

Business Law

Meaning and Essentials of
Contract.

Sec 2(h) → Indian Contract Act 1872

- “An Agreement enforceable by law is a contract.”

SEC .2(E) → AGREEMENT

- “Every Promise and every set of Promises forming the consideration for each other is an agreement.”

Sec .10 → Essentials of contract

- All agreement are contracts if they are made by free consent of the parties competent to contract for lawful consideration with lawful object.

Two Parties

- Offerer who → makes the offer
- Offeree whom → the offer is made

Intention to create legal relations

❖ Parties.

FREE CONSENT

- ❖ Coercion.
- ❖ Undue influence.
- ❖ Fraud.
- ❖ Misrepresentation.
- ❖ Mistake.

Capacity of parties

- Competency
- Major
- Sound mind
- Not disqualified by any law

Lawful Consideration

- Something in return

Lawful Object

- Immoral
- Opposed to Public Policy

Possibility of Performance

- Impossibility is void

Legal Formalities

- Writing
- Registration
- Stamping