

INDIAN CONTRACT ACT 1872

Preliminary

- **Section 1:** Short Title
- **Section 2(a):** Defines a proposal
- **Section 2(b):** Defines a promise and acceptance
- **Section 2(c):** Defines a 'promisor' and a 'promisee'
- **Section 2(d):** Defines a consideration
- **Section 2(e) :** Defines an agreement
- **Section 2(f):** Defines a reciprocal promise
- **Section 2(g):** Defines a void contract
- **Section 2(h):** Defines a contract
- **Section 2(i):** Defines a voidable contract
- **Section 2(j):** Defines a void contract

Chapter I: Of the communication, acceptance and revocation of proposals

- **Section 3:** Communication, acceptance and revocation of proposals
- **Section 4:** A Proposal is accepted from the date its acceptance is sent by the post
- **Section 5:** A Proposal can be revoked at any time before the communication of its acceptance
- **Section 6:** Revocation how made
- **Section 7:** Acceptance must be absolute
- **Section 8:** Acceptance by performing conditions, or receiving consideration
- **Section 9:** Promises, express or implied

Chapter II: Of contracts, voidable contracts and void agreements

- **Section 10:** Defines the essential elements of a Contract, Defines "Consideration"
- **Section 11:** Defines requirements for competency of parties to the contract
- **Section 12:** What is a sound mind for the purposes of contracting
- **Section 13:** "Consent" defined
- **Section 14:** "Free consent" defined
- **Section 15:** "Coercion" defined
- **Section 16:** "Undue influence" defined
- **Section 17:** "Fraud" defined
- **Section 18:** "Misrepresentation" defined
- **Section 19:** Voidability of agreements without free consent
- **Section 19A:** Power to set aside contract induced by undue influence
- **Section 20:** Agreement void where both parties are under mistake as to matter of fact
- **Section 21:** Effect of mistakes as to law
- **Section 22:** Contract caused by mistake of one party as to matter of fact
- **Section 23:** What considerations and objects are lawful, and what not
- **Section 24:** Agreements void, if consideration and objects unlawful in part
- **Section 25:** Agreement without consideration, void, unless it is in writing and registered, or is a promise to compensate for something done, or is a promise to pay a debt barred by limitation law.
- **Section 26:** Agreement in restraint of marriage void
- **Section 27:** Agreement in restraint of trade void
- **Section 28:** Agreements in restraint of legal proceedings void
- **Section 29:** Agreement void for uncertainty
- **Section 30:** Agreements by way of wager, void

Chapter III: Of contingent contracts

- **Section 31:** "Contingent contract" defined
- **Section 32:** Enforcement of contracts contingent on an event happening
- **Section 33:** Enforcement of contracts contingent on an event not happening
- **Section 34:** When event on which contract is contingent to be deemed impossible, if it is the future conduct of a living person
- **Section 35:** When contracts become void, which are contingent on happening of specified event within fixed time
- **Section 36:** Agreements contingent on impossible events, void

Chapter IV: Of the performance of contracts Contract which must be performed

- **Section 37:** Obligation of parties to contracts
- **Section 38:** Effect of refusal to accept offer of performance
- **Section 39:** Effect of refusal of party to perform promise wholly
- **Section 40:** Person by whom promise is to be performed
- **Section 41:** Effect of accepting performance from third person
- **Section 42:** Devolution of joint liabilities
- **Section 43:** Any one of joint promisors may be compelled to perform
- **Section 44:** Effect of release of one joint promisor
- **Section 45:** Devolution of joint rights
- **Section 46:** Time for performance of promise, where no application is to be made and no time is specified

- **Section 47:** Time and place for performance of promise, where time is specified and no application to be made
- **Section 48:** Application for performance on certain day to be at proper time and place
- **Section 49:** Place for performance of promise, where no application to be made and no place fixed for performance
- **Section 50:** Performance in manner or at time prescribed or sanctioned by promisee
- **Section 51:** Promisor not bound to perform, unless reciprocal promisee ready and willing to perform
- **Section 52:** Order of performance of reciprocal promises
- **Section 53:** Liability of party preventing event on which contract is to take effect
- **Section 54:** Effect of default as to that promise which should be first performed, in contract consisting of reciprocal promises
- **Section 55:** Effect of failure to perform at fixed time, in contract in which time is essential
- **Section 56:** Agreement to do impossible act
- **Section 57:** Reciprocal promise to do things legal and also other things illegal
- **Section 58:** Alternative promise, one breach being illegal
- **Section 59:** Application of payment where debt to be discharged is indicated
- **Section 60:** Application of payment where debt to be discharged is not indicated
- **Section 61:** Application of payment neither party appropriates
- **Section 62:** Effect of novation, rescission and alteration of contract
- **Section 63:** Promisee may dispense with or remit performance of promise
- **Section 64:** Consequences of rescission of voidable contract
- **Section 65:** Obligation of person who has received advantage under void agreement, or contract that becomes void
- **Section 66:** Mode of communicating or revoking rescission of voidable contract
- **Section 67:** Effect of neglect of promisee to afford promisor reasonable facilities for performance

Chapter V: Of certain relations resembling those created by contract (Quasi-contracts)

- **Section 68:** Claim for necessities supplied to person incapable of contracting, or on his account
- **Section 69:** Reimbursement of person paying money due by another, in payment of which he is interested
- **Section 70:** Obligation of person enjoying benefit of non-gratuitous act
- **Section 71:** Responsibility of finder of goods
- **Section 72:** Liability of person to whom money is paid, or thing delivered, by mistake or under coercion

Chapter VI: Of the consequences of breach of contract

- **Section 73:** Compensation for loss or damage caused by breach of contract
- **Section 74:** Compensation for breach of contract where penalty stipulated for
- **Section 75:** Party rightfully rescinding contract entitled to compensation

Chapter VII: Sale of goods

- **76 to 123:** Repealed

Chapter VIII: Of indemnity and guarantee

- **Section 124** - Defines the Contracts of Indemnity
- **Section 125:** Rights of indemnity-holder when sued
- **Section 126:** "Contract of guarantee", "surety", principal debtor" and "Creditor"
- **Section 127:** Consideration for guarantee
- **Section 128:** Surety's liability

- **Section 129:** "Continuing guarantee"
- **Section 130:** Revocation of continuing guarantee
- **Section 131:** Revocation of continuing guarantee by surety's death
- **Section 132:** Liability of two persons, primarily liable, not affected by arrangement between them that one shall be surety in other's default
- **Section 133:** Discharge of surety by variance in terms of contract
- **Section 134:** Discharge of surety by release of discharge of principal debtor
- **Section 135:** Discharge of surety when creditor compounds with, gives time to, or agrees not to sue principal debtor
- **Section 136:** Surety not discharged when agreement made with third person to give time to principal debtor
- **Section 137:** Creditor's forbearance to sue does not discharge surety
- **Section 138:** Release of one co-surety does not discharge others
- **Section 139:** Discharge of surety by creditor's act or omission impairing surety's eventual remedy
- **Section 140:** Rights of surety on payment or performance
- **Section 141:** Surety's right to benefit of creditor's securities
- **Section 142:** Guarantee obtained by misrepresentation, invalid
- **Section 143:** Guarantee obtained by concealment, invalid
- **Section 144:** Guarantee on contract that creditor shall not act on it until co-sureties joins
- **Section 145:** Implied promise to indemnify surety
- **Section 146:** Co-sureties liable to contribute equally
- **Section 147:** Liability of co-sureties bound in different sums

Chapter IX: Of bailment

- **Section 148:** "Bailment", "bailor" and "bailee" defined
- **Section 149:** Delivery to bailee how made
- **Section 150:** Bailor's duty to disclose faults in goods bailed
- **Section 151:** Care to be taken by bailee
- **Section 152:** Bailee when not liable for loss, etc. of thing bailed
- **Section 153:** Termination of bailment by bailee's act inconsistent with conditions
- **Section 154:** Liability of bailee making unauthorized use of goods bailed
- **Section 155:** Effect of mixture, with bailor's consent, of his goods with bailee's
- **Section 156:** Effect of mixture, without bailor's consent when the goods can be separated
- **Section 157:** Effect of mixture, without bailor's consent, when the goods cannot be separated
- **Section 158:** Repayment, by bailor, of necessary expenses
- **Section 159:** Restoration of goods bailed, on expiration of time or accomplishment of purpose
- **Section 160:** Return of goods bailed, on expiration of time or accomplishment of purpose
- **Section 161:** Bailee's responsibility when goods are not duly returned
- **Section 162:** Termination of gratuitous bailment by death
- **Section 163:** Bailor entitled to increase or profit from goods bailed
- **Section 164:** Bailor's responsibility to bailee
- **Section 165:** Bailment by several joint owners
- **Section 166:** Bailee not responsible on re-delivery to bailor without title
- **Section 167:** Right of third person claiming goods bailed
- **Section 168:** Right of finder of goods may sue for specific reward offered
- **Section 169:** When Finder of thing commonly on sale may sell it
- **Section 170:** Bailee's particular lien
- **Section 171:** General lien of bankers, factors, wharfingers, attorneys, and policy brokers

- **Section 172:** "Pledge", "pawner" and "pawnee" defined
- **Section 173:** Pawnee's right of retainer
- **Section 174:** Pawnee not to retain for debt or promise other than that for which goods pledged:
Presumption in case of subsequent advances
- **Section 175:** Pawnee's right to extraordinary expenses incurred
- **Section 176:** Pawnee's right where pawnor makes default
- **Section 177:** Defaulting pawnor's right to redeem
- **Section 178:** Pledge by mercantile agent
- **Section 178A:** Pledge by person in possession under voidable contract
- **Section 179:** Pledge where pawnor has only a limited interest suits by bailors against wrong-doers
- **Section 180:** Suit by bailor or bailee against wrong-doer
- **Section 181:** Apportionment of relief or compensation obtained by such suits

Chapter X: Agency, Appointment and authority of agents

- **Section 182:** "Agent" and "Principal" defined
- **Section 183:** Who may employ agent
- **Section 184:** Who may be an agent
- **Section 185:** Consideration not necessary
- **Section 186:** Agent's authority may be expressed or implied
- **Section 187:** Definitions of express and implied authority
- **Section 188:** Extent of agent's authority
- **Section 189:** Agent's authority in an emergency
- **Section 190:** When agent cannot delegate
- **Section 191:** "Sub-agent" defined
- **Section 192:** Representation of principal by sub-agent properly appointed

- **Section 193:** Agent's responsibility for sub-agent appointed without authority
- **Section 194:** Relation between principal and person duly appointed by agent to act in business of agency
- **Section 195:** Agent's duty in naming such person
- **Section 196:** Right of person as to acts done for him without his authority: effect of ratification
- **Section 197:** Ratification may be expressed or implied
- **Section 198:** Knowledge requisite for valid ratification
- **Section 199:** Effect of ratifying unauthorized act forming part of transaction
- **Section 200:** Ratification of unauthorized act cannot injure third person
- **Section 201:** Termination of agency
- **Section 202:** Termination of agency, where agent has an interest in subject-matter
- **Section 203:** When principal may revoke agent's authority
- **Section 204:** Revocation where authority has been partly exercised
- **Section 205:** Compensation for revocation by principal, or renunciation by agent
- **Section 206:** Notice of revocation or renunciation
- **Section 207:** Revocation and renunciation may be expressed or implied
- **Section 208:** When termination of agent's authority takes effect as to agent, and as to third persons
- **Section 209:** Agent's duty on termination of agency by principal's death or insanity
- **Section 210:** Termination of sub-agent's authority
- **Section 211:** Agent's duty in conducting principal's business
- **Section 212:** Skill and diligence required from agent
- **Section 213:** Agent's accounts
- **Section 214:** Agent's duty to communicate with principal
- **Section 215:** Right of principal when agent deals, on his own account, in business of agency without principal's consent

- **Section 216:** Principal's right to benefit gained by agent dealing on his own account in business of agency
- **Section 217:** Agent's right of retainer out of sums received on principal's account
- **Section 218:** Agent's duty to pay sums received for principal
- **Section 219:** When agent's remuneration becomes due
- **Section 220:** Agent not entitled to remuneration for business misconducted
- **Section 221:** Agent's lien on principal's property
- **Section 222:** Agent to be indemnified against consequences of lawful acts
- **Section 223:** Agent to be indemnified against consequences of acts done in good faith
- **Section 224:** Non-liability of employer of agent to do a criminal act
- **Section 225:** Compensation to agent for injury caused by principal's neglect
- **Section 226:** Enforcement and consequences of agent's contracts
- **Section 227:** Principal how far bound, when agent exceeds authority
- **Section 228:** Principal not bound when excess of agent's authority is not separable
- **Section 229:** Consequences of notice given to agent
- **Section 230:** Agent cannot personally enforce, nor be bound by, contracts on behalf of principal
- **Section 231:** Rights of parties to a contract made by agent not disclosed
- **Section 232:** Performance of contract with agent supposed to be principal
- **Section 233:** Right of person dealing with agent personally liable
- **Section 234:** Consequence of inducing agent or principal to act on belief that principal or agent will be held exclusively liable
- **Section 235:** Liability of pretended agent
- **Section 236:** Person falsely contracting as agent, not entitled to performance
- **Section 237:** Liability of principal inducing belief that agent's unauthorized acts were authorized
- **Section 238:** Effect, on agreement, of misrepresentation or fraud by agent