

AILET

Frequently Asked Questions on Law of Contract

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Choose the correct option from the following given options:

1. Surender's dog is lost. He advertises in a newspaper- "Anyone who finds the dog will get a reward of Rs. 20,000". This advertisement is:

- a. Proposal
- b. Invitation to offer
- c. Acceptance
- d. Void contract

Ans. a

2. An auction turns into a binding contract:

- a. Upon fall of the hammer
- b. Upon quotation of the highest bid
- c. Upon actual signing of contract
- d. Upon mentioning of reserve price

Ans. a

3. Quid pro quo means

- a. Something in return
- b. Adequacy of consideration
- c. Sufficiency of consideration
- d. Value of promise

Ans. a

4. A notice in newspapers inviting tenders is:

- a. Proposal
- b. Promise
- c. Invitation to proposal
- d. Invitation for negotiation

Ans. c

5. Past consideration is valid in

- a. England only
- b. India only
- c. Both a and b
- d. Neither a nor b

Ans. b



6. What is the terminology used to describe a situation when two parties make identical offers to each other in ignorance of each other's offer?

- a. Offer
- b. Cross offer
- c. Counter offer
- d. Conditional offer

Ans. b

7. Which of the following is an offer?

- a. A bid at an auction sale
- b. Banker's catalogue of charges
- c. Menu card at a restaurant
- d. All the above

Ans. a

8. Exceptions to the doctrine of 'privity of contract' do not include

- a. Beneficiaries under a charge
- b. Equitable mortgage
- c. Estoppel
- d. Marriage settlement

Ans. b

9. An acceptance may be revoked at any time before the communication of its acceptance is complete:

- a. As against the proposer
- b. As against the acceptor
- c. As against the person revoking
- d. None of the above

Ans. b

10. As per the Mirror Image rule:

- a. The offer and counter offer must match each other
- b. The acceptance should be unconditional and thus should correspond to the offer
- c. The acceptance of the offer should be conditional
- d. None of the above

Ans. b

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