



MOHANLAL SUKHADIA UNIVERSITY, UDAIPUR

FACULTY OF LAW

SECOND SEMESTER MASTER OF LAWS

PAPER – II (PAPER CODE - **42902**) : (PAPER NAME – **LAW OF CONTRACTUAL TRANSACTIONS**)

Max. Marks: 100 (80 External + 20 Internal)

Min. Marks: 40

Unit I:

- a. Genesis and Philosophy of Contracts and its importance in a commercial developing society.
- b. Freedom of Contract, Nature and basis of Contractual obligation.
- c. Formation of Contract – Agreement and Contract, Intention to create legal obligation, Requirements of valid contract.
- d. Proposal and Acceptance – Essential elements, communication and revocation, proposal and invitation for proposal, standing order, Tenders and Auction sale.
- e. Standards Forms of Contract – Exclusion clauses and their effects.
- f. Unilateral and bilateral contracts.
- g. Capacity to Contract – Meaning and Scope, Contractual Capacity of minor, corporation, Government, consequences of Minor's Agreement and Estoppel, Ratification.
- h. Contract by a person of unsound mind – Legal effects.
- i. Other Legal disabilities
- j. Free consent – Meaning and Scope ; Vitiating elements – Coercion, Fraud, misrepresentation, undue influence and Mistake, Distinction between Fraud and innocent misrepresentation, Coercion and Duress, Mistake of Law and Mistake of Fact, Common, Mutual and Unilateral Mistake, Remedies available when agreement is vitiated by mistake.

Unit II:

- a. Consideration - Nudum Pactum – Its need, meaning and essential ; Adequacy of Consideration, Privity of Contract and Consideration – its exceptions; past, Executed and Executory consideration, Doctrine of Consideration and Promissory Estoppel; Essentiality of consideration with exceptions.
- b. Legality of Objects and Consideration – Unlawful consideration and objects; Void, Voidable and unlawful Agreements and their effects, Concept of immoral and Public Policy, Heads against public policy.
- c. Void Agreements, Agreement in restraint of Marriage, Agreement in restraint of Trade, Agreement in restraint of Legal Proceedings, Uncertain Agreement and Wagering Agreements.
- d. Contingent Contract – Meaning and scope, Reciprocal promises.
- e. Discharge of Contract – Meaning and modes of discharge; performance and Tender – Place and Time of performance, Time as essence of contract, performance of joint promises.
- f. Discharge by Agreement – Novation, Remission of Performance, Accord and Satisfaction.
- g. Discharge by Impossibility of Performance and Frustration – Nature and scope of the doctrine of Frustration, Specific ground of Frustration.

Unit III:

- a. Restitution.
- b. Quasi – Contracts or certain Relation resembling those created by contract.
- c. Breach of contract and remedies. Meaning of breach and Anticipatory breach; Damages – Meaning and Nature, Kinds, Rule in Hadly V. Baxendable – Remoteness of Damage.

- d. Contract of Indemnity – Definition and Nature, Distinction between Indemnity and Guarantee, Rights of the Indemnity Holder.
- e. Contract of Guarantee – Definition and Scope, specific and Continuing Guarantee, Creditors Right against Principal Debtor and Surety, discharge of Surety, Surety's Rights against the principal debtor and Co-surety. Principal of Contribution by co-surety.

Unit – IV:

- a. Bailment – Definition and Essential Features, Bailment for Reward and Gratuitous Bailment, Right and duties of Bailor and Bailee.
- b. Finder of lost goods – Rights and Duties of Finder; Rights and Liabilities of owner.
- c. Pledge – Definition, Nature and Scope; Who can pledge, Rights and duties of Pawn or and Pawnee.
- d. Kinds of Agents – Factory, Brokers, Auctioneers, Del-Credere agents, etc.
- e. Agency – Nature, Distinction from other transactions; Contractual basis of Agency.
- f. Modes of Creation of Agency – Express, implied, Ratification by operation of Law.
- g. Scope of Agent's Authority, Rights and Liabilities of the Agent as against principal and third party; Rights and Liabilities of principal and third party as against each other and as against Agent.
- h. Delegation by Agent – Sub Agent and Substituted Agent – Distinction and Legal Effects.
- i. Termination of Agency, Modes of termination, Agency coupled with Interest.

Books Recommended:

- | | | | |
|----|---------------------|---|---|
| 1. | Chaturvedi, A.N. | : | Lectures on Indian Contract Act. |
| 2. | Cheshire and Fifoot | : | The Law of Contract |
| 3. | Anson | : | Principles of the English Law and of Contract |
| 4. | Chitty | : | On Contracts Vol.I (General Principles). |
| 5. | Pollock and Mulla | : | Indian Contract and Specific Relief |