

THE INDIAN CONTRACT (AMENDMENT) ACT, 1996

No. 1 OF 1997

[8th January, 1997.]

An Act further to amend the Indian Contract Act, 1872.

BE it enacted by Parliament in the Forty-seventh Year of the Republic of India as follows :—

1. This Act may be called the Indian Contract (Amendment) Act, 1996.

Short title.

9 of 1872.

2. In section 28 of the Indian Contract Act, 1872, for the portion beginning with the words "Every agreement" and ending with the words "is void to that extent.", the following shall be substituted, namely:—

Amendment of section 28.

"Every agreement,—

(a) by which any party thereto is restricted absolutely from enforcing his rights under or in respect of any contract, by the usual legal proceedings in the ordinary tribunals, or which limits the time within which he may thus enforce his rights; or

(b) which extinguishes the rights of any party thereto, or discharges any party thereto from any liability, under or in respect of any contract on the expiry of a specified period so as to restrict any party from enforcing his rights,

is void to that extent."