BLOGS

# Contract Law Questions for CLAT PG 2026- PART III

Ruchika Mohapatra · 13 Sep 2025

**1. A valid tender must:**

A) Be conditional

B) Include an offer to perform the whole obligation

C) Be made at any place convenient to the promisor

D) Not require readiness to perform

**Answer:** B

**Explanation:** Section 38 requires an unconditional offer to perform the whole obligation.

**2. Which relationship raises no presumption of undue influence?**

A) Parent and child

B) Spiritual adviser and disciple

C) Solicitor and client

D) Landlord and tenant

**Answer:** D

**Explanation:** Landlord-tenant does not automatically create presumption; proof is required.

**3. Silence amounts to fraud when:**

A) Silence relates to material fact

B) Silence is equivalent to speech by usage

C) There is a duty to speak

D) All of the above

**Answer:** D

**Explanation:** Silence is fraud if there is a duty to speak, or it is equivalent to speech, or there is intent to deceive.

**4. An agreement collateral to an illegal agreement is:**

A) Valid

B) Void only between parties

C) Void if parties knew illegality

D) Void irrespective of knowledge

**Answer:** D

**Explanation:** Collateral agreements to illegal contracts are void regardless of knowledge.

**5. Frustration under Section 56 occurs when:**

A) Contract becomes unlawful after formation

B) Performance becomes economically difficult

C) Parties fail to agree on modifications

D) Unexpected hardship arises

**Answer:** A

**Explanation:** Section 56 applies when performance becomes impossible or unlawful.

**6. A past act done voluntarily at the promisor's request:**

A) Is valid consideration

B) Is void

C) Creates moral obligation only

D) Requires fresh promise in writing

**Answer:** A

**Explanation:** Section 25(2) — a past voluntary act at the promisor's desire is valid consideration.

**7. A surety is discharged if:**

A) Creditor grants principal more time without surety's consent

B) Creditor releases co-surety

C) Creditor merely forbears to sue

D) Principal is adjudicated insolvent

**Answer:** A

**Explanation:** Section 135 discharges a surety if time is extended without consent.

**8. Standard of care for a bailee is:**

A) That of a prudent owner

B) Extraordinary care

C) Minimal care unless a reward is fixed

D) Strict liability

**Answer:** A

**Explanation:** Section 151 sets the standard as that of an ordinary prudent owner.

**9. Which is true about contingent contracts?**

A) They depend on certainty, not event

B) They are void if event is collateral

C) They depend on an uncertain future event

D) They can be enforced even if the event becomes impossible

**Answer:** C

**Explanation:** Section 31 defines contingent contracts as dependent on uncertain future events.

**10. Indian law on penalty versus liquidated damages:**

A) Distinction strictly maintained as in English law

B) No distinction; court awards reasonable compensation not exceeding sum named

C) Only penalty enforced

D) Only liquidated damages enforced

**Answer:** B

**Explanation:** Section 74 allows reasonable compensation, not exceeding the stipulated amount, regardless of label.