

A Study on the Efficiencies, Validity and Importance of E-Contracting in India

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Abstract: Indian e-commerce is developing briskly with burgeoning demands amongst the consumers to buy different varieties of products from the pool offered globally. A contract plays a vital role in it and is the most sensitive and important in respect to legal matters of business. E-contract is a result of these growing electronic commercial businesses within this country. Elevation in technology, computer programs and the internet has diminished the communication barrier leading to wide acceptance of these contracts. E-contract have various advantages over the traditional contracts. The basis of such contracts includes parties, lawful object, lawful consideration, etc. and they are few essentials required for formation of legally enforceable electronic contracts. The Indian Contract Act of 1872 regulates the traditional contract, however has shortcomings in regulating various aspects of electronic contracts. Some of these issues in respect to formation, authenticity of signature, etc. were solved with introduction of Information Technology Act, 2000. This present article deals with a precise explanation of E-contracts, contemporary issues faced by it, analysis of its enforceability in our country. This information will help to enshrine the challenges faced by electronic contracts, with judicial prospective over these scenarios.

Keywords: E-contract, E-commerce, Duties, Right, Communications, Transaction, Information's

I. INTRODUCTION

E-commerce has given a new dimension to the business practices that are no longer bound by any limitations of territorial boundaries and requirement of physical presence at the same place. E-commerce activities in the last 10 years have become a part of day-to-day lives of Internet users. E

VOLUTION-The evolution of e-contracting involves a shift from traditional paper-based contracts to digital formats. This transition has been driven by advancements in technology, leading to increased efficiency, accessibility, and security in contract management. E-contracting typically involves electronic signatures, cloud-based storage, and automated workflows to streamline the entire contract lifecycle. As technology continues to advance, we can expect further innovations in the e-contracting landscape, such as the integration of blockchain for enhanced security and smart contracts for self-executing agreements.

GOVERNMENT INITIATIVES-India has taken steps to promote e-contracting through various government initiatives: Information Technology Act, 2000: The IT Act provides legal recognition to electronic contracts and digital signatures, laying the foundation for e-contracting in India. Digital India Initiative: Launched to transform India into a digitally empowered society, Digital India aims to promote electronic transactions and reduce paperwork, indirectly supporting e-contracting. eSign Framework: The government introduced the eSign framework to facilitate the online signing of documents, including contracts, using Aadhaar-based e-authentication. Goods and Services Tax (GST): The implementation of GST in India involves digital processes, including e-invoicing and e-contracts, to streamline taxation and business operations.

FACTORS AFFECTING E-CONTRACTING-Several factors influence the adoption and effectiveness of e-contracting. Some key factors include: Legal Recognition and Compliance: The legal framework supporting e-contracts and electronic signatures is crucial. Clear legislation and compliance standards enhance trust and validity in e-



contracting. Technological Infrastructure: The availability and reliability of digital infrastructure, including internet connectivity and secure platforms, play a significant role in the successful implementation of e-contracting. As well as digital literacy

CURRENT TRENDS-Here are some trends that were relevant at that time: Blockchain Integration: The use of blockchain technology to enhance the security and transparency of contracts. Blockchain can provide a tamper-proof and decentralised ledger for contract management. Smart Contracts: The rise of smart contracts, self-executing contracts with the terms of the agreement directly written into code. These contracts automatically execute and enforce themselves when predefined conditions are met.

OBJECTIVES

- To identify the various types of E-contract.
- To identify remedies available in breach.
- To find out the essentials of E-contract.
- To Identify the supporting provisions in various laws relating to infringement.

II. REVIEW OF LITERATURE

(Grover, Shankar, and Khurana 2008) Today with the recent advancement in the areas of computer technology, telecommunications technology, software and information technology have resulted in changing the standard of living of people in an unimaginable way. The communication is no more restricted due to the constraints of geography and time. Information is transmitted and received widely and more rapidly than ever before. And this is where the electronic commerce offers the flexibility to business environment in terms of place, time, space, distance, and payment. With the growth of ecommerce, there is a rapid advancement in the use of e-contracts

(Kavitha et al. 2023) Contracts have become so common in daily life that most of the time we do not even realize that we have entered into one. In the electronic age, the whole transaction can be completed in seconds, with both parties simply affixing their digital signatures to an electronic copy of the contract. There was initially an apprehension amongst the legislatures to recognize this modern technology, but now many countries have enacted laws to recognize electronic contracts. Malaysia has enacted legislations on e-commerce in compliance with international organizations. This paper seeks to identify the recent trends and developments on electronic contracting globally and in Malaysia and an overview of e-commerce developments in the neighbouring land, Singapore, which was the first country to adopt the UNCITRAL model law on e commerce. The paper also examines relevant Malaysian legislations on e-commerce and the adequacy of the existing law in protecting e- consumers.

(Emily et al. 2018)An analysis is made of the increasingly active role of electronic agents, especially intelligent agents, in the negotiation and formation of contracts. Among the different doctrinal solutions that might be applicable is to consider conferring some degree of legal personality on agents or, at the other extreme, to treat them as mere communication tools. Another alternative discussed is whether intelligent agents should be considered as agents under the law of agency. Following an analysis of the two main theories of consent – the subjective and the objective theories – it is argued that the objective theory is applicable to the use of electronic agents in contracting. There is then a short examination of some enacted legislation that deal with contract formation through the involvement of electronic agents. configurations that will develop in the future.

(Kumar, Upadhyay, and Senthil Kumar 2020) Delays are very common in maximum construction projects all over in the world. Some delays may take place in the preconstruction phase which is well-defined as the period start from the primary idea of the construction project to the formal acceptance of the agreement among the owner and the contractor; but some delays may occur in the construction period that is the duration between the real construction works is start and end. Construction Project schedules are usually dynamic and uncertain. A number of controllable and



uncontrollable issues can seriously interrupt the project strategy and generate a tendency of delays. These all factors are related to Contractor, Owner, Designer, Consultant, Material, Equipment, Labor, Project and External/Environment. Contractor related factors of delay are considered most important factors. In this paper, I have explained various delay factors related to the contractor.

(Hill 2022) An international sales contract writing in the following manner or the purposes of this Convention .writing. Includes telegram and telex accordingly, the term writing deems telegram and telex as acceptable contracting methods, but remains silent on computer-based contracts, such as electronic data interchange (.EDI.), the Internet, click-wrap and shrink-wrap agreements, and e- mail. As a result, the CISG, the seminal convention governing international sales, contains a vital gap by remaining silent on electronic or computer-based contracts in international sales transactions.28 This gap questions legitimacy of Twenty-first Century commercial contracting methods that international commercial parties bound by this Convention currently rely on to facilitate their transactions.

(Rogers et al. 2015) Numerous types of construction procurement systems have been developed for project implementation. However, previous studies have not focused on subsequent managerial strategies and the project organisational forms to be adopted towards the selected procurement system. This research proposes that further managerial theories are required to enhance the project performance and effectiveness. Therefore, this paper aims to extract the principles of projected and non-projectized organisations and incorporate them with the selected procurement systems at the project level. A mechanism for assessing the key areas of compatibility was developed using the well-established McKinsey 7 S model. The paper shows that the characteristics of the organisational principles are complementary ntary with the procurement systems. It contributes an insight for future strategic organisation and management at the project level in construction.

(Katz 1998) The growth of electronic commerce reflects changes in the relative importance of various institutional transaction costs such as the costs of information and of searching for contractual partners. Accordingly, arrangements that were optimal or at least reasonably satisfactory under previous configurations of transaction costs may no longer be so under . But second, the relative costs of particular precautions and expenditures are different in electronic settings than in traditional ones, and this difference in relative cost suggest that the balancing of policy considerations may well come out differently, justifying changes at the level of application of law if not at the level of theory.

(Popovici et al. 2019) Teaching aspects related to the Electronic Contract is a real challenge in the field of education, needing collaboration between jurists, economists and computer specialists. The study aims at designing and testing a didactic approach to the Electronic Contract vs. Classical or Traditional Contract in order to give a comprehensive understanding for traders and students. The target group consists of Long Life Learning students in economics and law. The main result of the work is the related section in the course book itself, including a theoretical part, examples, explanations and practice aid. A preliminary research, by applying a short questionnaire, reveals that after one year of teaching (2 series), 42% of students used at least one of the forms of the electronic contracting - either as one of the contracting parties or in their practice.

(Waite and Gallagher 2002) Model Law on Electronic Commerce, Electronic data interchange (EDI) means the electronic transfer from computer to computer of information using an agreed standard to structure the information". The United Nations Commission on International Trade Law which adopted the Model Law on Electronic Commerce saw that the aforementioned identification can be used in all electronic information including contracting and various commercial acts.

(Ahmed 2018) No doubt that the technological evolution and its wide range usage in various fields became a part of our daily lives, accompanied by this evolution, it's usage between people in civil and commercial transactions grew significantly., And that growth dictated the necessity of issuance laws in order to manage this usage through setting



conditions and regulations to avoid the users from becoming victims of electronic fraud and scams, also to criminalise such acts and to set general terms and explicit rules to be legally binding.

(Mesnier et al. 2023) At present, the construction industry is the second biggest industry in India. Study and knowledge of factors cause schedule delay in construction projects are very essential because they cause losses to the leading organizations and also affect the economics of the construction trade. Basic knowledge of project schedule delay for the duration of the whole project can save money and time. Contractors should take proper care in the project planning and scheduling. Experienced contractor should be hire in the construction projects for timely completion of project.

(Stephenson and Professor of History and Head of the School of History and Heritage Paul Stephenson 2003) This research is primarily concerned with establishing the current status, practicalities and resource effectiveness of e-tendering. Results are provided from an industry survey which includes both quantitative and qualitative data. A case study implementation is also included which assesses the utilization of e-tendering software in practice. The research findings indicated that e-tendering can provide substantial resource savings to a major part of the supply chain, with the key benefits being enhanced communication, time savings and reduced costs.

(Pagnamenta et al. 2023) The idea that there will be intelligent contracts paying for performance upon the sensors signaling compliance is unlikely to be achievable in a vacuum. There is a link with the range of advances required for the collaborative agenda to be re-imagined for the digital age. The advances in BIM, in multi-party contracts, in project insurance can all be seen as pieces of the jigsaw. The discussion has demonstrated the deeply held perceptions and nervousness of key stakeholders towards intelligent contracts. The business case for their adoption must remain the focus whilst technology overcomes the temporary barriers of reliability and interoperability. Ultimately, addressing these concerns is a waiting game for the technology to reach the stage in its maturity where it works and the public have enough faith in the ability to deliver.

(van der Linden et al. 2008) Demonstrate two main lessons. First, the basic economic analysis of contract law can be extended in fairly straightforward fashion to the problems of electronic commerce. In this regard, our discussion lends support to those commentators who have argued that the rise of electronic commerce poses few new conceptual challenges to existing legal analysis. But second, the relative costs of particular precautions and expenditures are different in electronic settings than in traditional ones, and this difference in relative cost suggest that the balancing of policy considerations may well come out differently, justifying changes at the level of application of law if not at the level of theory.

(Golumbeanu et al. 2023) The concept that non-US companies cross-list in the United States to safeguard their minority shareholders is investigated in this study. Cross-listing on the NYSE or Nasdaq subjects a non-US company to a variety of US securities law rules and requires the company to follow US GAAP. As a result, rights and obligations should be protected in a balanced manner. Someone who owns more than half of a company's equity is known as a majority shareholder.

(Kalata et al. 2023) This study investigates the idea that non-US corporations cross-list in the United States to protect their minority shareholders. Cross-listing on the NYSE or Nasdaq exposes a non-US company to a slew of US securities laws and forces it to adhere to US GAAP. This article will explain minority shareholder rights, why they are important to maintain, and what remedies are accessible to them. According to Section 2(55)(iii) of the Companies Act 2013, a shareholder is a member of the firm.

(Tanaka et al. 2023) Sections 397 to 409 of the Companies Act of 1956 establish provisions to protect minority shareholders' rights and interests from the oppressive actions of majority shareholders. The Natural Justice Principle underpins the Rights of Minority Shareholders. Section 397 defines oppression



(Puchniak, Baum, and Nottage 2017) The primary goal of the corporate governance system is to protect the interests of all shareholders. However, corporation law can—and, to some extent, must—address agency conflicts that jeopardise the contractual interests of minority shareholders and non-shareholder contractual constituents. A governance framework must unavoidably restrain the power of the shareholder majority to minimise either the minority shareholder or non-shareholder agency problems, hence exacerbating the managerial agency problem.

(Somtow 2001) Through pyramids, dual-class shares, and cross-holdings, Sweden has a high degree of ownership and control separation. This enhances the possibility of private control benefits. Extralegal institutions in Sweden, such as tax compliance and newspaper circulation, are, on the other hand, consistent with more shareholder protection.

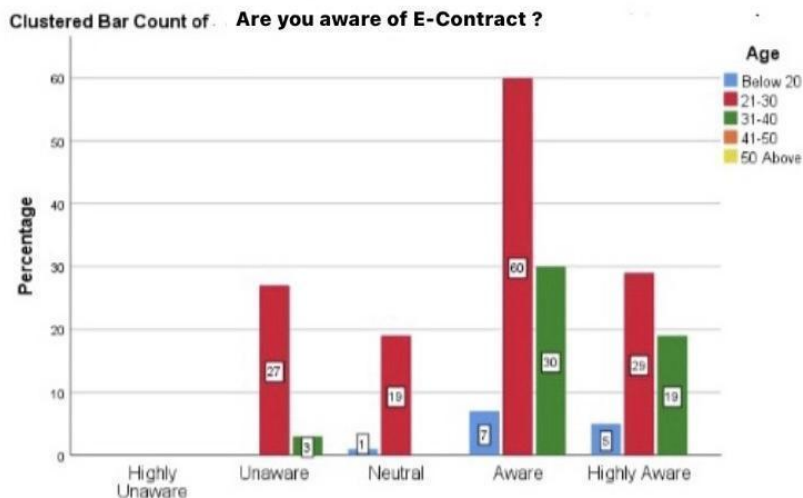
(Oryshchuk et al. 2023) In many nations, businesses encounter institutional "gaps" that boost operating expenses and stifle entrepreneurship. We look at one option that could fill those gaps: minority state ownership. The "agency distortions" that are typical under full-fledged state ownership have less impact on minorities' stakes.

III. RESEARCH METHODOLOGY

The research method followed is descriptive research. The data is collected through a questionnaire and the sample size is 228. The convenience sampling method is adopted within the study to gather info. The samples were collected from friends and relatives. The independent variables are gender, age, income level, marital status, education level of respondents. The dependent variables are what they think about freedom of speech and expression on social media, benefits of freedom of speech on social media, importance of freedom of expression on social media, and whether all people have equal rights on social media. The researcher used graphs to analyse data.

IV. ANALYSIS

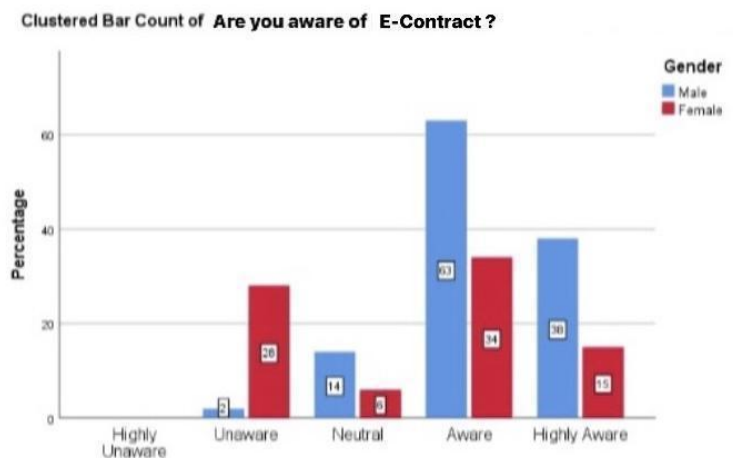
FIGURE 1



LEGEND : the above figure shows the opinion of the respondents on the question are you aware of the E- contract

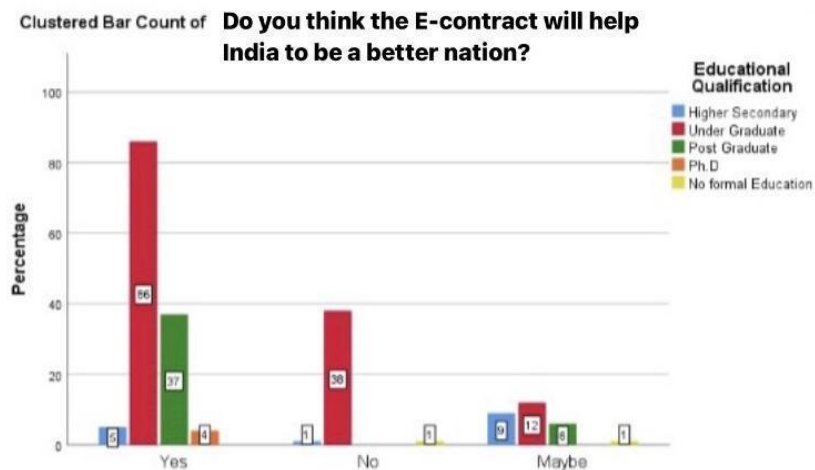


FIGURE 2



LEGEND : the above figure shows the opinion of the respondents on the question asked. Are you aware of the E-contract

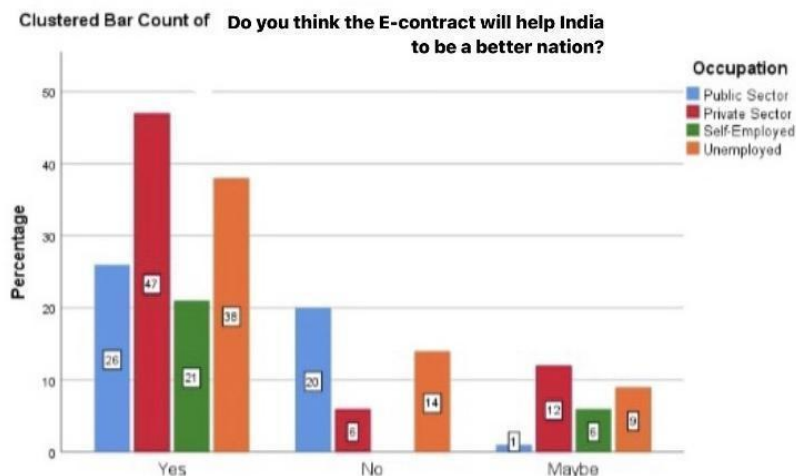
FIGURE 3



LEGEND : the above figure shows the opinion of the respondents on the question asked. Do you think the E-contract will help India to be a better nation

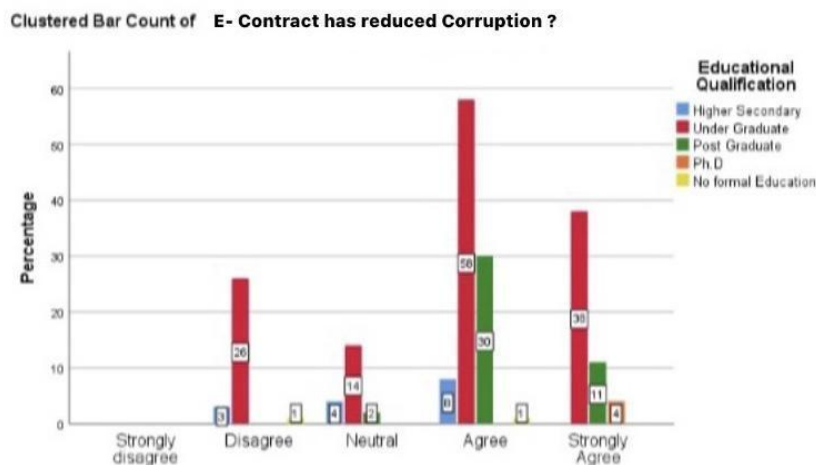


FIGURE 4



LEGEND : the above figure shows the opinion of the respondents on the question asked. Do you think the E- contract will help India to be a better nation.

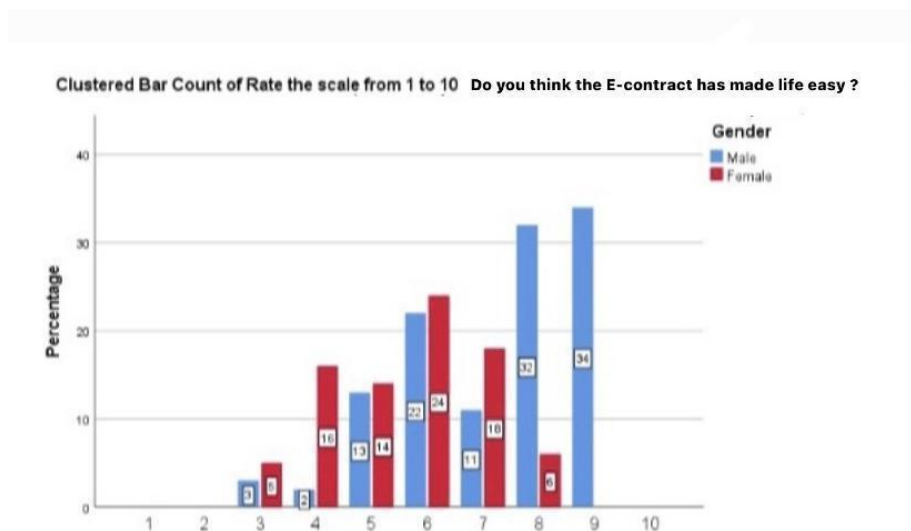
FIGURE 5



LEGEND : the above figure shows the appeal of the respondents on the question asked do you think the E- contract has reduce corruption

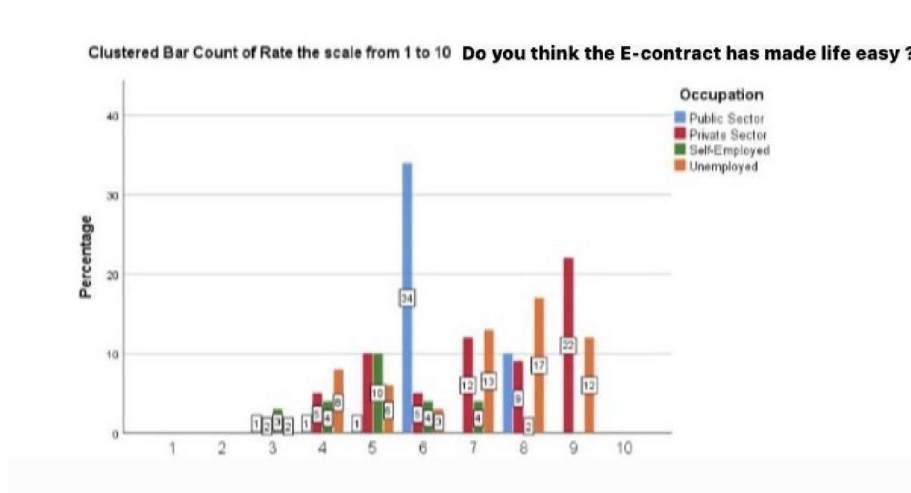


FIGURE 6



LEGEND : The above figure shows opinion of the respondents on the question asked do you think the E- contract has made life easy

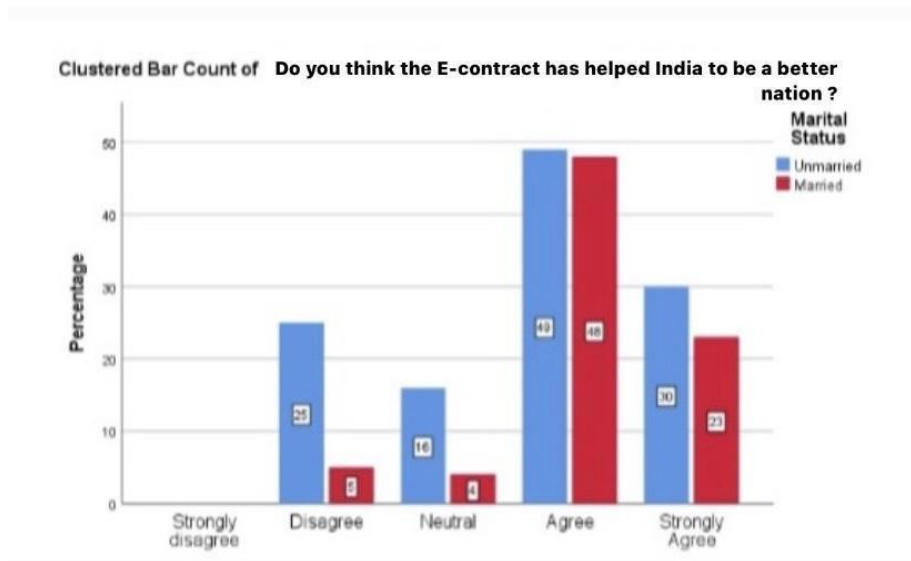
FIGURE 7



LEGEND : The above figure shows the opinion of the respondents on the question asked E - contract has made life easy



FIGURE 8



LEGEND : the above figure shows the opinion of the respondents on the question asked do you think E- contract has helped India to be a better nation

V. RESULT

Figure 1 The majority of the respondents belong to the age group of 21 to 30 years and they think they are aware about the E contract **Figure 2** the majority of respondents are male and they are aware of the E contract. **Figure 3** The majority of respondents belong to the undergraduate sector and think an E contract will help India to be a better nation. **Figure 4.** The majority of respondents belong to the private sector and they think a E contract will help India to be a better nation. **Figure 5** The undergraduate sector has the highest number of responses and they agree that the E contract has reduced corruption. **Figure 6** male have the highest number of respondents and they rated this in the scale of 1 to 10 (9) that the E contract has made their life easy. **Figure 7** public sector has a highest number of respondents and a rate of 6 and a scale of one to 10 that E contract has made life easy **Figure 8** unmarried have the highest number of respondents and they think E contract has helped India to be a better nation.

VI. DISCUSSION

Figure 1 E Contract is something which is used by the majority of the people and most young adults are aware about the E contract. E Contract makes work easy for young adults who are in the working sector , Office going etc.. **Figure 2** E Contract is something which is used by the majority of the people and most are aware about the E contract. E Contract makes work easy for male who are in the working sector , Office going etc.. **Figure 3** E Contract helps India to be a better nation it shows how technology developed are nation is the undergraduate students agree with this **Figure 4** E Contract helps India to be a better nation it shows how technology developed are nation is the and people working in private sector agree with this **Figure 5** One of the major benefit of E Contract is that it has reduced corruption in the society and people from undergraduate sector agree with this **Figure 6** E Contract has made our life easy and made work easy it is majorly agreed by the males and E contract is very important in today's world and **Figure 7** E Contract has made our life easy and made work easy it is majorly agreed by the of and people working in the public sector and E contract is very important in today's world **Figure 8** E Contract helps India to be a better nation it shows how technology developed are nation is and majority of unmarried people agree with this.



SUGGESTIONS

The E contract is the future of India so everybody should be aware of the E contract and in they should teach in the format of a E contract and create more awareness about the E contract

LIMITATION:

Certain limitations were faced by the researcher during the study liking sampling error where it failed to reflect the appropriate population due to the limited ability to gain access. There might be some errors due to a lack of previous research studies on the same topic. There are limitations to conducting a thorough analysis of the result.

VII. CONCLUSION

The Contract Act requires meeting of minds and the involvement of two parties negotiation is an underlying presumption. But in case of e-contracts, the minds that meet are minds of the programmed computer systems. The Information Technology Act contains provisions regarding attribution, acknowledgement, dispatch and receipt of electronic records. The IT Act has tried to sufficiently take care of the requirements of e-contracts.²² However, some of the legal challenges are yet to be resolved and the law is yet to address and plug certain glaring loopholes pertaining to e-contracts. The law must raise a presumption that once the e-contract is concluded, both parties must be presumed to be competent to do so and then neither party must be allowed to raise objection at a later stage that the contract is unenforceable due to either of the parties not being competent to contract. The law must provide for a presumption in favour of the offeree such that a mistake of fact committed should not place either of the contracting parties in non bargainable position. The website offering goods or services should consist of an e-contract and such contract must be carefully drafted to protect the website owner from liability and must address the key terms & conditions for the provisions of goods or services. The contract should clearly establish the exact time & manner of acceptance of the contract.

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