

Assessment of Essential Concepts

1. 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 "an 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.

(4)

2. 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 Stoppage in 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 Damaged Claims

(4)

3. 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

- Execution Contract
Ex: Payments made on goods purchased
- Executionary Contract
Ex: Advanced Payment on Hotel Booking

(4)

4. 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

(3)

5. Essentials of a legally enforced contract, with examples are as follows:

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 legitimate

f) Certainty & Possibility of Performance.

Ex: The buyer has 50 m² guaranteed available for transaction

g) Not Declared as Void

Ex: Legally enforceable by both sides and nature of contract.

(4)

Feature	Private	Public
Minimum Members	2	7
Maximum Members	200	Unlimited
Shares Transferability	Restricted	Freely Transferrable
Public Issue	Cannot Issue	Can Issue Freely
Statutory Compliance	Less	More (3)

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 (3)

8. Legal Remedies Available are :-

→ Suit for Damages: Amit can suit for the 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

(4)

9. Unfortunately ~~Ravi~~ 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 enforceable.
- 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

(4)

10. 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.

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