

Conditions and Warranty is a topic from Sale of goods Act

### Conditions

A condition is a stipulation essential to the main purpose of the contract, the breach of which gives the right to repudiate the contract and to claim damages. (Sec 12 (2)). We can understand this with the help of the following example:

Say 'X' wants to purchase a car from 'Y', which can have a mileage of 20 km/lt. 'Y' pointing at a particular vehicle says "This car will suit you." Later 'X' buys the car but finds out later on that this car only has a top mileage of 15 km/ liter. This amounts to a breach of condition because the seller made the stipulation which forms the essence of the contract. In this case, the mileage was a stipulation that was essential to the main purpose of the contract and hence its breach is a breach of condition.

warranty is a stipulation collateral to the main purpose of the said contract. The breach of warranty gives rise to a claim for damages. However, it does give a right to reject the goods or treat the contract as repudiated. (Sec 12(3)). Let us understand this with the help of an example below.

A man buys a particular car, which is warranted to be quite to drive and very comfortable. It turns out that after some days the car starts to make a very unpleasant noise every time it is operated. Also sitting inside it is also not very comfortable.

Thus the buyer's only remedy is to claim damages. This is not a breach of the condition but rather a breach of warranty, because the stipulation made by the seller was only a collateral one.

### Identification of a Stipulation as a Condition or Warranty

Whether a stipulation is a condition or a warranty is a very important aspect to have the knowledge about. A stipulation in a contract of sale is either a condition or is a warranty depending in either case on the construction of the contract. A stipulation may be a condition, though called a warranty in the contract.

differences between a condition and a warranty:

Difference Basis	Warranty	Condition
Nature	A warranty is only collateral to the main purpose of the contract.	It is essential to the main purpose of the contract.
Exemption from performance in case of a breach of the stipulation.	In this case, the aggrieved party can't rescind the contract but can claim damages only.	The aggrieved party can repudiate the contract and is exempted from performance and can also claim damages.
Treatment	Breach of warranty can't be treated as a breach of condition.	A breach of contract may be treated as a breach of warranty.