

Examrace

Legal Aptitude MCQs – Commonly Asked Questions for Exams – Must Know Topics and Concepts Part 6

Get top class preparation for competitive exams right from your home: [get questions, notes, tests, video lectures and more](#)- for all subjects of your exam.

39. Legal Principle Effect of novation, rescission, and alteration of contract- If the parties to a contract agree to substitute a new contract for it, or to rescind or alter it, the original contract need not be performed.

Under Section 62, the original contract need not be performed if there is

- a) novation of contract
- b) dispense with the performance wholly
- c) dispense with the performance wholly or in a part
- d) All of the above

Ans: (d)

40. Legal Principle What agreements are contracts- All agreements are contracts if they are made by the free consent of parties competent to contract, for a lawful consideration and with a lawful object, and are not hereby expressly declared to be void.

Nothing herein contained shall affect any law in force in [India] , and not hereby expressly repealed, by which any contract is required to be made in writing or in the presence of witnesses, or any law relating to the registration of documents.

When an agreement becomes a contract, it contains

- a) free consent of parties
- b) parties must be competent to contract
- c) a lawful consideration must be there
- d) All of the above

Ans: (d)

41. Legal Principle Who are competent to contract - Every person is competent to contract who is of the age of majority according to the law to which he is subject, and who is of sound mind and is not disqualified from contracting by any law to which he is subject.

A person is said to be competent to contract, when

- a) he attains the age of majority
- b) he is of sound mind
- c) he is not disqualified from contracting by any law to which he is subject.
- d) All of the above

Ans: (d)

42. Legal Principle 'Consent' defined as - Two or more persons are said to consent when they agree upon the same thing in the same sense.

What does 'consent' include?

- a) Agreement
- b) Two or more person
- c) They agree upon the same thing in the same sense
- d) All of the above

Ans: (c)

43. Legal Principle 'Free consent' defined as - Consent is said free when it is not caused by

- 1) coercion, as defined in section 15,
- 2) under influence, as defined in Section 16,
- 3) fraud, as defined in Section 17, or
- 4) misrepresentation, as defined in Section 18,
- 5) mistake, subject to the provisions of Sections 20,21 and 22.

Consent is said to be so caused when it would not have been given but for the existence of such coercion, under influence, fraud, misrepresentation, or mistake.

'Fraud' is defined in which Section?

- a) Section 18
- b) Section 19
- c) Section 17
- d) Section 20

Ans: (c)

Legal Principle 'Undue influence' is defined as - A contract is said to be induced by 'undue influence' where relations subsisting between the parties are such that one of the parties is

in a position to dominate the will of the other and uses that position to obtain an unfair advantage over the other.

In the and without prejudice to the generality of the foregoing principle, a person is deemed to be able to dominate the will of another

- 1) where he hold a real or apparent authority over the other, or where he stands in a fiduciary relation to the other,
- 2) where he makes a contract with a person whose mental capacity is temporarily or permanently affected by reason of age, illness, or mental or bodily distress.

Where a person who is in a position to dominate the will of another, enters into a contract with him, and the transaction appears, on the face of it or on the evidence adduced, to be unconscionable, the burden of proving that such contract was not induced under influence shall be upon the person in a position to dominate the will of the other.

Factual Situation A having advanced money to his son, B, during his minority, upon B's coming of age obtains, by misuse of parental influence, a bond from B for a greater amount than the sum due in respect of the advance. An employes under influence.

44. 'Undue influence' which vitiates free consent under Section 16 is

- a) due to relation one obtain an unfair advantage over the other
- b) due to fiduciary relation one has an apparent authority over the other
- c) whose mental capacity is temporarily or permanently affected by reason of age, illness or mental or bodily distress
- d) All of the above

Ans: (d)

45. What makes a proposal?

- a) When one person signifies to another his willingness to do or to abstain from doing anything, with a view to obtaining the assent of that other to such act or abstinence, he is said to make a proposal
- b) When the person to whom the proposal is made signifies his assent thereto, the proposal is said to be accepted. A proposal, when accepted, becomes a promise
- c) The person making the proposal is called the 'promisor' , and the person accepting the proposal is called the 'promise' .
- d) When, at the desire of the promisor, the promisee or any other person has done or abstained from doing, or does or abstains from doing, or promises to do abstain from doing, something, such act or abstinence or promise is called a consideration for the promise

Ans: (a)

Developed by: [Mindsprite Solutions](#)