

CONTRACT-I/GENERAL CONTRACTS

SOLVED PROBLEMS

1. ESSENTIALS OF CONTRACT (Sec.10)

PROBLEM No. 1

A husband enters into an agreement with his wife under which he promises to pay her an allowance and she to refrain from pledging his credit. Is it a valid contract?

ANSWER:

No. it is not a valid contract, because there is no intention to create legal relationship between husband and wife which is of domestic in nature.

As per Sec. 10 of the Indian Contract Act, one of the essential elements of a valid contract is that there must be intention to create legal relationship between parties. It there is no such intention to create legal relationship on the part of both the parties, then there is no contract between them.

The facts of the case resemble the leading case ***Balfour Vs. Balfour, (1919) 2 K.B. 571***, wherein the Court held that an agreement between the husband

and the wife that the husband would send £ 30 to wife every month is an agreement of domestic nature, not creating any legal relationship and hence the wife could not legally enforce the agreement.



PROBLEM No. 2

Anand says in a conversation to Ravi that he will give Rs. 25,000 to a person who so ever marries his daughter. Ramu marries Anand's daughter and files suit for recovery of Rs. 25,000/- will he succeed?

ANSWER:

As per Sec. 10 of the Indian Contract Act, one of the essential elements of a valid contract is that there must be intention to create legal relationship between parties. It there is no such intention to create legal relationship on the part of both the parties, then there is no contract between them.

Ramu cannot succeed in his suit because the promise of Anand has not created any legal obligation to Ramu. An offer must give rise to legal relationship i.e., legal obligation and not social obligation.(Sec.10)

Further, Anand's conversation with Ravi that he will give Rs. 25,000/- to a person who so ever marries his daughter is merely a declaration of his intention which is not an offer.



PROBLEM No. 3

Husband, upon divorce, promised his wife Rs. 3,000 a year as permanent allowance. In reliance upon his promise the wife forbore to apply to the court for maintenance. The husband failed to make the payments and the wife sues him on the promise – Decide.

ANSWER:

The wife cannot succeed because the promise of her husband has not created any legal obligation to his divorced wife. One of the rules of offer is that the offer must give rise to legal relationship i.e., legal obligation and not social obligation. (Sec.10)

The facts of the problem are similar to ***Balfour Vs. Balfour, (1919) 2 K.B. 571***: wherein the husband promised to pay his wife a maintenance allowance of £ 30 every month. Later both the husband and the wife got separated and the husband failed to pay the amount.

The wife sued for the allowance. The Court held that the agreement is of such nature which was outside the realm and scope of contract and does not create any legal obligation.

**PROBLEM No. 4**

'H' a husband promised to pay Rs. 3,000 as a household allowance every month, to his wife 'W' Later 'H' defaulted in his promise. 'W' sued for the allowance. Discuss.

(Same as Problem No.1, Page No. 1)

**PROBLEM No. 5**

'A' agrees to pay his postman Rs. 100 per month if the postman delivers his letters promptly. Is that agreement enforceable?

ANSWER:

No. It is not a valid contract and hence not enforceable.

Sec. 10 of Indian Contract Act, 1872 describes essentials of a valid contract.

According to Sec. 10, all agreements are contracts, if they are made by the free consent of parties, competent to contract, for a lawful consideration and with a lawful object and are not expressly declared to be void by law.

No. it is not a valid contract, because there is no intention to create legal relationship between husband and wife which is of domestic in nature.