

Sec 19What agreement are Contract :-

All agreement are Contract if they are made by the free consent of the parties competent to contract for a lawful consideration and with a lawful object and are not expressly declared to void.

Sec 11Who are Competent to Contract :-

Every person is competent to contract who is the age of majority according to the law to which he is subject and who is soundmind and is not disqualified by law.

Sec 12What is Sound Mind for the purposes of Contracting.

A person is said to be soundmind for purpose of making contract, if at the time when he make the contract he is capable to understand it and of forming a rational judgment.

A person is usually unsound mind but occasionally of sound mind, may make a contract when he is sound mind.

Sec 13 "Concert" Definition :-

Two or more person are said to concert when they agree upon the "Same thing in the same sense."

Sec 14 "Free Concert" Definition :-

Concert is said to be free when it is not caused by :- (CUFMM).

- ) Coercion (Sec 15).
- ) Undue Influence (Sec 16).
- ) Fraud (Sec 17).
- ) Misrepresentation (Sec 18).
- ) Mistake (Sec 20, 21 & 22).

Sec 15 Coercion :- (दरता वा धमकता)

"Coercion" is the committing, or threatening to commit, any act forbidden by the Indian Penal Code for unlawful detaining, or threatening to detain any property to the prejudice of any person whatever, with the intention of causing any person to enter into an agreement.

Sec 16 Undue Influence :-

Topic : .....

i)

A contract is said to be induced by undue influence where the relation subsisting between the parties are such that one of the parties is in a position to dominate the will of the other and uses the position to obtain an unfair advantage over the other.

ii)

In Particular and without Pre-judice to the generality of the foregoing principle, a person is deemed to be in a position to dominate the will of other.

a)

where he holds the real or apparent authority over the other or where he stands in a fiduciary relation to other.

b)

where he makes a contract with a person whose mental capacity is temporarily or permanently affected by reason of age, illness or mental or bodily distress.

Sec 17

"Fraud" :-

Fraud means and includes any of the following act committed by the party to a contract, or with his connivance or by his agent with intent to deceive another party

- i) The suggestion, as a fact, of that which is not true, by one who does not believe it to be true.
- ii) The active concealment of a fact by one having knowledge or belief of the fact.
- iii) A promise made without any intention of performing it.
- iv) Any other act ~~to~~ fitted to deceive.

Explanation :- Mere silence as to fact likely to affect the willingness of a person to enter in a contract is not fraud, unless the circumstances of the case are such that, regard being had to ~~them~~ them it is the duty of person keeping silence to speak or unless his silence is, in itself equivalent to speech.

Sec 18 Misrepresentation :-

It means and includes :-

- ① The positive assertion of that which is not true, through it believe it to be true.
- ② Any breach of duty without any intent to deceive, gains advantage by misleading another.

Topic : .....

⑧ Innocently Causing a party to an agreement to make a mistake as to the substance of the following thing which is the subject of the agreement.

Sec 19) Voidability of agreements without free consent :-

→ When consent to an agreement is caused by Coercion, fraud or Misrepresentation (C, F, M) the agreement is a contract voidable at option of the party whose consent so caused.

→ A party to contract, whose consent was caused by fraud and Misrepresentation may insist that the contract shall be performed in such manner that the representation made is true.

Sec 19A) Power to set aside contract induced by "Undue Influence"

When consent to an agreement is caused by "undue Influence" the agreement is a voidable contract at option of party whose consent was so caused.