

The Legal Principles of Civil Law

Legal Principle 1:

When, at the desire of the promisor, the promisee or any other person has done or abstained from doing, or does or abstains from doing, or promises to do or to abstain from doing something, such act or abstinence or promise is called a consideration for the promise.

Legal Principle 2:

A contract obtained by misrepresentation is voidable at the option of the buyer.

Legal Principle 3:

A contract procured by coercion is bad under Indian Contract Act. Coercion is defined as committing or threatening to commit any act forbidden by Indian Penal Code. Attempt to commit suicide is an offence under Indian Penal Code.

Legal Principle 4:

A contract without consideration is void. When at the desire of one party the other party does something, the consideration is said to flow from the latter to the

former.

Legal Principle 5:

A contingent contract is a contract to do or not to do something, if some event, collateral to such contract, does or does not happen.

Legal Principle 6:

When there is breach of contract, the resulting damages will have to be paid by the party breaching the contract to the aggrieved party. However, the parties are free to agree as to the damages payable in advance, in case there is a breach of contract.

Legal Principle 7:

A right of action cannot arise out of an illegal activity.

Legal Principle 8:

Damages are payable for breach of contract and the purpose of damages is to compensate him for the loss suffered and not to improve his position more than what it would have been if the contract had been duly performed.

Legal Principle 9:

When the parties to an agreement agree on the same thing in the same sense, there arises legally binding obligations between them.

Legal Principle 10:

The act of using threats to force another person to enter into a contract is called coercion.

Legal Principle 11:

The act of using influence on another and taking undue advantage of that person is called undue influence.

Legal Principle 12:

In order to prove coercion, the existence of the use of threat, in any form and manner, is necessary. If coercion is proved, the person who has been so threatened can refuse to abide by the contract.

Legal Principle 13:

In order to prove undue influence, there has to be a pre-existing relationship between the parties to a contract. The relationship has to be of such a nature that one is in a position to influence the other. If it is proven that there has been undue influence, the party

who has been so influenced need not enforce the contract or perform his obligations under the contract.

Legal Principle 14:

A minor is a person who is below the age of 18. However, where a guardian administers the minor's property the age of majority is 21.

Legal Principle 15:

A minor is not permitted by law to enter into a contract. Hence, where a minor enters into a contract with a major person, the contract is not enforceable. This effectively means that neither the minor nor the other party can make any claim on the basis of the contract.

Legal Principle 16:

In a contract with a minor, if the other party hands over any money or confers any other benefit on the minor, the same shall not be recoverable from the minor unless the other party was deceived by the minor to hand over money or any other benefit. The other party will have to show that the minor misrepresented her age, he was ignorant about the age

of the minor and that he handed over the benefit on the basis of such representation.

Legal Principle 17:

A minor is not competent to enter into a contract and the law will assume that the contract never happened and everything is returned to as it was.

Legal Principle 18:

An agreement, the meaning of which is not certain, or capable of being made certain, is void.

Legal Principle 19:

An agreement is void to the extent that it restricts absolutely, a party from enforcing his contractual rights by usual proceedings in any ordinary court.

Legal Principle 20:

Every agreement by which anyone is restrained from exercising a lawful profession, trade or business of any kind, to that extent is void.

Legal Principle 21:

The object of an agreement is lawful unless it is forbidden by law; is of such a nature that, if permitted, it would defeat the provisions of any law; is fraudulent;

involves or implies injury to the person or property of another person; the court regards it as immoral; it is opposed to public policy.

Legal Principle 22:

Where both parties to an agreement are under a mistake as to a matter of fact essential to the agreement, the agreement is void.

Legal Principle 23:

An agreement becomes a contract when it is entered into between two or more people with each other's free consent. Two or more people are said to consent when they agree to the same thing in the same sense. Consent is said to be free when it is not caused by coercion, undue influence, fraud, misrepresentation or mistake.

Legal Principle 24:

A contract requires a proposal and an acceptance of the proposal. It is necessary to make a binding contract, not only that the proposal be accepted but also that the acceptance is notified to the proposer.