

02

SATURDAY

JUNE

2018

	S	M	T	W	T	F	S
MAY 2018			1	2	3	4	5
	6	7	8	9	10	11	12
	13	14	15	16	17	18	19
	20	21	22	23	24	25	26
	27	28	29	30	31		

UNIT - 6

CONTINGENT & QUASI CONTRACTS

Contingent contract :-

A contract, to do Or not to do something if some event collateral to such contract does Or does not happen.

Eg: Contracts of Insurance, Indemnity & guarantee.

What is a collateral event

03

SUNDAY

Neither a performance directly promised as a part of contract

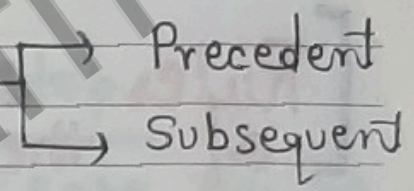
Nor whole of consideration for a promise.

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16	17	18	19	20	21	22
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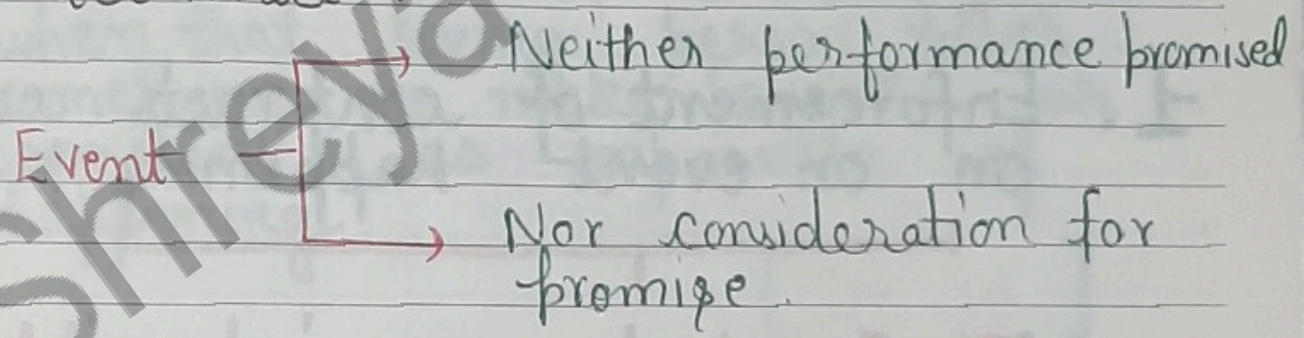
Essentials ÷

1. Performance of contingent contract would depend upon happening or non happening

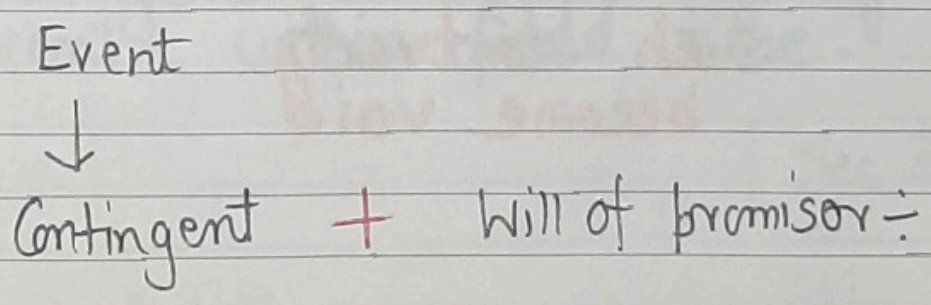
of some event or condition



2. Event referred to as collateral to contract



3. Contingent event should not be a mere 'will' of promisor



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4. Event must be uncertain

Event



Certain or bound to happen →

Not a contingent contract

Rules regarding to enforcement of the contingent contract

[Sec 32, 33, 34, 35, 36]

1. Enforcement of contracts contingent on an event happening :-

If Event becomes impossible

Such contracts become void

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2. Enforcement of contracts contingent on an event not happening.



[Sec 33]

"Enforced only when a happening of that event becomes impossible and not before"

stop

3. Contracts which would cease to be enforceable if it is contingent upon conduct of a living person when that living person does something to make 'event' or 'conduct' as impossible of happening

[Sec 34]

4. Contingent on happening of specified event within fixed time.

[Sec 35]

5. Contingent on specified event not happening within fixed time.

[Sec 35]

6. Contingent on an impossible event.

[Sec 36]

Diff	Contingent contract	Wagering contract
Meaning	Contract to do or not to do something with collateral event happening or unhappening	Promise to give money or money's worth with reference to uncertain event happening or non-happening
Reciprocal premises	No	Yes
Uncertain Event	Collateral	Contingent / Uncertain event - core factor
Nature	Not wagers	Contingent

9	Int. of parties	Yes	No
10	Doctrine of mutuality of lose & gain	Not based on this	Game, losing and gaining matters
12	Effect	Valid	Void

Quasi contracts ÷

[Certain relations resembling those of contracts]

Law implies a promise imposing obligations on one party and conferring rights in favour of the other event

Even when there is no acceptance, no genuine consent, lawful consideration etc., and in fact neither agreement nor promise.

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Quasi contracts are based on
- Principles of

- (i) Equity
- (ii) Justice
- (iii) Good Conscience.

Quasi / Constructive Contract → Maxim

6 No man must grow rich
out of another person's loss

Features

1. Some right is always a right
to money.

10 SUNDAY

2. Imposed by law, not
arised by agreement.

3. Right against a particular
person, not against all
world.

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Cases deemed to / as Quasi Contracts

1. Claim for necessaries supplied to persons incapable of contracting [Section 68]

Person who furnished supplies

↓
Entitled to be reimbursed from property of incapable person.

2. Payment by interested person [Section 69]

Which another is bound by law to pay & therefore who pays it

Entitled to be reimbursed by other

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3. Obligations by person enjoying benefits of non-gratuitous act

[Section 70]

Plaintiff must prove.

- (i) that he had done act
Or
had delivered the thing lawfully.
- (ii) He did not do so gratuitously
- (iii) Other person enjoyed the benefit

Case law :-

Shyam Lal V/s State of UP.

4. Responsibility of finder of goods [Sec 71]

Person who finds goods belonging to another and takes them into his custody is subject to same responsibility as if he were a 'bailee'

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A finder of lost goods has:

- 9. (i) to take proper care of party as man of ordinary prudence would take
- 10. (ii) no right to appropriate the goods and
- 12. (iii) to restore the goods if the owner is found.

Case law: Hollins vs. Fowler.

5. Money paid by mistake or under coercion (Sec 72)

Person to whom money paid or anything delivered by mistake or under coercion

Must repay or return it