

THE INDIAN

CONTRACT ACT

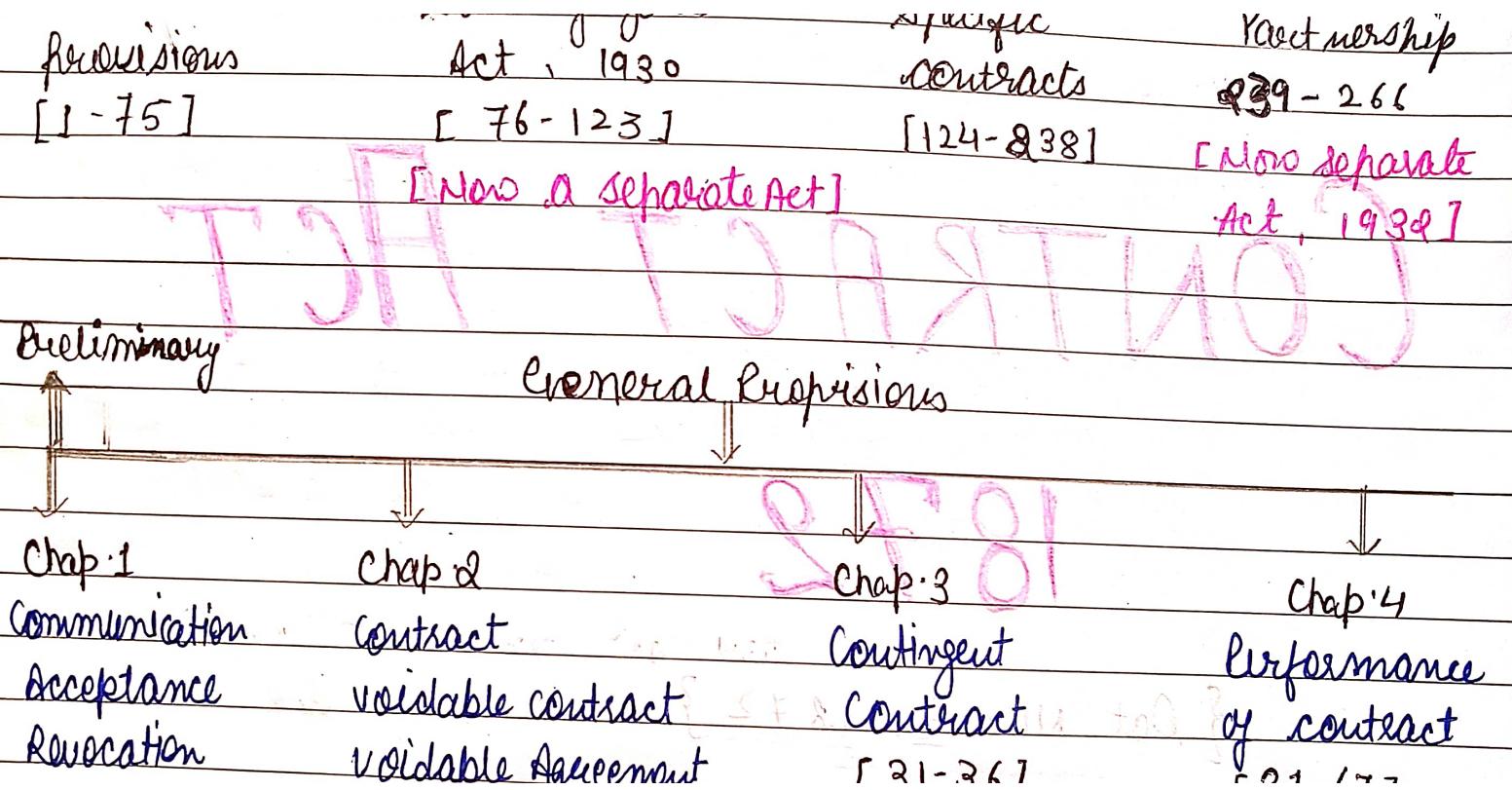
1872

{ Act No. 9, 1872 }

governor general

Assent of ~~President~~ :- 25th April 1872

enforcement date :- 1st Sept. 1872



Quirks

Section 1 :-

- * Apply to whole of India except J & K - (Article 246)
- * Not applicable on following:
 - Any Act / regulation which is not explicitly repealed.
[ex. T.P.A., NI]
 - Any usage, custom, trade or incident of contract which is not inconsistent.
- * There is no retrospective effect of Indian Contract Act [Qmeda Khatoon v. Bojender]

Section 2 :- Interpretation

(a) P	(b) P	(c) P	(d) C	(e) A
Proposal	Promise	Promisor Promisee	consideration	Agreement
(f) R	(g) V	(h) C	(i) V	(j) V
Reciprocal Promise	void Agreement	Contract	voidable contract	void contract

Section 2(b) :- Promise

As soon as person to whom the proposal is made, signifies his assent, then it is called promise.

* Proposal when accepted \rightarrow promise

P + A \Rightarrow Promise

Section 2(c) :- Promisor / Promisee

The person who makes proposal \rightarrow Promisor

The person who accepts proposal \rightarrow Promisee

Section 2(d) :- consideration

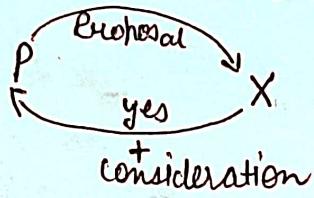
At the desire of promisor

Promisee or 'other person' [Under English law only promisee]

Consideration can be in present, past or ^(d) in future tense.

Section 2 (e) :- Agreement

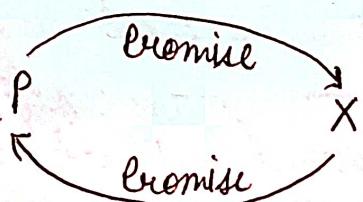
"Every promise" and "every set of promises" which form consideration for each other, is called agreement.



* yes \Rightarrow promise
promise + consideration \Rightarrow Agreement

Section 2 (f) :- Reciprocal promise

Promises which form "consideration" or "part of consideration" for each other are Reciprocal promises.



Promise in return of promise
is reciprocal promise

Agreement

2 (g)

void agreement

Such agreements which are not enforceable by law.

2 (h)

Contract

which are enforceable by law
(Enforceable = sec. 10 ICA)

Contract

Contract (2 h)

voidable (2 i) contract

void & (j) contract

Section 2 (i) :- voidable contract

Where any agreement is enforceable at the option of one party but not at the option of other, it is called voidable contract.

Section 2(j) :- void contract

Wtch any contract cease to be enforceable under law then it becomes void contract

Acc. to Sir Frederick Pollock :- "Every agreement and promise enforceable at law is a contract".

* The definition as given in the contract act is based on Pollock's definition.

According to Sir William Anson :- A contract is an agreement enforceable at law made between two or more persons by which rights are acquired by one or more to acts and forbearance on the part of others.

Case :- Rosh Kumar v/s. Mohan Redani [2003]

S.C laid down the importance of written contract.

* Anson gave the theory of "pen insidere and mathistice"