



Individual disqualified under legal provisions

Rishita Raj

Department of Law, Symbiosis Law School, Noida, Uttar Pradesh, India

Abstract

This paper throws light on the law regarding persons incapable of contracting under the Indian Contract Act, 1872, and analogous legislations of other jurisdictions. It enumerates classes of persons disqualified, namely, minors, persons incapable of mental soundness, persons intoxicated, alien enemies, convicts, undischarged bankrupts, and foreign sovereigns. The logical explanation behind such disqualifications has been to do with protecting vulnerable parties and ensuring fair contractual dealings. The article also highlights the legal requirements of a valid contract, including competence, free consent, and lawful consideration, which are prescribed in Section 10 of the Act.

Keywords: Minors and contracts, mentally incompetent persons, alien enemies, convicts and contractual rights, foreign sovereigns in contracts, intoxicated individuals, undischarged bankrupts, legal capacity in contracts, testamentary capacity

Introduction

In the legal context, the term "Individual Disqualified Under Legal Provisions" refers to a person who is prohibited by law from entering certain types of contracts. These restrictions may arise for a variety of reasons, including age, mental capacity, criminal history, or professional regulations. This article will look at the concept of a person legally disqualified from a contract and discuss some of the more common categories that fall under this classification. In addition, the reasons for these restrictions and their legal consequences will be analysed.

At first the law assumption is that all the parties entering to the contract are competent enough to enter to the contract. However, certain persons such as minors, unsound persons, persons disqualified by law, alien enemy, convicts, insolvent person, foreign sovereigns, company, or statutory bodies are incompetent to enter a contract due to legal and political status and are hence disqualified by law under section 11 of the Indian Contract Act, 1872 to enter a contract.

Research questions

1. To find out the persons who are disqualified by law to enter a contract.
2. To find out conditions under which a person can enter a contract.

Analysis

Alien enemies

They are the persons who are from other countries and does not have friendly relations and are in state of constant war with India and the contract between them are void and the contract between them are enforceable only on prior approval from the government of India.

Minors

Persons under the age eighteen cannot enter to contract and the contract made with a minor is considered as void ab initio and they are incompetent to enter into contractual agreements. According to The Family Law Reform Act 1969, s 1, it states that "any person below the age of 18 is classed as a minor and the aim of the law is to protect

minors from getting involved in unfair contracts and also to prevent others especially adults from entering into contracts with minors." Minors are prohibited from entering contract as they are not capable of understanding the terms of the contract like a prudent man.

Convicts

Convicts are the persons who have been given death sentence as punishment or either life imprisonment and are thus disqualified by law to enter contract however they can enter into contract after completion of their sentence or if they are granted pardon.

Foreign sovereigns and ambassadors

They have the potentiality to sue in the Indian courts for the enforceability of contracts however they cannot be sued in the Indian courts except when they submit themselves to the court voluntarily or when they get approval of the central government. So, they are disqualified by law to enter contract and they are given certain privileges.

Intoxicated persons

Intoxicated persons, whether due to alcohol or drug use, may also be disqualified from entering contracts. The rationale behind this disqualification is like that of minors and mentally incompetent persons. Intoxication impairs an individual's judgment and decision-making abilities, rendering them unable to fully understand the terms and consequences of a contract.

Undischarged bankrupts

Individuals who have been declared bankrupt by a court and have not received a discharge from their debts may be disqualified from entering certain types of contracts. The reasoning behind this disqualification is to prevent individuals from incurring additional financial obligations while they are still under the burden of their existing debts.

Mentally incompetent persons

Persons who are mentally incapable of understanding the nature and consequences of a contract are also disqualified by law from entering contracts. The mental incompetence

may arise due to mental illness, intellectual disability, or other similar conditions. The principle underlying this disqualification seeks to protect the interests of individuals who are unable to comprehend the rights and obligations arising from contractual arrangements.

In our day by day lives, from shopping items to signing employment agreements. However, there are numerous important situations that must be met for an agreement to be legally binding. The main aim of the law of contract is to ensure that agreements are made in a fair way, and to enforce them. Firstly, all events concerned must have felony capacity, which means they have to be of felony age and mentally competent. Secondly, there ought to be mutual agreement, regularly expressed through acceptance. Additionally, the agreement must be supported through consideration, which refers to the change of something precious through every party. Lastly, the reason of the settlement has to be lawful. These situations make sure that contracts are fair, enforceable, and defend the rights and pursuits of all events concerned. According to Indian Contract Act, 1872 there are certain conditions which a person needs to fulfil in order to enter into a contract. For a contract to be legally enforceable, it should satisfy the existing provisions of Section 10 of the Indian Contract Act, 1872 which states that the parties entering into the contract should be competent, should have attained the age of majority, should have free consent while entering into contract and should be without any undue influence, fraud and coercion and the contract should be legally binding and should have lawful consideration.

Case laws

Mohori Bibee vs Dharmodas Ghose

It is a landmark prison case that had a substantial effect on settlement regulation in India. The case revolved round a minor, Mohori Bibee, who mortgaged his assets to Dharmodas Ghose, an adult. Later, it turned into found that Bibee changed into a minor on the time of stepping into the settlement, rendering it voidable.

This case turned into instrumental in organising the precept that contracts with minors are voidable at their discretion, imparting them safety in opposition to probably exploitative situations. It emphasised the significance of making sure equity and safety for susceptible people in agreement regulation. The Mohori Bibee case highlighted the want to shield minors from moving into unfair contracts. This case marked a turning factor in agreement regulation, underscoring the importance of consent and the potential to agreement.

In conclusion, the Mohori Bibee vs Dharmodas Ghose case performed a pivotal position in shaping agreement regulation in India, safeguarding the pursuits of minors and highlighting the significance of voluntary and knowledgeable consent in contractual agreement.

Banks vs Goodfellow (1870)

Bank v Goodfellow (1870): The 1870 decision Banks v Goodfellow occupies an important place in the history of contract law. This landmark case established key principles regarding contract formation and interpretation, providing clarity and guidance for future litigation. In this essay, we will delve into the details of the Banks vs Goodfellow case and explore its significance in shaping the jurisprudence of contract law.

Background of the case: Banks vs Goodfellow involved a dispute over the validity of a will. The plaintiff, Thomas Banks, alleged that the will of the late John Goodfellow was void because of the influence of another party. The court was directed to determine whether the testator, John Goodfellow, was "prudent" in making the will.

Formulated principles: With Banks v. In Goodfellow, the Court established two important principles that still govern contract law today. First, the principle of "testamentary capacity" was established, emphasizing the mental capacity required to make a valid will. The court refused that a person should have "audio and disposal ideas" to understand the importance of his or her behaviour and the size of his or her property. This concept recognizes the importance of a wise judgment, ensuring that individuals make great legal decisions. Secondly, the principle of "unacceptable influence" is clarified. Courts have drawn a distinction between simple persuasion and undue influence, which provides an important distinction in evaluating the legality of contracts. Undue influence occurs when one party exerts unfair pressure on another, resulting in an unfair agreement. This concept prevents potentially abusive practices and ensures that contracts are entered into voluntarily and fairly. Importance of contract law: Bank v. Goodfellow remains highly influential in contract law. Its principles are not limited to wills, but include all types of contracts. In short, the 1870 case of Banks v. Goodfellow had lasting significance in contract law. Determining the principles of testamentary capacity and undue influence provides a framework for evaluating the validity and reasonableness of contracts.

Conclusion

The disqualification of people through regulation from moving into contracts serves an vital characteristic in shielding prone people and retaining the integrity of business transactions. Minors, mentally incompetent people, intoxicated people, and undischarged bankrupts are all challenge to various tiers of disqualification. Understanding those disqualifications is essential for each people getting into contracts and the events managing them. By upholding those prison provisions, society guarantees fairness, mitigates exploitation, and keeps the self-assurance essential for significant contractual relationships.

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