

Marwa Nazeem

****Question 1:**** Define contract. What are the essential elements of a valid contract?

****Student Answer:**** A contract is an agreement made between two or more parties enforced by law, according to the Indian Contract Act 1872. A contract is defined as a lawful agreement enforced by law. The essential elements of a lawful, valid contract are:

- Offer and Acceptance
- Lawful Consideration
- Capacity of Parties
- Free Consent
- Lawful Object
- Certainty and Possibility of Performance
- Not declared as Void!

****Question 2:**** Explain the rights of an unpaid seller under the Sale of Goods Act, 1930.

****Student Answer:**** An unpaid seller is a seller who has not received full payment on sold goods. Under the Sale of Goods Act 1930, some of the rights possessed are;

- Right of lien
- Right to Stopping Transit, - The seller can stop goods being sold on transit until payments are made
- Right to Resell; - Under certain conditions
- Right to Sue for Price
- Right to Sue for Damage Claims

****Question 3:**** What are the different types of contracts? Explain with examples.

****Student Answer:**** Contracts are classified based on validity, formulation & performance.

Validity

- Valid Contract: Enforceable by Law Ex: Sale of Goods
- Void Contract: Initially valid but now unenforceable due to changes in law. Ex: Contract with alien enemy
- Voidable Contract: Contracts where one party itself can cancel the terms. Ex: Contract under coercion/blackmail
- Illegal Contract: Unlawful & punishable. Ex: Contract for smuggling

Formulation

- Expressed Contract Ex: Written Rental Agreement
- Implicit Contract Ex: Taking a Taxi

Performance

- Executed Contract Ex: Payment made on goods purchased
- Executory Contract Ex: Advanced Payment on Hotel Booking

****Question 4:**** Explain the concept of consumer protection and the rights of consumers under the Consumer Protection Act, 2019.

****Student Answer:**** The concept of consumer protection exists with the aim to protect customers/buyers from unfair trade practices and defective goods and services. The following rights of consumers under the Consumer Protection Act 2019 are:

- Right to Safety
- Right to Information
- Right to be Heard → Right to seek redressal/grievances
- Right to consumer education

****Question 5:**** Discuss the essentials of a legally enforceable contract with examples.

****Student Answer:**** Essentials of a legally enforced contract, with examples are as followed:

- a) Offer and Acceptance; Ex: Offer of 50M dollars for purchased art in exchange for the artist's original painting
- b) Lawful Consideration; Ex: Both parties receive something of quantifiable worth in the exchanging process (50M, and painting)
- c) Capacity of Parties; Ex: Both buyer and artist (seller) are of legal age and sane mind.
- d) Free Consent; Ex: It was a mutual agreement; both parties agreed on, individually.
- e) Lawful Object; Ex: Object involved (painting & lump sum money) is legal and lawful.
- f) Certainty & Possibility of Performance; Ex: The buyer has 50M guaranteed available for transaction.
- g) Not Declared as Void; Ex: Legally enforceable by both sides and nature of contract.

****Question 6:**** What is the difference between a private and a public company under the Companies Act, 2013?

****Student Answer:****

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Feature	Private	Public	
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Minimum Members	2	7	
Maximum Members	200	Unlimited	
Shares Transferability	Restricted	Freely Transferrable	
Public Issue	Cannot Issue	Can Issue Freely	
Statutory Compliance	Less	More	
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****Question 7:**** Differentiate between contract and agreement.

****Student Answer:****

Feature

Agreement

Contract

Definition	A promise or set of promises made in consideration of both parties	A lawfully enforced agreement
Law Enforcement	Not always addressed	Always lawfully addressed
Scope	Not all agreements are contracts	All contracts are agreements
Example	Dinner Plans	Sale of Goods

****Question 8:**** Amit enters into a contract with Ramesh to sell his car for ₹5,00,000. They agree that Ramesh will make the payment within a week, and Amit will deliver the car. However, after a week, Ramesh refuses to pay. What legal remedies are available to Amit?

****Student Answer:**** Legal Remedies Available are:-

- Suit for Damages: Amit can suit for the distress suffering faced due to loss of pay and claim damages.
- Suit for Rescission: Amit can cancel contract & claim damages, ensuring payment
- Suit for Specific Performance: Amit can take Ramesh to court and compel him to pay regardless of his situation.

****Question 9:**** Ravi, a 16-year-old boy, purchases a motorbike from a dealer by falsely claiming to be 18. Later, he meets with an accident and refuses to pay the remaining amount, stating that he is a minor. Can the dealer sue Ravi for breach of contract?

****Student Answer:**** Unfortunately, the dealer cannot sue for breach of contract as a contract involving a minor is void-ab-initio (void from the start). Even though Ravi misrepresented his age to the dealer, a suit cannot be raised as:

- The contract is void, hence not lawfully enforced
 - The capacity of parties was not verified, hence the contract was never valid.
 - There is no certainty of performance ensured by the minor involved.
- That being said, the cycle can be taken back by the doctrine of restitution.

****Question 10:**** Priya purchases a washing machine from a reputed brand. Within a month, it stops functioning. The company refuses to repair it, stating that the warranty does not cover the damage. Priya later finds that the machine was defective from the beginning. What can she do under the Consumer Protection Act, 2019?

****Student Answer:**** Under the Consumer Protection Act, Priya can:

- Claim a full refund or exchange
- File a complaint to District Consumer Forum if compensation sought is under 1 crore.
- Sue the company and claim damages if they refuse to provide compensation.