**KSA**

1. Which of the following are essential features of a valid simple contract?
	1. Offer and acceptance only.
	2. Offer, acceptance and consideration only.
	3. Offer, acceptance, privity, certainty and duress only.
	4. **Offer, acceptance, consideration, intention to create legal relations and certainty of terms.**
2. Consideration, an essential element in the formation of a valid contract, may be identified as:
	1. The need for fairness in the contract.
	2. The intention of the parties to be legally bound.
	3. A balance in the terms of the agreement.
	4. **The 'bargain' element of a contract.**
3. Which of the following is an example of good consideration?
	1. **Exceeding an existing duty.**
	2. Part-payment of a debt.
	3. Performing an existing duty.
	4. Agreeing to pay a tenant for improvements already made to a rented property.
4. Intention to create legal relations is presumed in which of the following relationships:
	* 1. Husband and wife living together.
		2. Parties to a commercial contract.
		3. Husband and wife who are separated.
		4. Friends who are part of a lottery syndicate.
5. All of the above.
6. ii only.
7. **ii, iii and iv.**
8. i, ii and iv.
9. Which of the following does NOT have the right to enforce a contract?
	1. The parties to it.
	2. Third parties to an insurance contract in their benefit.
	3. **Third parties to a contract concerning the carriage of goods.**
	4. A party subject to a restrictive covenant on land.
10. How would the courts deal with a clause in a contract for the sale of a horse which promised the seller an additional £5 fee if the horse proved to be lucky?
	1. It would be enforced in the same way as any other clause.
	2. It would be held as illegal as a gaming contract.
	3. The entire contract would be held as unenforceable.
	4. **The clause would probably be held unenforceable due to lack of certainty.**
11. Which one of the following is incorrect? Consideration must be:
	1. Adequate but it should be sufficient.
	2. Current and not be past.
	3. **Quantifiable (having a legal value) but not appealing**
	4. Exchanged after the contract has taken place.
12. Which one of the following shows an intention to be bound?
	1. Binding in 'essence' only.
	2. Binding in 'honour' only.
	3. This is a 'gentleman's agreement'.
	4. **A signature on a legal document.**
13. Which of the following is NOT necessary for an enforceable contract to exist when supported by past consideration:
	1. The act that is the subject of the contract must have been requested by the promisor
	2. There must have been in the contemplation of both parties that payment would have been made.
	3. **A written contract detailing the expectation of payment is in existence before the commencement of the act.**
	4. All the other elements of a valid contract must have existed.
14. Which one of the following element is not necessary for a contract ?
	1. Competent parties
	2. **Reasonable terms and conditions.**
	3. Free consent
	4. Lawful Consideration
15. The correct sequence in the formation of a contract is :
	1. Offer, acceptance, agreement, consideration.
	2. Agreement, consideration, offer,acceptance.
	3. Offer , Consideration, acceptance, agreement.
	4. **Offer,acceptance, consideration, agreement.**
16. Where both parties are under mistake as to matter of fact, the agreement will be :
	1. Enforceable
	2. Vòidable
	3. **Not Void**
	4. Void
17. Which one of the following sections of the Indian Contract Act,1872 relates to the rule noconsent, no agreement  ?
	1. **Section 13**
	2. Section 21
	3. Section 20
	4. Section 22
18. Which is not the correct statement ?
	1. **If consent is the result of coercion, the agreement is void.**
	2. If a party is minor, the agreement is void
	3. If the object of an agreement is unlawful, the  agreement is void.
	4. If the consideration of an agreement is unlawful, the agreement is void .
19. Unlawful detaining or threatening to detain any property with the intention of causing any person to enter into an agreement would amount to which one of the following?
	1. Duress
	2. Undue Influence
	3. **Coercion**
	4. Wagering
20. A agrees to buy from B a certain house. It turns out that the house was destroyed at the time of bargain, through neither party was aware of the fact. The agreement :
	1. **Void**
	2. Valid
	3. Voidable
	4. Illegal
21. Is The past consideration for a promise valid to create a contract :
	1. **It is valid only in Indian law and not in English law.**
	2. It is valid only in English law and not in Indian law.
	3. It is valid live in both Indian law and English law.`
	4. It is neither valid in Indian law nor in English law.
22. When at the Desire of the  promisor, the  promisee or any other person has done or abstained from doing, or does or abstain from doing or promises to do something or obtain from doing something such act or abstinence or promise is called :
	1. Agreement
	2. Contract
	3. **Consideration**
	4. Proposal
23. Where no application is made and no time is specified for performance of promise, there the  agreement must be performed within  :
	1. 1 to 2 years
	2. 2 to 3 years
	3. 5 to 6 years
	4. **Reasonable time**
24. Which one of the following is not an essential ingredient of an agreement ?
	1. Proposal
	2. Acceptance
	3. Consideration
	4. **Public Policy**
25. Which one of the following essentials of contract has not been incorporated in the Indian Contract Act 1872 ?
	1. Parties Competent to Contract
	2. Lawful object
	3. **Intention to Contract**
	4. Consideration
26. Which of the following is not necessary for a contract?
	1. Competent Parties
	2. Lawful Consideration
	3. Lawful Object
	4. Reasonable Terms and Conditions
27. An agreement becomes a contract if:
	1. It is by free consent of the parties.
	2. Parties are competent.
	3. It is Enforceable by law
	4. None of the above
28. Which of the following relation fall in the category of ' fiduciary relations' and usually raise the presumption of undue influence?
	1. Parent and child
	2. Trusted and beneficiary
	3. **Landlord And Tenant**
	4. None
29. A threatens to kill B if he does not sell his scooter to him for Rs. 1,000 only. Here B's consent is obtained by:
	1. Undue influence
	2. **Coercion**
	3. Fraud
	4. None
30. Where one party is in a position to dominate the will of another and uses his superior position to obtain the consent of a weaker party, the consent is said to be obtained by:
	1. Coercion
	2. Duress
	3. Wagering
	4. **Undue Influence**
31. The effect of 'no free consent' and 'no consent at all' is the same on the validity of a contract as in the cases, the contract is voidable:
	1. True, as all the elements affecting consent render the contract voidable
	2. **False, as 'no consent all' covers the case of mistake of both the parties as to the fact essential to the contract. Which makes void ab initio**
	3. Maybe True or False
	4. None Of the above
32. Error in consensus is the complete absence of consent and prevents the existence of following essential element of a contract:
	1. Comepetence of Parties
	2. Consideration
	3. **Consensus ad idem**
	4. Offer and Acceptance
33. **In case there is error in consensus , the agreement is :**
	1. **Void**
	2. Valid
	3. Unlawful
	4. Voidable
34. The threatening act amounting to coercion:
	1. Must be directed against the party to contract
	2. Must be directed against the Stranger only
	3. Must be directed against both the party and Stranger to contract
	4. **May be directed against the party or against any person who is not a party**
35. A contract induced by coercion is voidable at the option of the party whose consent is obtained by coercion, it means that such party:
	1. **May put an end to the contract if he so chooses**.
	2. Must put end to the contract
	3. Must decide to be bound by the contract and claim damages
	4. Must put an end to the contract and remake if on new terms
36. **Threat to commit any act forbidden by the Indian Penal Code in order to obtain consent to a contract, amount to:**
	1. **Mistake**
	2. **Misrepresentation**
	3. **Coercion**
	4. **Undue Influence**
37. **The consent of a party is not free when it is caused by:**
	1. **Undue Influence**
	2. **Misrepresentation**
	3. **Coercion**
	4. **All the above**
38. The term “Undue influence” is contained in:
	1. Section 15
	2. **Section 16(1)**
	3. Section 16(2)
	4. Section 17
39. **The threatening act amounting to coercion:**
	1. Must be initiated by a party to the contract only
	2. Must be initiated by a stranger only
	3. **May be initiated by a stranger or party to Contract**
	4. Must be initiated by a stranger and party to Contract
40. **The domination of will an essential requirement of**
	1. Coercion
	2. **Undue Influence**
	3. Wager
	4. None of the above
41. **Undue influence is a kind of:**
	1. **Mental Coercion**
	2. **Physical Coercion**
	3. Both of these
	4. None
42. **In which of the following cases, of mistake of both the parties, the contract is void ab initio because of complete absence of consent?**
	1. Where there is error as to the nature of the contract
	2. Where there is error as to the identify of the parties
	3. Where there is error as to the subject- matter of the contract
	4. **All the Above**
43. Consent obtained by a threat to commit suicide amounts to coercion:
	1. **True, as threat to commit suicide is forbidden by Indian Penal Code**
	2. False, as threat to commit suicide is not punishable by the Indian Penal Code
	3. Maybe true or false
	4. Neither True nor False
44. **The circumstance in which one party is presumed to dominate the will of another are provided in:**
	1. Section 15
	2. Section 16(1)
	3. **Section 16(2)**
	4. Section 18