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Practice Paper on Transfer of Property Act-Part I

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Preparing for the upcoming CLAT PG exam? Practice Questions on Transfer of Property Act for CLAT 2026 and test your preparation now!

QUESTIONS

1. Which of the following is not a "transferable property" under the Transfer of Property Act, 1882?

A. Shares in a company

B. Easement rights in gross

C. Right to collect rent from tenants

D. Leasehold property

Correct Answer: B. Easement rights in gross

Explanation: Section 6 of the Act specifies properties that cannot be transferred. Easements in gross are personal rights and cannot be assigned.

2. Under Section 41 of the Act, when does a person, claiming to be the owner of immovable property, transfer a valid title?

A. When he is in actual possession

B. With the consent of the court

C. When the transferee takes reasonable care to ascertain the truth of ownership

D. When possession is handed over, irrespective of care

Correct Answer: C. When the transferee takes reasonable care to ascertain the truth of ownership

Explanation: This refers to "transfer by an ostensible owner" under Section 41, and it requires due care by the transferee.

3. What is the essential difference between a “mortgage by conditional sale” and a “sale with a condition of repurchase”?

A. The former involves possession transfer, while the latter does not

B. In the former, the condition is enforceable under specific performance

C. In the latter, the transaction has dual purposes

D. No difference exists between the two

Correct Answer: B. In the former, the condition is enforceable under specific performance
Explanation: Under Section 58(c), if the debt is not repaid, the conditional sale results in ownership. Whereas, in a sale with repurchase, repurchase can proceed only under separate contract law.

4. According to Section 49, what governing principle applies to unregistered documents affecting immovable property?

A. They are valid for sale but invalid for leases

B. They can only be treated as evidence of contracts for specific performance

C. They cannot be admitted into evidence in any court

D. They transferee absolute ownership

Correct Answer: B. They can only be treated as evidence of contracts for specific performance
Explanation: Unregistered documents affecting property can be treated as evidence for collateral purposes, as per Section 49.

5. In what scenario is the “doctrine of lis pendens” under Section 52 inapplicable?

A. During a pending property dispute

B. Under a compromise agreement recorded in court

C. When both parties are legally unrelated to the lis

D. When alienation occurs to mutual creditors

Correct Answer: B. Under a compromise agreement recorded in court
Explanation: The doctrine applies to pending disputes but does not affect properties under compromise decrees recorded as such.

6. When does transfer for the benefit of an unborn child become invalid under the law?

A. Where the transferor has a life interest

B. When the property is devoid of absolute interest until the child is born

C. In cases of share distribution to charities

D. When bypassing Section 13 requirements

Correct Answer: D. When bypassing Section 13 requirements

Explanation: Section 13 requires that the unborn child must ultimately acquire an absolute interest through the prior vesting of interest in trustees.

7. Which type of mortgage does not confer possession to the mortgagee?

A. Usufructuary Mortgage

B. Simple Mortgage

C. Conditional Sale Mortgage

D. English Mortgage

Correct Answer: B. Simple Mortgage

Explanation: In a Simple Mortgage under Section 58(b), possession is not transferred to the mortgagee.

8. What is the legal principle for determining a valid oral gift under the Act?

A. No oral gifts are enforceable

B. Gifts of immovable property don’t require registration

C. Oral gifts of movable property without delivery suffice

D. Gifts of immovable property cannot exceed Rs. 10,000 without writing

Correct Answer: C. Oral gifts of movable property without delivery suffice

Explanation: Under Section 123, immovable property gifts require writing, while movable properties require delivery.

9. Under Sec. 38, when multiple co-owners transfer part of the property, what results?

A. The transfer is deemed invalid

B. The transferee retains interest only for the consenting parties

C. Ownership is evenly distributed irrespective of consent

D. Joint ownership merges therein

Correct Answer: B. The transferee retains interest only for the consenting parties

Explanation: As per Section 38, the transferor can assume rights over only their divisible interest barring joint trustees.

10. Under Section 58(f), which statement about an “anomalous mortgage” is correct?

A. It is defined narrowly under the Act

B. It exclusively applies to court-decreed mortgages

C. It includes mortgages inconsistent with the six defined types

D. The term has no binding enforceable meaning

Correct Answer: C. It includes mortgages inconsistent with the six defined types

Explanation: Anomalous mortgages combine features from others without being strictly classifiable

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