

Question 1: Difference between fraud and Misrepresentation.

Question 2: Difference between promisor and promisee

Question 3: Differentiate between fraud and misrepresentation?

Answer:

Fraud:

Fraud is something which is done in order to deceive someone. It involves making false statement with the intention to deceive someone. A person knows that a statement or belief is false but he makes a false statement purposely in order to deceive other person.

Misrepresentation

Misrepresentation is making false statement without the intention of deception. A person positively states that a fact is true but in reality the fact is not true. He makes a false statement but there is no intention of deception because the person himself does not know about the fact that he stated is false.

Question 4: Discuss and explain the statement: "Agency refers to the relationship which exists between two persons, the Principal and the Agent."

Answer:

Contract of Agency

In general terms, Agency refers to the relationship which exists between two persons, the Principal and the Agent in which the Agent has to perform different duties/ functions as per instructions of the principal and also enters into contract with the third party / parties on behalf of the principal. The relationship of agency plays an important role in business and commercial dealings. This relationship is legal created by virtue of agreement between Principal and Agent.

Definition of Agent and Principal

Agent is a person employed to do any act for another or to represent another in dealing with a third persons. The person for whom such act is done, or who is so represented, is called the Principal.

Question 5: Discuss the rights and obligations of different parties in a Contract of Agency made as a result of Ratification.

Question 6: Essentials of consideration, trust act

Question 7: Free Consent with example.

Question 8: How an Express Agency is different from Implied Agency. Explain it briefly.

Question 9: How does the breach of contract take place. Explain by citing an example.

Answer:

"A breach of contract occurs when a party thereto renounces his liability under it, or by his own act makes it impossible that he should perform his obligations under it or totally or partially fails to perform such obligations."

Illustration 1