

SUBJECT : CONTRACTS – II

SUBJECT CODE : [H3IG]

(Indian Contract Act, Indian Partnership Act, Sale of Goods Act and Other Specific Contracts).

UNIT - I : Indemnity and Guarantee

Definition - English and Indian

Distinction between indemnity and guarantee.

Rights of the indemnity holder.

Rights of the indemnifier.

Implied indemnity dealt with Section 59,145,164 and 222 of the Contract Act.

Codification not exhaustive-principles of equity applicable.

Definition - English and Indian definitions.

Essentials and nature of guarantee.

Distinction between guarantee and indemnity - guarantee and insurance.

Elements of consideration in a contract of guarantee.

Nature and quantum of surety's liability.

Kinds of guarantee and their incidents.

Suretyship arises on contract and not on notice-position in English Law.

Duty of disclosure in guarantee.

Rights of surety against principal debtor-credit-co-sureties-difference in English Law-Circumstances which a surety discharges.

UNIT - II : Bailment

Definition - Indian and English definitions.

Essentials of bailment and classification of bailment.

Distinction between bailment and pledge-deposit-sale-agency.

Rights and duties of the bailor and bailee-difference in English Law.

Pledge-definition-Rights of the Pawner and Pawnee.

Pledge by non-pawners.

Lien-kinds of lien-their nature and incidents - how lost

UNIT - III : Sale of Goods

Definition of sale and agreement to sell - distinction between sale and agreement to sell - Contract of work and layout. Hire purchase agreement - Bailment - Exchange - Gift.

Definition-goods – specific goods-future goods-Mercantile agent-Documents of title of goods.

How is sale made-rules for fixing price and effect of goods getting damages or perished in a contract of sale.

Stipulation as to time and other stipulation.

Conditions and warranties – Effect of breach – Ex-post facto warranty – when condition is treated as warranty.

Implied conditions and warranties – in a contract of sale – Exemption clauses-effect of fundamental breach.

Rule as to passing off property.

Sale by non-owners, exception to Nemo dat quod non habet.

Rules as to delivery.

Unpaid vendor – His Rights or lien and stoppage in transit.

Remedies available to seller and buyer.

Auction sale.

UNIT – IV : Agency

Definition of contract of agency – Creation of agency-kinds of agency.

Distinction between Agent and servant and independent contractor.

Who may be an agent-kinds of Agent – Authority of the different kinds of Agent – Authority of Agents – Ostensible and emergency authority – delegation of authority – delegates non protest delegare – sub agent – substituted agent.

Essential of ratification and its effect.

Effect of notice to agent – necessary conditions to bind Principal.

Principal and third parties – The doctrine of undisclosed principal and concealed Principal.

Termination of agency and when it becomes irrevocable.

UNIT – V : Partnership

Definition of Partnership–Essential of partnership–Joint Hindu– partnership.
Distinction between partnership and co-ownership – Joint Hindu family –
Incorporation companies – contract of service – legal notion and
mercantile notion.
Kinds of partners and duration of partnership.
Mutual rights and duties of partners.
Minor as a partner – difference in English Law.
Rights of Legal Representative and surviving partners.
Authority of partners – implied and emergency.
Liability of the partners of the acts of the firm and for the wrongful acts of
other partner – nature of liability.
Principle of agency in partnership.
Partnership property – Tests.
Settlement of accounts – goodwill and its disposal – distribution of assets.
Retirement of partners.
Dissolution of firm and modes and circumstances.
Effect of non – registration of firm.

Books Recommended:

The Law of Contracts – Dr. Avtar Singh
Sale of Goods Act – Mulla
Law of Contracts – Krishna Nair
Law of Contracts – Anson
