

- 17) **D agrees to buy V's cycle by promising to pay cash on 15th July. V agrees to deliver the cycle on 20th July. This is a case of –**
- Executed Contract
 - Executory Contract
 - Void Contract
 - Illegal Contract.
- 18) **The essential element of a valid contract is**
- Consideration
 - Free consent
 - Consensus – ad – item
 - All of these
- 19) **One of the clauses in an agreement was - "This agreement shall not be legally enforceable, but binding in honour only". In such case, the agreement is –**
- Invalid
 - Valid
 - Illegal
 - Infructuous.
- 20) **A price list belongs to the category of:**
- An offer
 - An invitation to offer
 - Answer to query
 - Acceptance of an offer
- 21) **When there is a counter-offer, the Original Offeror may accept the terms of the counter-offer made by the Offeree and form a valid contract.**
- True
 - Partly True
 - False
 - None of the above.
- 22) **When a person signifies to another his willingness to do or to abstain from doing anything, with a view to obtaining the assent of that other to such act or abstinence, he is said to –**
- enter into a contract
 - make a proposal
 - accept an offer
 - create legal obligation.
- 23) **When there is a Counter Offer, the original offer terminates.**
- True
 - Partly True
 - False
 - None of the above.
- 24) **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?**
- F is entitled to the reward
 - F is not entitled to the reward
 - S has to find the dog himself
 - No reward can be given for the return of lost dog
- 25) **A proposes by letter, to sell his horse to B at 10,00,000 Rs. Communication of the proposal is complete when –**
- A posts the letter
 - B receives the letter
 - B acknowledges to A that he has received the letter.
 - (b) or (c), whichever is earlier
- 26) **L offered to take a house on lease for a period of 3 years at 1 Lakh Rs p.a. if the house was "put through repairs and rooms were handsomely decorated". Here, there is no offer since**
- there is no legal obligation
 - there is no communication of offer
 - the terms of offer is too vague
 - the offer is conditional.
- 27) **Counter Offer made by the other party, does not terminate the original offer.**
- True
 - Partly True
 - False
 - None of the above.
- 28) **A notice is an offer.**
- True
 - Partly true
 - False
 - None of these.
- 29) **An offer is revoked –**
- By the death or insanity of the Proposer
 - By lapse of time
 - By communication of notice of revocation
 - All of these.
- 30) **.....may be made by positive acts or signs or implied from acts of the parties.**
- Implied Offer
 - Express Offer
 - General Offer
 - Specific Offer.
- 31) **An offer made to the public at large is called as –**
- Standing Offer
 - Specific Offer
 - General Offer
 - Express Offer.

- 32) In case of a Counter Offer or Cross Offer, one person's offer can be taken as an Offer and the other person's Offer can be taken as its acceptance.
- True
 - Partly True
 - False
 - None of the above.
- 33) Under Section 2 (c) of Indian Contract Act, Promisor is the person –
- to whom the proposal is made
 - who makes the promise
 - who makes the proposal
 - who accepts the proposal.
- 34) The person making the proposal is called –
- Promisor
 - Promisee
 - Participator
 - Principal.
- 35) The difference between an advertisement for sale and a proposal is –
- No difference at all
 - A proposal becomes a promise as soon as the party to whom it is made accepts it but an advertisement is only an invitation to offer
 - Every case will have to be viewed according to the circumstances
 - Proposals cannot be advertised, while advertisements cannot be proposed.
- 36) An offer made to a - (i) Specific person; or (ii) a group of persons is known as –
- Standing Offer
 - Specific Offer
 - Public Offer
 - Separate Offer.
- 37) Yatra Travels operates buses from Delhi to Agra. The bus standing at its Bay in the Bus Terminus is with a view to taking the passengers. There isto take passengers.
- Implied Offer
 - Express Offer
 - Internal Offer
 - External Offer.
- 38) Which of the following is an Offer?
- Mere quotation of terms by trader
 - Quotation of the lowest price in answer to an enquiry
 - Advertisement for sale or auction of goods
 - Bids in an auction sale.
- 39) If the agreement contains a basis for ascertaining the meaning of a vague term, the agreement ison the ground of its being vague.
- Illegal
 - Void
 - not void
 - unenforceable.
- 40) Offer implied from conduct of parties or from circumstances of the case is called –
- Implied Offer
 - Express Offer
 - General Offer
 - Specific Offer.
- 41) In case of special conditions or terms in a contract, the Offeree is not bound or deemed to have accepted if such conditions –
- are communicated to him
 - are not communicated to him
 - are legal and enforceable
 - are restrictive in nature.
- 42) Acceptance should be communicated to the Offeror, before –
- the offer lapses
 - the offer terminates
 - the offer is revoked by the Offeror.
 - All of the above
- 43) K, an actress was engaged for a tour. The agreement provided that if the party went to London, K would be engaged at a salary to be mutually agreed between them. In such a case –
- the contract is in restraint of trade
 - the contract is contingent
 - the contract is unenforceable
 - there is no contract.
- 44) Agreement consist of :
- Agreement & Obligation
 - Free Consent & Capacity
 - Offer and Acceptance
 - Consideration & Coercion
- 45) When the parties make an agreement to be agreed in the near future, it means that their terms are not definite or finalised. There can be no concluded contract in such case.
- True
 - Partly True
 - False
 - None of the above.
- 46) When the proposal or acceptance is made otherwise than in words, the promise is said to be
- Expressed
 - Implied
 - Accepted

- d) Rejected.
- 47) **An offer was sent by post, the Acceptor wrote 'Accepted' on the letter, put it in his drawer & forgot about it. The transaction is –**
- a valid contract
 - not an agreement as the acceptance was never communicated to the Proposer
 - a voidable contract
 - a void contract.
- 48) **Acceptance is defined in**
- Section 2(c)
 - Section 2 (d)
 - Section 2 (a)
 - Section 2 (b)
- 49) **A General Offer can be accepted by –**
- sending a communication of acceptance
 - tendering himself to comply the conditions of offer
 - complying with the conditions of offer
 - making a counter offer.
- 50) **K offers to U to sell his house in a prime locality for Rs. 25 Lakhs U had made up his mind to purchase it, but does not say anything to K. Which of the following statements is correct?**
- There is a valid acceptance
 - There is no valid acceptance
 - The consideration is inadequate
 - There is a valid contract.
- 51) **Words like "See Back for Conditions", "Please Turn Over", "Subject to Terms and Conditions contained in Annexure", are sufficient for a reasonable notice of special conditions to the Acceptor.**
- True
 - Partly True
 - False
 - None of the above.
- 52) **Communication of acceptance is complete as against the Acceptor, only –**
- when it is put in the course of transmission
 - when it comes to the knowledge of the Proposer
 - when it is communicated to the Acceptor that the acceptance has reached the Proposer
 - all of the above.
- 53) **The communication of an acceptance is complete as against the acceptor :**
- When it is put in course transmission to him so as to be out of reach of the acceptor
 - When it comes to the knowledge of the proposer
 - When both the proposer and the acceptor declare the acceptance
 - When the acceptor accepts his acceptance in a court of law
- 54) **Which are the valid offer from the following**
- Particular offer
 - Public Offer
 - Standing offer
 - all of the above.
- 55) **A invited B for a dinner at his house. B did not come on the appointed day. A cannot sue B as**
- There was no intention to create legal relationship
 - There was no promise
 - There was no acceptance
 - There was no offer
- 56) **According to the Indian Contract Act, 1872, a promise is –**
- A communication of intention to do something
 - A proposal which has been accepted
 - A gentleman's word to do something
 - A statement on oath.
- 57) **Where special terms are communicated by way of conditions on the reverse of train ticket, receipt etc., acceptance of the document (e.g. ticket or receipt) without protest that amounts to a tacit acceptance of conditions.**
- True
 - Partly True
 - False
 - None of the above.
- 58) **If a person performs some act intended by Proposer as consideration for the promise offered by him, performance of such act constitutes –**
- an invalid acceptance
 - a valid acceptance
 - rejection of the offer
 - a counter-offer.
- 59) **In a self service restaurant Mr. A took cup of tea it's an**
- Implied Offer
 - Public Offer
 - Continuous Offer
 - None of the above.
- 60) **A Specific Offer can be accepted by –**
- any person
 - any friend of Offeror
 - only by the person to whom it is made
 - any friend of Offeree.