

BLOGS

MCQs on Bailment under Contract Law: PART I

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1. Bailment is defined under which section of the Indian Contract Act, 1872?

- a) Section 148
- b) Section 172
- c) Section 124
- d) Section 182

Answer: a) Section 148

Explanation: Section 148 defines bailment as the delivery of goods for some purpose, under a contract, to be returned when the purpose is accomplished.

2. In a contract of bailment, the person delivering goods is called:

- a) Bailee
- b) Bailor
- c) Pledger
- d) Trustee

Answer: b) Bailor

Explanation: The bailor is the person who delivers the goods to another (bailee) for a specific purpose.

3. Which of the following is not an essential element of bailment?

- a) Delivery of goods
- b) Consideration must always be paid
- c) Purpose of delivery
- d) Return of goods after purpose

Answer: b) Consideration must always be paid

Explanation: Bailment may be gratuitous or for consideration; consideration is not mandatory.

4. Delivery of goods in bailment can be:

- a) Actual only
- b) Constructive or symbolic as well
- c) Only by handing over keys
- d) Only by personal delivery

Answer: b) Constructive or symbolic as well

Explanation: Delivery may be actual, constructive, or symbolic (e.g., handing over keys to a warehouse).

5. Which of the following is gratuitous bailment?

- a) Leaving clothes at a dry cleaner for washing
- b) Depositing jewellery in a bank locker
- c) Lending a book to a friend without charge
- d) Leaving a car in a paid parking lot

Answer: c) Lending a book to a friend without charge

Explanation: Gratuitous bailment occurs when goods are delivered without any reward or consideration.

6. Bailee's duty to take care of goods is similar to:

- a) Owner's duty towards his own goods
- b) Trustee's duty towards beneficiaries
- c) Pledger's duty towards pawned goods
- d) No such duty exists

Answer: a) Owner's duty towards his own goods

Explanation: A bailee must take as much care as a reasonable owner would take of his own goods.

7. If goods are lost due to slight negligence of bailee, who bears the loss?

- a) Bailor
- b) Bailee
- c) Both equally
- d) Insurance company

Answer: b) Bailee

Explanation: The bailee is liable for loss if he fails to take reasonable care.

8. Which of these is not a right of a bailee?

- a) To receive agreed remuneration
- b) To sue third parties for wrongful deprivation of goods
- c) To use goods for personal benefit without consent
- d) To retain goods for charges due

Answer: c) To use goods for personal benefit without consent

Explanation: The bailee cannot use the goods for personal purposes unless agreed by the bailor.

9. Finder of goods is treated as:

- a) Owner
- b) Bailee
- c) Agent
- d) Trustee

Answer: b) Bailee

Explanation: A finder of goods is deemed a bailee with duties to take reasonable care and return goods to the true owner.

10. Lien of a bailee is lost when:

- a) Bailee retains goods for charges due
- b) Goods are delivered back voluntarily
- c) Bailee gives notice of lien
- d) Charges are unpaid

Answer: b) Goods are delivered back voluntarily

Explanation: Once goods are voluntarily delivered to the bailor, the bailee loses the right of lien.