

M.A Motors Limited v Infracon Limited

Summary

Court:	High Court of Malawi
Registry:	Commercial Division
Bench:	Honourable Justice Trouble Kalua
Cause Number:	Commercial Cause Number 206 of 2021
Date of Judgment:	January 10, 2025
Bar:	F. Mbwana, of counsel for the Claimant, Y. E. Soko, of counsel for the Defendant respondent unrepresented

The Claimant, a motor vehicle garage, commenced an action against the Defendant for the sum of **K5,040,468.00** for repair and servicing work, with costs and interest. The Defendant denied liability, arguing that no valid contract had been formed because the parties had not agreed on a price for the work. Alternatively, the Defendant contended that if a contract existed, the Claimant had fundamentally breached it by providing shoddy and incompetent services, and consequently counterclaimed for damages.

The Court was faced with two primary issues for determination: whether a valid contract existed between the parties without an agreed price, and if so, whether the Claimant's work constituted a fundamental breach of that contract. The Court in allowing the Claimant's claim held that, a valid contract could exist in commercial agreements even where not all terms, including price, were settled. The Court adopted the principle that in such cases, a reasonable price must be paid. On the issue of breach, the Court noted that the burden of proof rests on the party who alleges a fact. The Court in dismissing the counterclaim by Defendant, it held that the Defendant had failed to prove that the Claimant's work was shoddy and had fundamentally breached the contract. The Court ordered the Defendant to pay the full sum claimed of **K5,040,468.00**, along with interest and costs.