

UNIT – III

Contingent contract:

A contingent contract is to do or not **to do something if some event collateral to such contract does or does not happen.**

Characteristics of a valid contingent contract :

1. There must be a valid contract
2. Performance of the contract must be conditional
3. The event must be uncertain

Legal rules regarding contingent contract:

Refer – Business Law – Dr.P.Srirenganayaki

Quasi contract:

Quasi contract is not actual contract. It is a type of contract where **obligation** is **imposed** by the law **upon a person** for the benefit of another **even in the absence of a contract.**

Features of a Quasi – contract:

1. Imposed by law does not arise from an agreement
2. Duty of a party and not the promise
3. Right under it is always a right to money
4. Right under it is available against specific person not against the world
5. Suit for its breach may be filled in the same way like complete contract

Types of Quasi – contract:

1. Claim for necessities supplied (sec. 68)
2. Payment by an interested person (sec. 69)
3. Benefit of Non – Gratuitous act (sec. 70)
4. Responsibilities of finder of goods (sec. 71)
5. Money paid (or) things delivered by mistake (or) under coercion

Quantum Meruit:

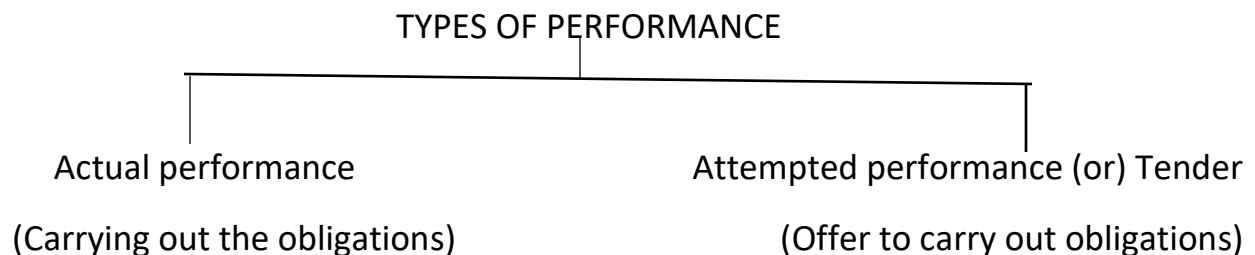
It means **payment in proportion** to the **amount of work done**. The right to claim on Quantum Meruit does not arise out of a contract, it is a claim on the quasi – contractual obligations implied by the circumstances.

Cases in which the claim of Quantum Meruit arise :

1. In case of Non – Gratuitous act
2. In case of act preventing the completion of contract
3. In case of divisible contract
4. In case of Indivisible contract performed completely but badly.

Performance of a contract:

When the parties to a contract **carry out** their respective **obligations** or **offer to carry out**, the contract is said to be performed.



TYPES OF TENDER

Tender of goods and services

Effect

1. Goods or services need not to be offered again
2. Promisor may sue promisee
3. Promisor is discharged from his liability

Tender of Money

Effect

1. Promisor not discharged from his liability to pay Money
2. Not liable to pay interest from the date of valid tender

Essentials of a valid Tender :

1. Unconditional
2. At proper time
3. At proper place
4. Reasonable opportunity to promise to ascertain
5. For whole obligation
6. To proper person
7. In proper form
8. Of exact amount in legal tender incase of tender of money

Time and place for performance :

1. Performance _with in a reasonable time (sec. 46)
2. Performance of the promisee where the time is specified (sec. 47)
3. Application for performance – Duty of promisee to apply
4. To appoint a reasonable place – without application by promisee – duty of promisor to apply
5. Performance as prescribed by the promisee (sec. 50)

The contracts which need not to be performed :

1. If the parties to a contract agree to substitute a new contract or rescind or alter (sec. 62)
2. When promisee dispense with the promise made to him or accept instead of it any satisfaction (sec. 63)
3. When voidable contract is rescinded (sec. 64)
4. If the promisee neglects or refuse to afford the promisor reasonable facilities for performance (sec. 67)