

Chapter-2

Contract

Introduction

The Indian Contract act 1872 falls under the ambit of mercantile laws (Business Laws). It came enforced on 1 September 1872. It is private law. Its basis is English common law, but it was passed in the Indian Parliament, which is Calcutta Parliament.

Defination of Contract

Under the Indian contract Act 1872, the term contract is defined under Section 2(H), which States that an agreement that is enforceable by the law is known as a Contract. In contract, there must be an intent to create legal relationships not social, moral, or religious.

Law of contract

Law of contracts in India defines Contract as an agreement enforceable by law which offers personal rights, and imposes personal obligations, which the law protects and enforces against the parties to the agreement. The general law of contract is based on the conception, which the parties have, by an agreement, created legal rights and obligations, which are purely personal in their nature and are only enforceable by action against the party in default.

Section 2(h) of the Indian Contract Act, 1872[2] defines a contract as "An agreement enforceable by law". The word 'agreement' has been defined in Section 2(e) of the Act as 'every promise and every set of promises, forming consideration for each other'

NATURE OF CONTRACT AND ESSENTIAL ELEMENTS OF VALID CONTRACT

For the practicing surveyor, contract law is a most important field of study. Its scope is vast, and to attempt to cover all its ramifications would be in compatible with the purpose of his handout. The effort here will be to treat briefly the various kinds of contracts and their interpretation, modification, rescission, performance, and breach. The definitions of "contract" put forth over years of slowly changing usage and convenience are legion. Section 1549 of the Civil Code of California defines a contract as "an agreement to do or not to do a certain thing." The American Law Institute, declares that "a contract is a promise or a set of promises for the breach of which the law gives a remedy, or the performance of which the law in some way recognizes as a "duty." A