

BLOGS

Contract Law Questions for CLAT PG 2026-PART II

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1. Where reciprocal promises are to be performed simultaneously:

- A) Either may refuse unless the other is ready and willing
- B) Both must perform regardless of readiness
- C) Promisee must perform first
- D) Contract becomes voidable

Answer: A

Explanation: Section 51 states readiness and willingness is a precondition where promises are simultaneous.

2. If a debtor owes several debts and omits to intimate appropriation:

- A) Creditor must apply payment to earliest debt
- B) Creditor may apply at his discretion
- C) Payment must go to secured debt
- D) Payment extinguishes all debts proportionately

Answer: B

Explanation: Under Section 60, if the debtor does not specify, the creditor may appropriate at discretion.

3. A party who partly performed a contract that becomes void may claim:

- A) Nothing
- B) Damages for the entire contract
- C) Quantum meruit for work done
- D) Specific performance

Answer: C

Explanation: Section 65 allows restitution; quantum meruit compensates for benefit conferred.

4. An agreement to not carry any business anywhere in India for 3 years is:

- A) Valid if consideration is adequate
- B) Void being restraint of trade
- C) Valid if restraint is reasonable
- D) Voidable at the option of promisee

Answer: B

Explanation: Section 27 declares such restraint void except for sale of goodwill with reasonable limits.

5. Ratification relates back to:

- A) Date of ratification
- B) Date of act ratified
- C) Date of communication
- D) Notional date fixed by principal

Answer: B

Explanation: Ratification relates back to the date of the act if the principal was competent.

6. If the promisee does not rescind on anticipatory breach:

- A) Contract is discharged immediately
- B) Promisee must sue at once
- C) Promisee keeps the contract alive, risk of events falling on him
- D) Promisee loses right to sue

Answer: C

Explanation: Keeping the contract alive exposes the promisee to subsequent discharge by impossibility.

7. Wagering agreements are void but not illegal except:

- A) In Gujarat
- B) In Maharashtra
- C) In Goa
- D) In Karnataka

Answer: A

Explanation: In Gujarat (and old Bombay), wagers are illegal, affecting collateral agreements.

8. Which is unlawful under Section 23?

- A) Agreement to sell property of enemy in wartime
- B) Agreement to sell lottery tickets authorised by the government
- C) Promise to pay for lawful object without licence
- D) Promise to lend money for legal business

Answer: A

Explanation: Dealing with enemy property is opposed to public policy.

9. Acceptance by telephone is complete when:

- A) Words are spoken
- B) Call is connected
- C) Proposer hears and understands
- D) Message is left on voicemail

Answer: C

Explanation: For instantaneous modes, acceptance is complete when heard and understood.

10. A contract required by law to be in writing but made orally is:

- A) Void
- B) Illegal
- C) Unenforceable
- D) Valid

Answer: C

Explanation: Valid in substance but unenforceable for lack of statutory form.