

Review: 24th LawFoyer's Quiz on Indian Contract Law + Law of Torts 2025

Respondent

309

Anonymous

04:38

Time to complete

232/240

Points

1

Name *

Score / 0 pts

LawFoyer

2

Email Id *

Score / 0 pts

lawfoyer@gmail.com

3

Contact Number / WhatsApp Number *

Score / 0 pts

8765456789

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

4

*

In an auction sale, 'X' is the highest bidder. The auctioneer accepts the offer by not speaking but striking the hammer on the table this amounts to:

- ☐ a. Express acceptance
- ☒ b. Implied acceptance ✓
- ☐ c. Future acceptance
- ☐ d. No acceptance

✓ Correct 4/4 Points

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Auto-graded

5

*

A enquires from B, "will you purchase my cow for \$ 100?" B replies, "I shall purchase your cow for \$ 100 provided you purchase my parrot for \$ 120". In this case:

- ☐ a. B has accepted the offer of A
- ☒ b. B has made a counter offer to A ✓
- ☐ c. A is bound by the actions of B
- ☐ d. B cannot make such an offer

0 / 4 pts
Auto-graded

✗ Incorrect 0/4 Points

6

*

Which one of the following promises is enforceable?

- ☐ a. X promises to pay Rs. 5,000/- to Y who saved him from drowning ✓
- ☐ b. X promises to pay Rs. 5,000/- to his son
- ☐ c. X promises to donate Rs. 5,000/- to an Officer's Club
- ☒ d. X promises to pay Rs. 5,000/- as additional fees to his advocate for winning a suit

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

7

*

Which of the following is false? An offer to be valid must:

- ☒ a. Contain a term the non-compliance of which would amount to acceptance ✓
- ☐ b. Intend to create legal relations
- ☐ c. Have certain and unambiguous terms
- ☐ d. Be communicated to the person to whom it is made.

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

8

*

A agrees to sell to B a horse for Ra. 25,000 if it wins a race and for Rs. 15,000 if does not. The horse wins the race. The agreement is:

- ☐ a. Valid
- ☐ b. Void
- ☒ c. Void and wagering ✓
- ☐ d. Voidable and wagering

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

9

*

Which of the following case does not deal with the capacity to contract?

- ☒ a. Jamna Das v Pandit Ram Avtar Pandey ✓
- ☐ b. Mohiri Bibee v Dharmodas Ghose
- ☐ c. Leslie Ltd. v Sheill
- ☐ d. Khan Gul v Lakha Singh

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

10

*

Which of the following cases deal with offer under the Indian Contract Act 1872?

- ☒ a. Carlill v Carbolic Smoke Ball Company Ltd ✓
- ☐ b. Tweedle v Atkinson
- ☐ c. Bhagwandas v Girdharilal & Co
- ☐ d. Mohri Bibee v Dharmodas Ghose

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

11

*

Which of the following case does not deal with free consent as an essential element of contract law?

- ☐ a. Subhash Chandra Das v Ganga Prasad Das
- ☐ b. Chikam Amiraju v Chikam Seshamma
- ☒ c. Raghav Chariar v Srinavasa ✓
- ☐ d. Askari Mirza v Bibi Jai Kishori

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

12

*

Which of the following case deal with the concept of 'intention to create a legal obligation' under contract law?

- ☐ a. Balfour v Balfour
- ☐ b. Jones v Padavatton
- ☐ c. McGregor v McGregor
- ☒ d. All of the above ✓

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

13

*

Anish sends a letter to Bharat proposing to sell his car. Bharat posts a letter of acceptance to Anish. The letter of acceptance is still in transit and has not reached Anish. As per Section 4 of the Indian Contract Act, 1872, when is the communication of acceptance complete against Bharat?

- ☐ a. When Bharat posts the letter of acceptance.
- ☒ b. When Anish receives the letter of acceptance. ✓
- ☐ c. When Anish reads the letter of acceptance.
- ☐ d. When Bharat signs the letter of acceptance.

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

14

*

Arrange the following stages in the correct chronological order as per the Indian Contract Act, 1872, leading to a 'contract':

- I. Proposal
- II. Agreement
- III. Promise
- IV. Acceptance

- ☐ a. I, III, IV, II
- ☒ b. I, IV, III, II ✓
- ☐ c. I, II, III, IV
- ☐ d. IV, I, III, II

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

15

*

What is the fundamental difference between a 'void agreement' and a 'void contract' as defined in Sections 2(g) and 2(j) of the Indian Contract Act, 1872?

- ☐ a. A void agreement is initially valid but later becomes unenforceable, while a void contract is unenforceable from the beginning
- ☐ b. A void agreement is enforceable at the option of one party, while a void contract is not enforceable at all.
- ☒ c. A void agreement is an agreement not enforceable by law, whereas a void contract is a contract which ceases to be enforceable by law. ✓
- ☐ d. There is no legal difference; both terms are interchangeable.

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

16

*

If the creditor makes a contract with the principal debtor, by which the principal debtor is released, the surety is:

- ☐ a. Partially discharged
- ☒ b. Discharged ✓
- ☐ c. Not discharged
- ☐ d. Liable for reduced amount

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

17

*

Varun, who is usually of sound mind, enters into a contract while he is delirious from fever and unable to understand the terms or form a rational judgment about its effect on his interests. As per Section 12 of the Indian Contract Act, 1872, can Varun validly contract during this specific period?

- ☐ a. Yes, because he is usually of sound mind.
- ☒ b. No, because at the time of making the contract, he is not capable of understanding it or forming a rational judgment. ✓
- ☐ c. Yes, if the contract is for his benefit.
- ☐ d. No, unless the other party was also of unsound mind.

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

18

*

Match the following factors that vitiate 'free consent' under Section 14 of the Indian Contract Act, 1872, with their corresponding defining sections:

- I. Coercion
- II. Undue Influence
- III. Fraud
- IV. Misrepresentation
- P. Section 18
- Q. Section 15
- R. Section 17
- S. Section 16

- ☒ a. I-Q, II-S, III-R, IV-P ✓
- ☐ b. I-S, II-Q, III-P, IV-R
- ☐ c. I-Q, II-R, III-S, IV-P
- ☐ d. I-P, II-Q, III-R, IV-S

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

19

*

A, on board an English ship on the high seas, causes B to enter into an agreement by an act amounting to criminal intimidation under the BNS. A later sues B for breach of contract in Calcutta. As per the Explanation to Section 15 of the Indian Contract Act, 1872, has A employed coercion?

- ☐ a. No, because the act was not an offense by the law of England where it was committed.
- ☒ b. Yes, it is immaterial whether BNS is or is not in force in the place where the coercion is employed. ✓
- ☐ c. No, unless the act amounted to an offence under English law.
- ☐ d. Yes, but only if B could prove actual physical harm.

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

20

*

A agrees to sell to B a specific cargo of goods supposed to be on its way from England to Bombay. Unknown to both A and B, the ship conveying the cargo had been cast away and the goods lost before the day of the bargain. What is the legal status of this agreement as per Section 20 of the Indian Contract Act, 1872?

- ☐ a. Voidable at the option of A
- ☐ b. Voidable at the option of B
- ☐ c. Valid and enforceable
- ☒ d. Void ✓

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

21

*

A patient in a lunatic asylum, who is at intervals of sound mind, enters into a contract during one of those intervals. Based on Section 12 of the Indian Contract Act, 1872, is this contract valid?

- ☐ a. No, a patient in a lunatic asylum can never make a valid contract.
- ☒ b. Yes, because a person who is usually of unsound mind but occasionally of sound mind may contract when of sound mind. ✓
- ☐ c. No, because the patient is usually of unsound mind.
- ☐ d. Yes, but the contract would be voidable at the option of the other party.

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

22

*

X threatens to burn Y's house if Y does not agree to sell his valuable antique watch to X for a very low price. Y, fearing for his property, agrees to the sale. Which factor vitiating consent, as defined in the Indian Contract Act, 1872, has X employed?

- ☐ a. Undue influence
- ☐ b. Fraud
- ☐ c. Misrepresentation
- ☒ d. Coercion ✓

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

23

*

A, by a misrepresentation, leads B erroneously to believe that five hundred maunds of indigo are made annually at A's factory. B examines the accounts of the factory, which clearly show that only four hundred maunds of indigo have been made. After this examination, B buys the factory. Is the contract voidable on account of A's misrepresentation, as per the Exception to Section 19 of the Indian Contract Act, 1872?

- ☐ A. Yes, because A made a misrepresentation.
- ☒ B. No, because B had the means of discovering the truth with ordinary diligence. ✓
- ☐ C. Yes, but only if A intended to deceive B.
- ☐ D. No, because B examined the accounts after the misrepresentation.

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

24

*

A promises to superintend, on behalf of B, a legal manufacture of indigo, and an illegal traffic in other articles. B promises to pay to A a salary of ₹10,000 a year. As per Section 24 of the Indian Contract Act, 1872, what is the legal status of this agreement?

- ☐ a. The agreement is valid regarding the manufacture of indigo, but void regarding the illegal traffic.
- ☒ b. The entire agreement is void because a part of the object and consideration is unlawful. ✓
- ☐ c. The agreement is voidable at the option of A.
- ☐ d. The agreement is valid, and the unlawful part can be severed.

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

25

*

Rajat sells his well-established grocery business, including its goodwill, to Sanjeev. They agree that Rajat will not carry on a similar grocery business within the same city for a period of five years. As per Section 27 of the Indian Contract Act, 1872, what is the legal status of this agreement?

- ☐ a. Void, as it is an agreement in restraint of trade.
- ☒ b. Valid, if the specified local limits and period appear to the Court reasonable, given the nature of the business. ✓
- ☐ c. Voidable, at the option of Rajat.
- ☐ d. Valid, but only for a period of one year regardless of reasonability

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

26

*

A agrees to sell to B "my white horse for rupees five hundred or rupees one thousand." As per Section 29 of the Indian Contract Act, 1872, what is the legal status of this agreement?

- ☐ a. Valid, as the price is capable of being made certain by B's choice.
- ☒ b. Void, because there is nothing to show which of the two prices was to be given, making it uncertain. ✓
- ☐ c. Voidable at A's option.
- ☐ d. Valid, as the average of the two prices can be taken.

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

27

*

According to Section 48 of the Indian Contract Act, 1872, where a promise is to be performed on a certain day, and the promisor has not undertaken to perform it without application by the promisee, the promisee must apply for performance at a proper place and time. What constitutes 'proper time and place'?

- ☐ a. Any time and place convenient to the promisee.
- ☒ b. During the usual business hours, at the place where the promise ought to be performed. ✓
- ☐ c. Within 24 hours of the fixed day, irrespective of location.
- ☐ d. At the promisor's residence at any hour

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

28

*

If a contract does not specify the place of performance, and the promisee is not required to apply for performance, under Section 49, it is the duty of the promisor to:

- ☐ a. Await the promisee's instruction on where to perform.
- ☐ b. Perform at the promisee's last known address.
- ☒ c. Apply to the promisee to appoint a reasonable place for the performance of the promise. ✓
- ☐ d. Perform at any public place.

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

29

*

A lends his bicycle to B for a day, without charge. A knows the brakes are faulty but doesn't tell B. B, while riding, gets into an accident due to brake failure and is injured. What is A's liability?

- ☐ a. A is not liable as it was a gratuitous bailment.
- ☒ b. A is liable to B for the damage sustained, as he failed to disclose a known fault. ✓
- ☐ c. B cannot claim anything as he should have checked the brakes.
- ☐ d. A is only liable to repair the bicycle.

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

30

*

A takes his laptop to a repair shop, paying a fee for the service. The shop owner (bailee) discovers a major defect that makes the laptop dangerous to repair, but doesn't inform A and proceeds with the repair, resulting in further damage to the laptop and injury to the repair person. What is the shop owner's liability?

- ☐ a. The shop owner is not liable as he was performing the service.
- ☒ b. The shop owner is liable for the damage to the laptop and the injury, as he should have disclosed the fault. ✓
- ☐ c. The shop owner is only liable for the injury to himself.
- ☐ d. The liability falls on A, the bailor, for providing a faulty laptop.

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

31

*

A, B and C, as sureties for D, enter into three several bonds, each in a different penalty, namely, A in the penalty of 10,000 rupees, B in that of 20,000 rupees, C in that of 40,000 rupees, conditioned for D's duly accounting to E. D makes default to the extent of 40,000 rupees.

- ☒ a. A is liable to pay 10,000 rupees, and B and C 15,000 rupees each. ✓
- ☐ b. C is liable to pay 40,000 rupees, and A and B are not liable for any amount.
- ☐ c. A is liable to pay 10,000 rupees, and B and C are liable for pay 20,000 rupees and 10,000 rupees respectively.
- ☐ d. A, B, and C must pay equal amounts.

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

32

*

According to Section 151 of the Indian Contract Act, 1872, in all cases of bailment, the bailee is bound to take as much care of the goods bailed to him as a man of ordinary prudence would, under similar circumstances, take of:

- ☐ a. His own goods of any kind.
- ☒ b. His own goods of the same bulk, quality and value as the goods bailed. ✓
- ☐ c. Goods belonging to others in his possession.
- ☐ d. Goods insured against all risks.

0 / 4 pts
Auto-graded

✗ Incorrect 0/4 Points

33

*

Arjun pledges his gold necklace with a bank to secure a loan of ₹1,00,000. After one month, he takes another loan of ₹50,000 from the same bank without any fresh pledge. If the first loan is repaid, can the bank retain the necklace for the second loan?

- ☐ a. No, because the necklace was pledged only for the first loan.
- ☐ b. Yes, due to a general lien of the bank. ✓
- ☒ c. Yes, if there is a contract to that effect.
- ☐ d. No, unless the second loan is explicitly secured by the necklace.

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

34

*

Tortious liability arises from the breach of a duty primarily fixed by the law. This duty is towards persons generally and its breach is redressible by an action for unliquidated damages.

The above definition was given by–

- ☒ (a) Winfield ✓
- ☐ (b) Pollock
- ☐ (c) Salmond
- ☐ (d) None of them

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

35

*

Which one of the following cases explains the maxim 'injuria sine damnum'?

- ☐ (a) Vishnu Datt vs. Board of Education, UP
- ☒ (b) Bhim Singh vs. State of Jammu and Kashmir ✓
- ☐ (c) Ushaben vs. Bhagyalaxmi Chitra Mandir
- ☐ (d) Torem Area Committee vs. Prabhu Dayal

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

36

*

The principle ubi jus ~~ibi remedium~~ was recognized in—

- ☐ (a) Winterbottom vs. Wright
- ☐ (b) Chapman vs. Pickersgill
- ☒ (c) Ashby vs. White ✓
- ☐ (d) Rylands vs. Fletcher

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

37

*

Malice in law means—

- ☒ (a) wrongful act done intentionally but without just cause or excuse ✓
- ☐ (b) wrongful act done intentionally but without cause or excuse
- ☐ (c) wrongful act done intentionally with good motive
- ☐ (d) wrongful act done intentionally with evil motive

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

38

*

Which one of the following is not an objective of the law of torts?

- ☐ (a) Deterrence
- ☒ (b) Imposition of moral blame ✓
- ☐ (c) Compensation
- ☐ (d) Corrective justice

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

39

*

Which one of the following is not a general defence in tort?

- ☐ (a) Necessity
- ☐ (b) Private defence
- ☐ (c) Consent
- ☒ (d) Economic instability ✓

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

40

*

Rescue cases form an exception to the application of the doctrine of–

- ☐ (a) Necessity
- ☒ (b) Volenti non fit injuria ✓
- ☐ (c) Inevitable accident
- ☐ (d) None of the above

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

41

*

The leading case in which the test of directness for determining the remoteness of damages was finally established is—

- ☐ (a) Smith vs. London South-Western Railway Co.
- ☐ (b) Wagon Mound Case
- ☒ (c) Re Polemis and Furness Withy & Co. ✓
- ☐ (d) Overseas Tankship (UK) Ltd. vs. Morts Dock & Engineering Co. Ltd.

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

42

*

The standard of care required on the part of defendant in the tort of 'negligence' is of—

- ☐ (a) highly skilled person
- ☐ (b) any person of least understanding
- ☒ (c) a reasonable and prudent man ✓
- ☐ (d) a person having legal understanding

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

43

*

The doctrine of res ipsa loquitur was applied by the Supreme Court in—

- ☐ (a) Jasbir Kaur vs. State of Punjab
- ☐ (b) Alka vs. Union of India
- ☐ (c) Asia Ram vs. Municipal Corporation of Delhi
- ☒ (d) Municipal Corporation of Delhi vs. Subhagwanti ✓

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

44

*

Last opportunity rule is associated with—

- ☐ (a) Absolute liability
- ☐ (b) Strict liability
- ☐ (c) Volenti non fit injuria
- ☒ (d) Contributory negligence ✓

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

45

*

The famous auctioneer case with the respondent was held liable for the tort of conversion is

- ☐ [A] Stanley v. Powell
- ☐ [B] Nicholas v. Marshall
- ☐ [C] Collins v. Renison
- ☒ [D] Consolidated Co. v. Curtis ✓

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

46

*

The famous "Jai santoshi maa" case is

- ☐ [A] Acton v. Blundell
- ☐ [B] Bhim Singh v. State of J&K
- ☒ [C] Ushaben v. Bhagyalaxmi Chitra Mandir ✓
- ☐ [D] Gloucester Grammar school case

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

47

*

X store sent certain items in a horse carriage to a customer's house, which happened to be by the side of a school. The horse was left unattended for some time. A few children threw stones at the horse which made the horse run over an old lady. The lady suffered certain injuries and sued X store for compensation. Will she succeed?

- ☒ [A] Yes. She will succeed ✓
- ☐ [B] No. She will not succeed
- ☐ [C] She would partly succeed, and sue the school for the remaining compensation
- ☐ [D] None of the above

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

48

*

A & S store sent certain items in a horse carriage to a customer's house, which happened to be by the side of a school. A few children threw stones at the horse which made the horse run around and was about to hit over an old lady. A police constable who was on duty, stopped the horse and got injured in the course. He sued A&S for the damages. Will he succeed?

- ☐ [A] The policeman will not succeed as he voluntarily suffered the injury
- ☒ [B] The policeman will succeed ✓
- ☐ [C] The policeman should have sued the old lady
- ☐ [D] The policeman should have sued the school

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

49

*

An old man was walking in a narrow one-way lane in the opposite direction. It was dark. A car moving in the right direction but without a headlight knocked him down since the driver couldn't see him. Will he succeed?

- ☒ [A] Yes ✓
- ☐ [B] No, as it was an accident
- ☐ [C] No, as it is the negligence of the old man
- ☐ [D] No, she exposed her to the risk

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

50

*

A shopkeeper falsely imprisons a customer on suspicion of theft without reasonable cause. Which tort has been committed?

- ☐ A) Assault
- ☐ B) Battery
- ☒ C) False imprisonment ✓
- ☐ D) Trespass to land

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

51

*

The “neighbor principle” in negligence was established in which case?

- ☐ A) Bourhill v. Young
- ☒ B) Donoghue v. Stevenson ✓
- ☐ C) Palsgraf v. Long Island Railroad Co.
- ☐ D) Wagon Mound Case

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

52

*

Which of the following statements about defamation is TRUE?

- ☒ A) Truth is always a complete defense to defamation ✓
- ☐ B) Only written statements can be defamatory
- ☐ C) Defamation is only a criminal offense, not a tort
- ☐ D) Public figures cannot sue for defamation

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

53

*

Which of the following is an example of vicarious liability?

- ☐ A) A person injuring another in a car accident
- ☒ B) A master being held liable for the wrongful act of a servant ✓
- ☐ C) A person trespassing on another's land
- ☐ D) A doctor treating a patient negligently

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

54

*

In *Rylands v. Fletcher*, liability will NOT arise if:

- ☐ a. The escape is due to the act of God
- ☐ b. The substance stored is non-dangerous
- ☐ c. Plaintiff consented to the accumulation
- ☒ d. All of the above ✓

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

55

*

“Conversion” differs from trespass to goods because:

- ☐ a. Conversion requires intention to assert dominion inconsistent with owner's rights
- ☐ b. Conversion always needs physical damage
- ☐ c. Trespass protects possession, not ownership
- ☒ d. Both a and c ✓

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

56

*

When a manufacturer owes a duty of care to ultimate consumers despite no contract, it arises from:

- ☐ a. Doctrine of strict liability
- ☒ b. Principle in Donoghue v. Stevenson ✓
- ☐ c. Respondeat superior
- ☐ d. Voluntary assumption of risk

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

57

*

If A throws a lit match onto B's thatched roof and the wind spreads fire to C's property, A is:

- ☐ a. Liable to B but not C
- ☒ b. Liable to both B and C for foreseeable consequences ✓
- ☐ c. Not liable to C due to novus actus
- ☐ d. Protected by remoteness doctrine

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

58

*

The “eggshell skull” rule means:

- ☐ a. Damages are limited to what a reasonable person would suffer
- ☒ b. Defendant is liable even for unforeseeable extent of injury to a fragile plaintiff ✓
- ☐ c. It applies only to psychiatric harm
- ☐ d. It requires special damages

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

59

*

Liability in tort for misfeasance in public office arises when:

- ☐ a. A public officer negligently omits to perform a duty
- ☒ b. A public officer acts maliciously or with knowledge of illegality causing damage ✓
- ☐ c. The government enacts a harmful statute
- ☐ d. A statutory discretion is exercised bona fide

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

60

*

A customer deposits various securities (shares, bonds) with his bank for safekeeping, and also maintains a current account. If the customer defaults on a loan taken from the same bank, can the bank retain these securities, even if they were deposited for a different purpose, until the loan is repaid?

- ☐ a. No, securities deposited for safekeeping cannot be used for loan recovery.
- ☒ b. Yes, under its general lien as a banker. ✓
- ☐ c. Only if there is a specific agreement to that effect.
- ☐ d. Only if the loan is directly related to the securities

✓ Correct 4/4 Points

4 / 4 pts
Auto-graded

61

*

Match the following legal concepts with their corresponding sections in the Indian Contract Act, 1872: a. Bailee's particular lien

- (i) 151 b. Care to be taken by bailee
- (ii) 171 c. Finder of goods
- (iii) 170 d. General lien of bankers
- (iv) 168

- ☒ a. (a)-(iii), (b)-(i), (c)-(iv), (d)-(ii) ✓
- ☐ b. (a)-(i), (b)-(ii), (c)-(iii), (d)-(iv)
- ☐ c. (a)-(iv), (b)-(iii), (c)-(i), (d)-(ii)
- ☐ d. (a)-(ii), (b)-(iv), (c)-(i), (d)-(iii)

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

62

*

A finds a lost wallet containing money and documents. What is A's legal status and duty towards the wallet, under the Indian Contract Act?

- ☐ a. A becomes the owner of the wallet.
- ☒ b. A has the same responsibilities as a bailee and must attempt to find the true owner. ✓
- ☐ c. A can use the money but must return the documents.
- ☐ d. A must hand over the wallet to the police immediately, without trying to find the owner.

4 / 4 pts
Auto-graded

✓ Correct 4/4 Points

63

*

When can a finder of a thing commonly on sale sell it, even if the owner cannot be found, or if he refuses to pay the lawful charges of the finder?

- ☒ a. When the thing is perishable or its charges amount to two-thirds of its value ✓
- ☐ b. When the value of the thing is less than Rs. 100.
- ☐ c. After waiting for 1 year for the owner to claim it.
- ☐ d. A finder can never sell the goods.