

4 Differentiate between Agreement & Contract

Agreement	Contract
1. Every promise and every set of promise, forming the consideration for each other is an agreement	1. An agreement enforceable by law is a contract
2. For constituting an agreement, a promise or set of promise forming consideration	2. An agreement become a contract agreement fulfill all the legal condition of a contract
3. An agreement is a wider concept than that of a contract	3. A contract is specie of an agreement and as such it is narrow concept
4. It is not necessary that every agreement must create legal obligation	4. Every contract necessarily create a legal obligation because every contract is

because all
agreements do not
go to constitute
contract.

5. An agreement
cannot be
concluded or
a binding
contract.

basically an
agreement.

5. A contract is always
concluding and
binding on
the concerned
parties.