



BRAINWARE UNIVERSITY

Term End Examination 2020 - 21

Programme – Bachelor of Business Administration & Bachelor of Law

Course Name – Law of Contract I

Course Code - BBALLB104

Semester / Year - Semester I

Time allotted : 75 Minutes

Full Marks : 60

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A

(Multiple Choice Type Question)

1 x 60=60

1. (Answer any Sixty)

(i) The Indian Contract Act came into force in the year:

- | | |
|-------------------------|------------------------|
| a) 15th September, 1872 | b) 1st September, 1872 |
| c) 1st October, 1872 | d) 15th October, 1872. |

(ii) Contract is defined as an agreement enforceable by law, vide Section ... of the Indian Contract Act.

- | | |
|-----------------|-----------------|
| a) Section 2(e) | b) Section 2(f) |
| c) Section 2(h) | d) Section 2(i) |

(iii) A makes a contract with B to beat his business competitor. This is an example of

- | | |
|-----------------------|----------------------------|
| a) valid contract. | b) illegal agreement |
| c) voidable contract. | d) unenforceable contract. |

(iv) Agreement the meaning of which is uncertain is

- | | |
|-------------|-------------------|
| a) Void | b) Valid |
| c) Voidable | d) Illegal Answer |

(v) A/an is every Promise and every set of promises , forming consideration for each other

- | | |
|----------|--------------|
| a) Offer | b) Agreement |
|----------|--------------|

c) Acceptance

d) Transaction

(vi) "A Contract is an agreement creating and defining obligations between the parties" the definition was put forward by

a) Dr. Ambedkar

b) Pollock

c) Salmonds

d) N.D.Kapoor

(vii) To form a valid contract, there should be at least

a) Two parties

b) Three parties

c) Four parties

d) Five parties

(viii) Agreement is defined by the section of the Indian Contract Act, 1872

a) Section 2(c)

b) Section 2(e)

c) Section 2(g)

d) Section 2(i)

(ix) A contract which is impossible to perform is

a) Voidable

b) Void

c) Illegal

d) Enforceable

(x) contract creates

a) Right in personam

b) Right in rem

c) No obligation

d) Only obligation and no rights

(xi) Terms of an offer must be

a) Ambiguous

b) Uncertain

c) Definite

d) Vague

(xii) Section 6 of The Indian Contract Act 1872 provides....

a) Revocation how made

b) Revocation of proposal

c) Communication of proposal

d) None of these

(xiii) The person making a proposal is called....

- a) Promisor
- b) Vendor
- c) Contractor
- d) Promise

(xiv) A by a later offers to sell his car to B for Rupees - 75000/- At the same time B by a letter which crosses the above letter while in post offers to buy the car for rupees 75000 /- In this context which one of the following provisions is correct ?

- a) A Contract is concluded when this 2 letters cross each other in Post.
- b) A contract is concluded when the latter posted by A reaches B
- c) No contract is concluded at any time
- d) A contract is concluded only when letter posted by B reaches A .

(xv) The term consideration has been defined in

- a) Section 2(d)
- b) Section 2(b)
- c) Section 2(c)
- d) Section 2(h)

(xvi) The communication of acceptance is complete as against the acceptor when....

- a) It comes to the knowledge of the proposer
- b) It is communicated to him
- c) It is put in cause of transmission
- d) It becomes impossible for him to revoke it.

(xvii) A proposal can be accepted

- a) By notice of acceptance.
- b) By performance of condition
- c) By notice of acceptance & By performance of condition
- d) None of these

(xviii) A proposes by a letter sent by post, to sell his house to B. B accepts the proposal by a letter sent by post. B May revoke his acceptance at any time -

- a) Before or at the moment when the letter
- b) After or at the moment when the latter

communicating it reaches A, but not afterwards

communicating it reaches A.

c) Before or at the moment when the letter communicating it reaches A, but not afterwards & After or at the moment when the latter communicating it reaches A.

d) None of these

(xix) Every promise and every set of promise forming the consideration for each other is a/an

a) contract.

b) agreement.

c) offer

d) acceptance.

(xx) A Contract is

a) A promise to do something or abstain from doing something

b) A communication of intention to do something or abstain from doing something

c) A set of promises.

d) An agreement enforceable by law.

(xxi) Which of the following is false? An offer to be Valid must

a) Contain a term the non-compliance of which would amount to acceptance.

b) Intend to create legal relations.

c) Have certain and unambiguous terms.

d) Be communicated to the person to whom it is made.

(xxii) The subject-matter of Section 8 of the Indian Contract Act, 1872 is divided in to:

a) performance of the conditions of a proposal and

b) acceptance of any consideration for reciprocal promise which may be offered with a proposal,

c) performance of the conditions of a proposal and & acceptance of any consideration for reciprocal promise which may be offered with a proposal,

d) None of these

(xxiii) 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

(xxiv) Which one of the following has the correct sequence?

- a) Offer, acceptance, consideration, offer.
- b) Offer, acceptance , consideration, contract
- c) Contract, acceptance, consideration, offer.
- d) Offer, consideration, acceptance, contract.

(xxv) A Counter offer is.....

- a) A rejection of the original offer
- b) An acceptance of the offer
- c) A bargain
- d) An invitation to treat

(xxvi) A tender is

- a) an offer
- b) invitation to an offer
- c) acceptance of offer
- d) none of these

(xxvii) Which one of the following falls into the category of offer?

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

(xxviii) Under what age is a person classified as a 'minor' for the purposes of contract law?

- a) 16 years old
- b) 21 years old
- c) 18 years old
- d) 25 years old

(xxix) In agreements of a purely domestic nature, the intention of the parties to create legal relationship is

- a) to be proved to the satisfaction of the court.
- b) presumed to exist.

- c) required to the extent of consideration. d) none of these

(xxx) Which of the following legal statement is incorrect?

- a) An agreement enforceable by law is a contract [Section 2] b) All agreements are contracts [Section 10]
c) A proposal when accepted becomes a promise [Section 2] d) Every promise and every set of promise forming the consideration for each other is an agreement [Section 2(e)]

(xxxii) A Guru. (spiritual advisor) induced the Chela (his devotee) to gift him a whole of his property to secure benefit of his soul in the next World. The gift shall be...

- a) Void b) Voidable
c) Valid d) Immoral

(xxxiii) Contractual rights and duties created by

- a) State b) Statute
c) Parties d) Custom or Usage

(xxxiv) Drawing cash from ATM, sale by fall of hammer at an auction sale, etc., are example of

- a) express contract. b) implied contract.
c) tacit contract. d) unlawful contract.

(xxxv) A sells, by auction to B a horse which A knows to be unsound. A says nothing to B about the horse unsoundness. A does :

- a) Fraud b) Misrepresentation
c) No fraud d) Undue influence

(xxxvi) Where both parties are under mistake as to matter of fact, the agreement will be :

- a) Enforceable b) Voidable

c) Not void

d) Void

(xxxvi) A contract caused by one of the parties to it being under a mistake as to matter of fact is :

a) Void

b) Valid

c) Voidable at the option of either party.

d) Voidable at the option of the party who under mistake.

(xxxvii) Contract signed under misrepresentation is

a) Void

b) Voidable

c) Valid

d) Not Valid

(xxxviii) Which statement is not correct?

a) Coercion renders a contract voidable

b) Undue influence renders a contract voidable.

c) fraud renders a contract voidable

d) Mistakes of Indian law renders a contract voidable

(xxxix) Contract with undue influence & coercion is

a) Voidable Contract

b) Void Contract

c) Illegal Contract

d) Void Agreement

(xl) Section 17 of the Indian contract Act 1872 contemplates “fraud” as an act committed by

a) A party to a contract

b) A party to a contract or with his agent

c) A party to a contract or with his convenience

d) A party to a contract or with his convenience or by his agent

(xli) A contract in general restraint of marriage is unenforceable on the ground of public policy:

a) Whether it contains an express undertaking that the subject will not marry

b) Whether it is merely a contract, which on financial or grounds tends to discourage a

subject from marrying

c) Either Whether it contains an express undertaking that the subject will not marry or Whether it is merely a contract, which on financial or grounds tends to discourage a subject from marrying

d) None of these

(xlii) Consideration should be

a) Partly legal

b) Legal

c) Not clear

d) Clear

(xliii) Contract cannot be said to be void on ground of:

a) over consideration

b) inadequacy of consideration

c) over consideration or inadequacy of consideration

d) neither over consideration nor inadequacy of consideration

(xliv) A contract is made where:

a) A buys a book from a shop

b) X bids at a public auction.

c) X agrees with Y to discover a treasure by magic

d) Z agrees to attend the birthday party of his friend

(xlv) Parol contracts are also known as

a) Simple Contract

b) Format Contract

c) Void Contract

d) Conditional contract

(xlvi) Voidable contract is one

a) Which is lawful

b) Which is invalid

c) Which is valid as long as it is not avoided by the party entitled to do so

d) none of these

(xlvii) An agreement is valid

a) Which creates legal and social obligation

b) Which creates rights of a party

of the parties

- c) Which is written on a piece of paper and signed by the parties
- d) Which creates legally binding right and obligations of the parties to it

(xlviii) What is reasonable time for the Implementation of the contract ? that should depended on

- a) Person
- b) Third party
- c) Not implementing the contract
- d) The facts of the case

(xlix) A sees an article marked “Price Rupees Twenty” in B’s shop .He offers B Rs. 20 for the article. B refuses to sell saying the article is not for sale.

Advice A.

- a) A cannot force B to sell the article at Rs. 20
- b) A can force B to sell the article at Rs. 20
- c) A can claim damages
- d) A can sue B in the Court

(l) The damages which is not resulted from the straight injury is called.

- a) Direct damage
- b) Complete damage
- c) Specific damage
- d) Remote damage

(li) A quasi contract is a

- a) A contract
- b) A legal obligation
- c) An agreement
- d) A contingent contract

(lii) A supplies to B, a lunatic the necessaries suitable to his condition to his conditions in life. In this case

- a) B is personally liable to pay
- b) B ‘s property is liable
- c) B’s parents are personally liable
- d) If B’s property is not sufficient to reimburse, then he is personally liable

(liii) A ‘s property was wrongly advertised for sale for recovery of government revenue due from B. In order to save B’s property, A paid the government

dues. In this case A is entitled to recover the amount of dues paid by him from B on the basis of

- a) Government contract
- b) Valid contract
- c) Quasi contract
- d) None of these

(liv) Specific relief can be granted for

- a) enforcing individual civil rights
- b) enforcing penal laws
- c) both civil rights and penal laws
- d) neither civil rights nor penal laws

(lv) Burden to prove adverse possession is on

- a) Court
- b) Defendant
- c) Plaintiff
- d) None of these

(lvi) What is true of Specific Relief Act

- a) it is a procedural law
- b) it supplements the Code of Civil Procedure
- c) it is founded on English Law
- d) All of these

(lvii) Section 13 of the Specific Relief Act, 1963 has no application when the transfer has been affected in respect of a property

- a) in which vendor has no title or has an imperfect title
- b) in which vendor has title
- c) in which vendor has imperfect title
- d) None of these

(lviii) Mistake contemplated under section 26 is

- a) mutual mistake
- b) bilateral mistake
- c) mistake in framing of the instrument
- d) All of these

(lix) Legal character or right under section 34 must be

- a) Specific
- b) Abstract
- c) Contingent
- d) All of these

(lx) Injunction is granted

a) to prevent torts

c) both to prevent torts & to restrain breaches of contracts

b) to restrain breaches of contracts

d) neither to prevent torts & to restrain breaches of contracts