upon Quantum meruit
 - (b) Suit for specific performance
 - (c) Suit for injunction
 - (d) None of the above.

2016 – December

- [42] A party who does not suffer any loss in case of breach of contract is entitled to:
- (a) Statutory damages
 - (b) Liquidated damages
 - (c) Exemplary damages
 - (d) Nominal damages.

2017 – June

- [43] "Suit upon quantum meruit" in remedies for breach of contract means _____.
- (a) to compensate the injured party by paying damages
 - (b) party is entitled to claim payment as much as the contract is performed
 - (c) aggrieved party can rescind the contract
 - (d) none of the above

2017 – December

- [44] A agrees to employ B from 1st April, 2017. On 24th March, 2017 he writes a letter to B informing him that he need not join the services. This is known as _____.
- (a) actual breach of contract
 - (b) recession
 - (c) substitution
 - (d) anticipatory breach of contract

Answer

- | | | | |
|---------|---------|---------|---------|
| 1. (b) | 2. (d) | 3. (b) | 4. (b) |
| 5. (d) | 6. (a) | 7. (d) | 8. (b) |
| 9. (d) | 10. (c) | 11. (a) | 12. (c) |
| 13. (b) | 14. (d) | 15. (c) | 16. (b) |
| 17. (b) | 18. (b) | 19. (b) | 20. (b) |
| 21. (a) | 22. (a) | 23. (b) | 24. (c) |
| 25. (d) | 26. (a) | 27. (b) | 28. (a) |
| 29. (b) | 30. (a) | 31. (b) | 32. (d) |
| 33. (c) | 34. (d) | 35. (c) | 36. (c) |
| 37. (d) | 38. (c) | 39. (d) | 40. (d) |
| 41. (b) | 42. (d) | 43. (b) | 44. (d) |

