

Indian Contract Act, 1872

Contract	Agreement enforceable by law.					
Agreement	Every promise and every set of promises forming consideration for each other.					
Offer/Proposal	When one person signifies to another his willingness to do or to abstain from doing anything with a view to obtaining the assent of that other to such act or abstinence, he is said to make a proposal.					
Acceptance	When the person to whom the proposal is made signifies his assent thereto, proposal is said to be accepted. The proposal, when accepted, becomes a promise.					
Consideration	When at the desire of the promisor , the promisee or any other person has done or abstain from doing or does or abstained from doing or promises to do or abstain from doing something such an act or abstinence or promise is called consideration for the promise.					
Unsound Mind	A person is said to be of unsound mind for the purpose of making contract if at the time when he makes it is not capable of understanding it and of forming a rational judgment to effect upon his interests.					
Consent	Two or more persons are said to consent when they agree upon the same thing in the same sense.					
Mistake	Mistake may be defined as innocent or erroneous belief which leads the party to misunderstand the others. Mistake may be either Bilateral or Unilateral.					
Contingent Contract	A contract to do or not to do something, if some event, collateral to such contract , does or does not happen.					
Essentials of a Valid Contract	<p>1. Given under Section 10</p> <table border="1" style="width: 100%;"> <tr> <td>(a) Agreement</td> </tr> <tr> <td>(b) Free Consent-Major, Unsound Mind, Not otherwise disqualified</td> </tr> <tr> <td>(c) Competency of Parties</td> </tr> <tr> <td>(d) Lawful Consideration</td> </tr> <tr> <td>(e) Not Expressly declared to be void</td> </tr> </table> <p>2. Not expressly given but are essential</p> <p>(a) Intention to create legal relationship (b) Fulfilment of legal formalities (c) Certainty of meaning (d) Possibility of Performance</p>	(a) Agreement	(b) Free Consent-Major, Unsound Mind, Not otherwise disqualified	(c) Competency of Parties	(d) Lawful Consideration	(e) Not Expressly declared to be void
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Types of Contracts	<p>On the basis of Validity</p> <table border="1" style="width: 100%;"> <tr> <td>Valid Contract-binding and enforceable, contains all the essential elements of a valid contract.</td> </tr> <tr> <td>Void Contract-which ceases to be enforceable by law</td> </tr> </table>	Valid Contract- binding and enforceable , contains all the essential elements of a valid contract.	Void Contract-which ceases to be enforceable by law			
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	<p>Voidable Contract-agreement enforceable by law at the option of one or more of the parties thereto but not at the option of the other or others.</p> <p>Illegal Agreement-Contract prohibited by the law. Not only the main contract but also the related contract shall also be unenforceable.</p> <p>Unenforceable Contract- a contract good in substance but because of some technical defect one or both the parties cannot sue upon it.</p> <p>On the Basis of Formation</p> <p>Express Contract-where the terms are expressed by words or in writing.</p> <p>Implied Contract-that come into existence by action or conduct of the parties.</p> <p>Quasi Contract-where, there is no intention on part of either party to make a contract but law imposes a contract upon the parties.</p> <p>E-Contract-When a contract is entered into by two or more parties using electronics means.</p> <p>On the Basis of Performance</p> <p>Executed Contract-When the act is done or executed or the forbearance is brought on record.</p> <p>Executory Contract-the consideration is reciprocal promise or obligation. Such consideration is to be performed in future only. Two types-Unilateral and Bilateral</p>
<p>Proposal/Offer (Definition explained)</p>	<ol style="list-style-type: none"> 1. The person making the proposal or offer is called the 'promisor' or 'offeror'. 2. For a valid offer, the party making it must express his willingness 'to do' or 'not to do' something. 3. The willingness must be expressed with a view to obtain the assent of the other party to whom the offer is made. 4. An offer can be positive as well as negative:
<p>Kinds of Offer</p>	<p>General offer-an offer made to public at large and hence anyone can accept and do the desired act. [Carlill v. Carbolic Smoke Ball Co.]</p> <p>Special/Specific Offer- Offer made to a specific or an ascertained person. Specific offer can be accepted only by that specified person to whom the offer has been made. [Boulton v. Jones]</p> <p>Cross offer- A cross offer is made when two parties make the same offer to one another without knowing the other party has made an offer, and the terms of both offers are identical.</p>

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	<p>Counter Offer- When the offeree offers to qualified acceptance of the offer subject to modifications and variations in the terms of original offer, he is said to have made a counter offer.</p>
<p>Essentials of a Valid offer</p>	<p>Standing or continuing or open offer-An offer which is allowed to remain open for acceptance over a period of time is known as standing or continuing or open offer.</p> <ol style="list-style-type: none"> 1. It must be capable of creating legal relations. 2. It must be certain, definite and not vague. 3. It must be communicated to the offeree. [Lalman Shukla v. GauriDutt] 4. It must be made with a view to obtaining the assent of the other party. 5. It may be conditional. 6. Offer should not contain a term the non-compliance of which would amount to acceptance. 7. The offer may be either specific or general. 8. The offer may be express or implied. 9. Offer is Different from a mere statement of intention, an invitation to offer, a mere communication of information, a prospectus and Advertisement 10. A statement of price is not an offer [Harvey Vs. facie]
<p>Essentials of Valid Acceptance</p>	<ol style="list-style-type: none"> 1. Acceptance can be given only by the person to whom offer is made. [Boulton vs. Jones] 2. Acceptance must be absolute and unqualified. 3. The acceptance must be communicated. [Brogden vs. Metropolitan Railway Co] 4. Acceptance must be in the prescribed mode. 5. Acceptance must be given within the specified time 6. Mere silence is not acceptance [Felthouse vs. Bindley] 7. Acceptance by conduct/Implied Acceptance
<p>Communication of Offer and Acceptance</p>	<p>Communication of Offer: When a proposal is made by post, its communication will be complete when the letter containing the proposal reaches the person to whom it is made.</p> <p>Communication of Acceptance:</p> <ol style="list-style-type: none"> 1. As against the proposer, when it is put in the course of transmission to him so as to be out of the power of the acceptor to withdraw the same; 2. As against the acceptor, when it comes to the knowledge of the proposer.
<p>Revocation of offer and</p>	<p>A proposal can be revoked at any time before the communication of</p>

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acceptance	<p>its acceptance is complete as against the proposer. An acceptance may be revoked at any time before the communication of acceptance is complete as against the acceptor.</p>						
Modes of Revocation of Offer	<ol style="list-style-type: none"> 1. By notice of revocation 2. By lapse of time 3. By non-fulfilment of condition precedent 4. By death or insanity 5. By Counter Offer 6. By the non-acceptance of the offer according to the prescribed or usual mode 7. By subsequent illegality 						
Legal Rules Regarding Consideration	<ol style="list-style-type: none"> 1. Consideration must move at the desire of the promisor. 2. Consideration may move from promisee or any other person [Chinnayya vs. Ramayya] 3. Executed and executory consideration 4. Consideration may be past present or future 5. Consideration need not be adequate 6. Performance what one is legally bound to perform- Consideration must not be performance of existing duty 7. Consideration must be real and not illusory 8. Consideration must not be unlawful immoral or opposed to public policy 						
Validity of an agreement without consideration	<p>General rule- An agreement made without consideration is void. Exceptions-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>1. Completed Gifts</td> </tr> <tr> <td>2. Charity</td> </tr> <tr> <td>3. Bailment</td> </tr> <tr> <td>4. Agency</td> </tr> <tr> <td> 5. Natural Love & Affection-four conditions- (a) Natural love & affection (b) Near Relationship (c) Writing (d) Registered </td> </tr> <tr> <td> 6. Compensation for past voluntary service- (a) Service rendered without request (b) Services rendered to Promisor (c) Promisor must be in existence of the time when services were rendered (d) Promisor must intended to compensate the </td> </tr> </table>	1. Completed Gifts	2. Charity	3. Bailment	4. Agency	5. Natural Love & Affection- four conditions- (a) Natural love & affection (b) Near Relationship (c) Writing (d) Registered	6. Compensation for past voluntary service- (a) Service rendered without request (b) Services rendered to Promisor (c) Promisor must be in existence of the time when services were rendered (d) Promisor must intended to compensate the
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	<p>promisee. (e) Promise to pay time barred debt (If written and sign commitment)</p>
<p>Privity of Contract</p>	<p>Stranger to a contract can't sue is known as "Doctrine of Privity of Contract" Following are the exceptions:</p> <ol style="list-style-type: none"> 1. In The case of trust. 2. In the case of family settlement 3. In the case of certain marriage contract/arrangements 4. In the case of assignment 5. Acknowledgement or estoppel 6. Contract entered by an agent 7. In the case of covenant running with the land
<p>Rules Regarding Agreement of Minor</p>	<ol style="list-style-type: none"> 1. Minor's agreement is void-ab-initio [Mohori Bibi vs. Dharmo Das Ghose] 2. No Ratification after attaining majority 3. Minor can be beneficiary (a promissory note duly executed in favour of a minor can be sued upon by him and he may yet accept a benefit. Also, he can be admitted to the benefits of partnership with the consent of all partners.) 4. Minor can always plead minority-if minor falsely represents himself as major 5. Liability for necessaries-No personal liability, estate may be held liable if- <ol style="list-style-type: none"> (a) The contract must be for the goods reasonably necessary for his support in the station in life. (b) The minor must not have already a sufficient supply of these necessaries. 6. Contract by guardian-guardian can, under certain circumstances enter into a valid contract on minor's behalf 7. No specific performance: No specific performance can be claimed from minor 8. Minor cannot be declared insolvent. 9. Minor cannot bind parent or guardian even for necessaries 10. Joint contract by Minor and Adult- only adult will be liable but minor will not be liable. 11. Surety (guarantor) for Minor- such adult person will be liable for third party. 12. Minor as a Shareholder: Minor cannot become a shareholder in

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	<p>any company But, a minor may, acting through his lawful guardian become a shareholder by transfer or transmission of fully paid shares to him.</p> <p>13. Liability for Torts (crimes)-Tort is a civil wrong and minor is liable for such torts.</p>
Person Of Unsound Mind	<ol style="list-style-type: none"> 1. Person who is usually of unsound mind but occasionally of sound mind-may make a contract when he is of sound mind. 2. Person who is usually of sound mind but occasionally of unsound mind- may not make a contract when he is of unsound mind. 3. Rule of necessities supplied- same as a minor.
Contract by Disqualified Person	<p>Convict person, Insolvent person, Alien enemy- Can't make valid contract.</p> <p>Diplomatic person or ambassador- can make valid contract but in case of Breach of contract legal suit/case can be filed with approval of government.</p> <p>Corporation- can make valid contract according to the power of memorandum (MOA).</p>
Free Consent	<p>Consent is said to be free when it is not caused by-</p> <ul style="list-style-type: none"> o Coercion (Section 15) o Undue Influence (Section 16) o Fraud (Section 17) o Misrepresentation (Section 18)
Coercion	<ol style="list-style-type: none"> 1. Committing or threatening to commit any act forbidden by Indian penal code. 2. The unlawful detaining or threatening to detain any property to the prejudice (against interest) of any person. <p>Effects of Coercion-</p> <ol style="list-style-type: none"> 1. Contract- Voidable 2. If contract rescinded-all benefits received to be restored 3. Any person who has received any money-must return it.
Undue Influence	<p>Where relation existing b/w parties are such that one of the parties is in a position to dominate the will of the other and he uses that position to obtain unfair advantage over the other.</p> <p>Essential Ingredients-</p> <ol style="list-style-type: none"> 1. Relation b/w parties 2. Position to dominate the will- Real and apparent authority, Fiduciary relationship, Mental distress, Unconscionable bargain 3. The object must be to take undue advantage. 4. Burden of proof- on dominant person

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<p>Fraud Effect of Fraud</p>	<ol style="list-style-type: none"> 1. the suggestion of fact which is not true by one who does not believe it to be true 2. the active concealment of a fact 3. a promise made without any intention of performing it. 4. any other act fitted to deceive; 5. any such act or omission as the law specially declares to be fraudulent. <p>Generally- silence not treated as a fraud but when its duty of person is to speak about fact, then silence is treated as a fraud. Following contracts come under this category:</p> <ol style="list-style-type: none"> 1. Fiduciary Relationship 2. Contract of Insurance 3. Contract of Marriage 4. Contract of Family Settlement 5. Share Allotment Contract <p>Aggrieved party can-</p> <ol style="list-style-type: none"> 1. Rescind the contract within reasonable time 2. Sue for damages. 3. Insist on performance of contract or the condition that he shall be put in the position in which he would have been had if the representation was made true
<p>Misrepresentation</p>	<ol style="list-style-type: none"> 1. If a person makes false statement that he believes to be true but is not justified by info. he possesses. 2. Breach of duty by a person without any intention to deceive. 3. Where a party innocently causes the other party to the agreement make a mistake as to subject matter. <p>Where a party to a contract commits fraud or misrepresentation, but the other party is not, in fact, misled by such fraud or misrepresentation, the contract cannot be avoided by the latter.</p>
<p>Mistake</p>	<p>Mistake- An innocent or erroneous belief which leads the party to misunderstand the others</p> <p>Mistake of Law: Mistake of Indian law- doesn't render the contract void Mistake of Foreign Law- treated as mistake of fact</p> <p>Mistake of Fact: If both the parties are at mistake-agreement is void.</p>
<p>Legality of Object and Consideration</p>	<p>The consideration or object of an agreement is lawful, unless-</p> <ol style="list-style-type: none"> 1. It is forbidden by law (e.g. Dowry) 2. Is of such a nature that, if permitted, it would defeat the provisions of any law (e.g. giving son in adoption in lieu of annual

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	<p>allowance)</p> <ol style="list-style-type: none"> 3. Is fraudulent 4. Involves injury to the person or property of another 5. The court regards it as immoral 6. Opposed to public policy.
Agreements opposed to public policy	<ol style="list-style-type: none"> 1. Trading with enemy 2. Stifling Prosecution 3. Maintenance and Champerty- generally valid-unless-(a) Unreasonable or unjust (b)Malicious motive 4. Trafficking relating to Public Offices and titles 5. Agreements tending to create monopolies 6. Marriage brokerage agreements 7. Interference with the course of justice 8. Interest against obligation 9. Consideration Unlawful in Part
Void Agreements	<ol style="list-style-type: none"> 1. Agreement in restraint of marriage (Section 26) 2. Agreement in restraint of trade (Section 27) [Exceptions-Sale of Goodwill, Agreement by Outgoing Partner, Agreement between Partners, Agreement with Employer] 3. Agreement in restraint of legal proceedings (Section 28) 4. Agreement - the meaning of which is uncertain (Section 29) 5. Wagering agreement (Section 30)[Lottery transactions, Crossword Puzzles and Competitions, Speculative transactions, Horse Race Transactions]
Essentials of Offer for Performance	<ol style="list-style-type: none"> 1. Unconditional 2. made at a proper time and place 3. If offer is to deliver anything then the promisee must have a reasonable opportunity of seeing that the thing offered is the thing which was promised under the contract.
Effect of refusal of party to perform wholly	<p>Aggrieved party can either:</p> <ol style="list-style-type: none"> (i) Terminate the contract or, (ii) Indicate by words or by conduct that he is interested in its continuance
By whom contract may be performed	<ol style="list-style-type: none"> 1. Promisor himself [contracts involving exercise of personal skill or diligence, or which are founded on personal confidence between the parties] 2. Agent [Where personal consideration is not involved] 3. Legal Representatives [LR of deceased promisor will be bound to perform if personal skills not involved-But their liability under a contract is limited to the value of the property they inherit] 4. Third persons [When a promisee accepts performance of the

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	<p>promise from a third person, he cannot afterwards enforce it against the promisor.]</p> <p>5. Joint promisors [All joint promisors liable, if any one of JP/or all JP die LR of JP(s) shall be liable to perform]</p>
<p>Liability of Joint Promisor & Promisee</p>	<p>1. Promisee can compel any one or more of such joint promisors to perform the whole of the promise. [in case of absence agreement to contrary]</p> <p>2. If one of the joint promisors is made to perform the whole contract, he can call for a contribution from others.</p>
<p>Time and place for performance of the promise</p>	<p>1. Time for performance where no application is to be made and no time is specified- Performance to be made within reasonable time without application</p> <p>2. Time and place for performance where time is specified and no application to be made- Performance to be made during usual business hours on the day/date specified.</p> <p>3. Place for the performance where no application to be made and no place fixed for performance- duty of the promisor to apply to the promisee to appoint a reasonable place for the performance of the promise, and to perform it at such a place.</p> <p>5. Performance to be made in manner or at time prescribed or sanctioned by promise</p>
<p>Performance of reciprocal promise</p>	<p>1. Promisor not bound to perform, unless reciprocal promise ready and willing to perform</p> <p>2. Order of performance of reciprocal promises- If fixed perform as per that order, If not fixed- as per the nature of transaction</p> <p>3. Liability of party preventing event on which the contract is to take effect- Contract voidable at the option of aggrieved party</p> <p>4. Effect of default as to that promise which should be first performed, in contract consisting of reciprocal promises-such person liable for compensation</p> <p>5. Effects of Failure to Perform at a Time Fixed in a Contract in which time is essential [(a) If time is essential-contract voidable (b) If time is not essential-contract not voidable, only compensation can be claimed, (c) If performance accepted other than agreed time-compensation can be claimed only if notice of such intention given at the time of acceptance of performance]</p> <p>6. Agreement to do impossible act [In next section]</p> <p>7. Reciprocal promise to do certain things that are legal, and also some other things that are illegal [Legal part-valid contract, illegal part-void agreement]</p> <p>8. 'Alternative promise' one branch being illegal [Only legal branch can</p>

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		be enforced]						
Impossibility of Performance	of	<p>1. Initial Impossibility:</p> <p>(i) If known to the parties- Void-ab-initio</p> <p>(ii) If unknown to the parties- Void</p> <p>(iii) If known to the promisor only- promisee is entitled to claim compensation</p>						
Appropriation of payments	of	<p>1. Where debt to be discharged is indicated- the payment is to be applied accordingly.</p> <p>2. Where debt to be discharged is not indicated- creditor may apply it at his discretion to any lawful debt including time barred debt.</p> <p>3. Application of payment where neither party appropriates- applied in discharge of the debts in order of time including time barred debt.</p>						
Contracts, which need not be performed - with the consent of both the parties		<p>1. Effect of novation, rescission, and alteration of contract (Section 62)</p> <p>(i) Novation- substitution of a new contract for the old.</p> <p>(ii) Rescission- Cancellation of the contract</p> <p>(iii) Alteration- Alteration in certain terms of the contract</p> <p>2. Promisee may waive or remit performance of promise (Section 63)- discharge of contract by remission</p> <p>3. Restoration of Benefit under a Voidable Contract (Section 64)- Where aggrieved party rescinds voidable contract, it must return any benefit received.</p> <p>4. Obligations of Person who has Received Advantage under Void Agreement or contract that becomes void (Section 65)-all benefits received under void agreement to be returned</p> <p>5. Communication of rescission (Section 66)- communication of recession of voidable contract to be made.</p>						
Discharge Of A Contract		<table border="1"> <tr> <td>Discharge by performance</td> <td>(i) Actual Performance (ii) Attempted Performance</td> </tr> <tr> <td>Discharge by mutual agreement</td> <td>Novation, Rescission, Alteration and Remission</td> </tr> <tr> <td>Discharge by impossibility of performance</td> <td>(i) Change in law (ii) Destruction of the subject-matter (iii) Non-existence or non-occurrence of particular state</td> </tr> </table>	Discharge by performance	(i) Actual Performance (ii) Attempted Performance	Discharge by mutual agreement	Novation, Rescission, Alteration and Remission	Discharge by impossibility of performance	(i) Change in law (ii) Destruction of the subject-matter (iii) Non-existence or non-occurrence of particular state
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		of things due to personal incapacity (iv) Declaration of a war
	Discharge by lapse of time	Eg time barred debt
	Discharge by operation of law	Eg Death, insolvency
	Discharge by breach of contract	Actual or Anticipatory breach
	Promisee may waive or remit performance of promise	Remission
	Neglect of promisee to afford promisor reasonable facilities for performance	Promisor is excused by such neglect or refusal as to any non-performance
	Merger of rights	When inferior rights and the superior rights coincide
Remedies for Breach of Contract	1. Suit for Damages 2. Rescission of Contract 3. Suit for Specific Performance [Where damages are not adequate remedy] 4. Suit for Quantum Meruit 5. Suit for Injunction [To restrain the party from doing what he promised not to do]	
Suit for Damages	Ordinary damages	Loss that naturally arose in the usual course of things.
	Special damages	Can be claimed only when a party to a contract receives a notice of special circumstances affecting the contract
	Vindictive or exemplary damages	Only in two cases-(i) Breach of promise to marry (ii) Wrongful dishonour of cheque
	Nominal Damages	Where plaintiff proves that there has been a breach but he has not in fact suffered any real damage
	Damages for deterioration caused by delay	'Deterioration' not only implies physical damages to the goods but it may also mean loss of special opportunity for sale
	Pre-fixed Damages	(i) Liquidated Damages (ii) Penalty

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<p>Quantum Meruit</p>	<p>Two conditions must be satisfied-</p> <p>(1) It is only available if the original contract has been discharged. (2) The claim must be brought by a party not in default</p> <p>Cases where claim for quantum meruit arises-</p> <ol style="list-style-type: none"> When a contract becomes void. When something is done without any intention to do so gratuitously. Where there is an express or implied contract to render services but there is no agreement as to remuneration. When one party abandons or refuses to perform the contract. Where a contract is divisible and the party not in default has enjoyed the benefit of part performance. When an indivisible contract for a lump sum is completely performed but badly the person who has performed the contract can claim the lump sum, but the other party can make a deduction for bad work. 											
<p>Essentials of a Contingent Contract</p>	<ol style="list-style-type: none"> Performance depends upon the happening or non-happening of some event or condition. The event referred to is collateral to the contract. The contingent event should not be a mere 'will' of the promisor. The event must be uncertain. 											
<p>Rules relating to enforcement of Contingent Contract</p>	<p style="text-align: center; font-weight: bold; font-size: 1.2em;">CA. Kavita Dariyani</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td data-bbox="470 1137 997 1361"> <p>Contracts contingent upon an event happening</p> </td> <td data-bbox="1005 1137 1516 1361"> <p>(i) Can't be enforced until that event happens (ii) If the event becomes impossible-contract will become void</p> </td> </tr> <tr> <td data-bbox="470 1368 997 1458"> <p>Contracts contingent on an event not happening</p> </td> <td data-bbox="1005 1368 1516 1458"> <p>Can be enforced only when it's happening becomes impossible.</p> </td> </tr> <tr> <td data-bbox="470 1464 997 1637"> <p>Contracts contingent upon the conduct of a living person</p> </td> <td data-bbox="1005 1464 1516 1637"> <p>Become void when that living person does something to make the event as impossible of happening.</p> </td> </tr> <tr> <td data-bbox="470 1644 997 1854"> <p>Contingent on happening of specified event within the fixed time</p> </td> <td data-bbox="1005 1644 1516 1854"> <p>Will become void if that event doesn't happen within the time fixed, or if, before the time fixed, such event becomes impossible.</p> </td> </tr> <tr> <td data-bbox="470 1861 997 2018"> <p>Contingent on specified event not happening within fixed time</p> </td> <td data-bbox="1005 1861 1516 2018"> <p>Can be enforced if such event has not happened before the time fixed or if it becomes certain that such event will not</p> </td> </tr> </table>		<p>Contracts contingent upon an event happening</p>	<p>(i) Can't be enforced until that event happens (ii) If the event becomes impossible-contract will become void</p>	<p>Contracts contingent on an event not happening</p>	<p>Can be enforced only when it's happening becomes impossible.</p>	<p>Contracts contingent upon the conduct of a living person</p>	<p>Become void when that living person does something to make the event as impossible of happening.</p>	<p>Contingent on happening of specified event within the fixed time</p>	<p>Will become void if that event doesn't happen within the time fixed, or if, before the time fixed, such event becomes impossible.</p>	<p>Contingent on specified event not happening within fixed time</p>	<p>Can be enforced if such event has not happened before the time fixed or if it becomes certain that such event will not</p>
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	Contingent on an impossible event	Become void when that impossible event happens.
Quasi Contract	<ol style="list-style-type: none"> 1. Claim for necessaries supplied to persons incapable of contracting [Person entitled to be reimbursed from the property of incapable person] 2. Payment by an interested person [Such interested person is entitled to be reimbursed] 3. Obligation of person enjoying benefits of non-gratuitous act 4. Responsibility of finder of goods 5. Money paid by mistake or under coercion (Section 72) 	
Obligation of person enjoying benefits of non-gratuitous act	Conditions to be fulfilled: <ol style="list-style-type: none"> 1. The act was done or thing was delivered lawfully; 2. The act was not done gratuitously; and 3. The other person enjoyed the benefit. 	
Responsibility of finder of goods	A finder of lost goods has: <ol style="list-style-type: none"> 1. to take proper care of the property as man of ordinary prudence would take 2. no right to appropriate the goods and 3. to restore the goods if the owner is found. 	

CA. Kavita Dariyani

By CA. Kavita Dariyani
