



Kot Bhalwal, Jammu



Model Institute of Engineering
& Technology (Autonomous)
Dr. Arun K. Gupta Teaching-Learning Centre

Department of MBA

Details of Lesson Plan

S.No.	Particulars	Details
1.	Course Name	Law of Contract-I
2.	Course Code	BBALLB-101
3.	Academic Year	2024-2025
4.	Semester	1st
5.	Number of Lesson plans	25
6.	Faculty Assigned	Mohd Aqib Aslam

Mohd Aqib Aslam
Faculty Signature



Version 1.1



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Lesson Plan No. 1	Course Name: Law of Contract-I Topic: Basic Concepts of Contract - Definition, Nature, Characteristics & Types of Contracts, Agreement and Standard form of Contract	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define the concept of a contract and related terms (agreement, enforceability, obligations). b. Differentiate between types of contracts (void, voidable, enforceable, etc.). c. Identify key characteristics of a standard form contract. d. Appreciate the role of contracts in daily life and business contexts.
Teaching Aids (if any)	a. Presentation b. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with interactive questions:<ul style="list-style-type: none">○ Have you ever signed a contract? (e.g., rental agreement, phone plan, online terms & conditions).○ What is the purpose of a contract?○ Can an informal agreement between friends count as a contract? Why or why not?• Highlight the ubiquity of contracts in everyday life.• Show a simplified definition: “<i>A contract is an agreement enforceable by law.</i>”• Introduce Indian Contract Act, 1872 as the legal framework (or any relevant legal act based on the curriculum).• Briefly touch upon why contracts are important in maintaining order in business and personal relations. 2. Development (30 minutes) a. Definition and Nature of Contracts (10 minutes) <ul style="list-style-type: none">• Define contract and distinguish it from an agreement.• Explain key components:<ul style="list-style-type: none">○ Offer○ Acceptance○ Consideration○ Legal intention• Provide examples (e.g., buying a car, employment contracts). b. Characteristics of Contracts (5 minutes)



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	<ul style="list-style-type: none">• Discuss enforceability, voluntariness, and clarity of terms.• Emphasize mutual consent and legality. <p>c. Types of Contracts (10 minutes)</p> <ul style="list-style-type: none">• Introduce and explain:<ul style="list-style-type: none">○ Valid contracts○ Void contracts○ Voidable contracts○ Unenforceable contracts• Use case studies to illustrate each type. <p>d. Agreement and Standard Form of Contract (5 minutes)</p> <ul style="list-style-type: none">• Define agreement and its role as a precursor to a contract.• Explain standard form contracts (e.g., software licenses, insurance policies):<ul style="list-style-type: none">○ Pre-drafted terms by one party.○ Minimal negotiation room for the other party.○ Examples from daily life (e.g., parking tickets, online terms). <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none">• Provide students with scenarios to identify contract types and characteristics. Example scenarios:<ul style="list-style-type: none">○ A landlord and tenant agreement.○ Online purchase with a refund clause.○ Hiring a contractor for house renovation.
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">• Recap the key takeaways:<ul style="list-style-type: none">○ Definition and nature of contracts.○ Importance of clarity and enforceability.○ Different types of contracts and their application.○ Understanding agreements and standard form contracts. <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Chapters 1 and 2).• Case studies from legal literature. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	Reflective Questions:



- What distinguishes a contract from an agreement?
- Why are certain contracts voidable?
- What are the pros and cons of standard form contracts?

Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 2	Course Name: Law of Contract-I Topic: Proposal/Offer-Definition, Essentials & Types of Offers	Course No.: BBALLB- 101
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Objectives	At the end of the lesson, the student shall be able to: a. Define a proposal/offer in the context of contract law. b. Identify the essential elements that make a proposal valid. c. Differentiate between the various types of offers with examples. d. Analyze the role of an offer in the formation of a contract.
Teaching Aids (if any)	c. Presentation d. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Begin with simple examples:<ul style="list-style-type: none">○ Buying a product from an online store (the listing as an offer).○ Receiving a job offer via email.○ Is an advertisement in a newspaper an offer or an invitation to offer? Why?• Highlight the importance of an offer as the <i>first step</i> in contract formation.• Define proposal/offer as per Section 2(a) of the Indian Contract Act, 1872: “When one person signifies to another his willingness to do or abstain from doing anything, with a view to obtaining the assent of that other, he is said to make a proposal.” 2. Development (30 minutes) a. Essentials of a Valid Offer (10 minutes) <ul style="list-style-type: none">• Discuss the key elements:<ol style="list-style-type: none">1. Clear and Definite Terms – The offer must be clear and leave no room for ambiguity.2. Communication – The offer must be communicated to the offeree.3. Intention to Create Legal Relationship – The offer must show the intent to be legally bound.4. Capability of Acceptance – The offer must be such that it can be accepted.• Illustrate with examples (e.g., valid job offers vs. casual proposals among friends).



	<p>b. Types of Offers (15 minutes)</p> <ul style="list-style-type: none"> Explain the various types of offers: <ol style="list-style-type: none"> Express Offer – Directly stated in words, spoken or written (e.g., job postings, advertisements with specific terms). Implied Offer – Inferred from conduct or circumstances (e.g., boarding a bus implies acceptance of its fare conditions). Specific Offer – Made to a specific person or group (e.g., a personal negotiation for selling a car). General Offer – Made to the public at large (e.g., <i>Carlill v. Carbolic Smoke Ball Co.</i> - a reward for completing a specific action). Cross Offer – When two parties make identical offers in ignorance of each other (e.g., simultaneous emails to purchase and sell the same item). Standing/Continuous Offer – Open for acceptance over a period (e.g., government tenders). Use diagrams or flowcharts to summarize types of offers. <p>c. Revocation and Termination of Offers (5 minutes)</p> <ul style="list-style-type: none"> Briefly touch upon how offers can be revoked or terminated: <ul style="list-style-type: none"> Revocation by the offeror before acceptance. Lapse of time. Death or insanity of the offeror. Counteroffer or rejection by the offeree. Provide real-life examples. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> Provide scenarios for students to identify the type of offer and its validity: <ol style="list-style-type: none"> An airline announces a discount for a limited period. A seller makes a written agreement to sell a car but withdraws before acceptance. A newspaper advertisement promising a reward for returning a lost dog.
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> Recap: <ul style="list-style-type: none"> Definition and essentials of a valid offer. Types of offers with examples. Importance of offers in contract formation. Reiterate key takeaway: “An offer is the cornerstone of a legally



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	<p><i>binding contract.”</i></p> <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Section 2).• Case law: <i>Carlill v. Carbolic Smoke Ball Co.</i>, <i>Harvey v. Facey</i>. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">○ What makes an offer valid?○ Can an implied offer be revoked? If so, how?○ Why is the distinction between types of offers important? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



Lesson Plan No. 3	Course Name: Law of Contract-I Topic: Acceptance – Definitions, Nature, Essentials & Legal Rules of Valid Acceptance, Communication & Revocation of Offer & Acceptance	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define acceptance and understand its role in the formation of a contract. b. Identify the essentials of valid acceptance and apply the legal rules governing it. c. Explain the modes of communication and revocation of offers and acceptance. d. Analyze case laws and examples to understand practical applications.
Teaching Aids (if any)	e. Presentation f. Discussion with real examples
Teaching Development	<p>1. Introduction (5 minutes)</p> <ul style="list-style-type: none"> • Start with relatable examples: <ul style="list-style-type: none"> ○ Accepting a job offer. ○ Clicking “I Agree” on a website’s terms and conditions. ○ Verbal acceptance of an offer to buy a product. • Ask students: <ul style="list-style-type: none"> ○ What happens after an offer is accepted? ○ Can silence be considered acceptance? ○ Is acceptance effective immediately or upon communication? • Define acceptance as per Section 2(b) of the Indian Contract Act, 1872: <i>“When the person to whom the proposal is made signifies his assent thereto, the proposal is said to be accepted.”</i> <p>2. Development (30 minutes)</p> <p>a. Nature and Essentials of Valid Acceptance (10 minutes)</p> <ul style="list-style-type: none"> • Discuss the essentials: <ol style="list-style-type: none"> 1. Absolute and Unqualified: Must match the terms of the offer (no conditional acceptance). 2. Communication: Must be communicated to the offeror. 3. Made by the Offeree: Only the person to whom the offer is made can accept. 4. Intention to Create Legal Relations: Acceptance must show intent to be legally bound. 5. Made in Prescribed or Reasonable Manner: Must follow



any specific mode prescribed in the offer or a reasonable mode otherwise.

b. Legal Rules Governing Valid Acceptance (10 minutes)

- Key rules:
 1. **Acceptance must be absolute and unconditional.**
 2. **Silence cannot be considered acceptance**, except in special circumstances.
 3. **Acceptance must be communicated:** Mere mental acceptance is insufficient.
 4. **Acceptance must be made within the time frame stipulated.**
 5. **Acceptance must be in response to the offer:** Cross offers cannot result in acceptance.

c. Communication of Offer and Acceptance (5 minutes)

- Modes of communication:
 1. Instantaneous (e.g., telephone, email).
 2. Non-instantaneous (e.g., postal rule).
- Highlight **Postal Rule:** Acceptance is complete when the letter is posted, not when received by the offeror (*Adams v. Lindsell*).
- Contrast with instantaneous communication (*Entores Ltd v. Miles Far East Corp*): Acceptance occurs when the offeror receives the communication.

d. Revocation of Offer and Acceptance (5 minutes)

- Rules of revocation:
 1. **Offer can be revoked anytime before acceptance** (*Payne v. Cave*).
 2. **Acceptance can be revoked before it reaches the offeror.**
- Illustrate revocation with examples:
 - An offer is withdrawn via phone before acceptance.
 - A letter of acceptance is intercepted before reaching the offeror.

3. Exercise (5 minutes)

- Provide scenarios and ask students to determine the validity of acceptance and revocation:
 1. An offeror sends an email revoking the offer before receiving the offeree's acceptance.
 2. A person verbally accepts an offer but later changes their mind before signing the agreement.
 3. An acceptance letter is posted but is delayed due to postal



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	<p>issues.</p> <ul style="list-style-type: none">• Use Poll Everywhere to collect responses and discuss the correct answers.
Closure	<p>Summary (5 minutes)</p> <ul style="list-style-type: none">• Recap:<ul style="list-style-type: none">○ Definition and essentials of valid acceptance.○ Legal rules governing acceptance and its communication.○ Revocation of offer and acceptance.• Reinforce the idea: “<i>Acceptance completes the agreement and creates a legally binding contract.</i>” <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 2 and 4).• Case law: <i>Felthouse v. Bindley, Adams v. Lindsell.</i> <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• Can silence ever constitute acceptance? Why or why not?• How does the postal rule differ from instantaneous communication?• Why is the timing of acceptance crucial in contract formation? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 4	Course Name: Law of Contract-I Topic: Freedom of Contract	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define the principle of freedom of contract. b. Analyze the legal and practical scope of freedom of contract. c. Identify the limitations imposed on the principle of freedom of contract. d. Understand the balance between individual autonomy and public interest in contractual law.
Teaching Aids (if any)	g. Presentation h. Discussion with real examples
Teaching Development	<p>1. Introduction (5 minutes)</p> <ul style="list-style-type: none"> Begin with a question: “<i>Can two individuals agree to any terms they want in a contract?</i>” Present common scenarios: <ul style="list-style-type: none"> A contract for selling property at a mutually agreed price. An agreement with extremely unfair terms. Introduce the concept of freedom of contract: <i>The principle that parties have the liberty to freely negotiate and decide the terms of their contract without undue interference.</i> Explain its roots in classical contract theory, emphasizing autonomy and mutual consent. <p>2. Development (30 minutes)</p> <p>a. Definition and Scope of Freedom of Contract (10 minutes)</p> <ul style="list-style-type: none"> Explain the legal recognition of the freedom to: <ol style="list-style-type: none"> Choose with whom to contract. Decide the terms of the contract. Enforce contracts in a court of law. Relate to real-life examples (e.g., employment contracts, service agreements). Highlight how freedom of contract supports economic transactions and fosters innovation. <p>b. Limitations on Freedom of Contract (15 minutes)</p> <ul style="list-style-type: none"> Explain that freedom of contract is not absolute. Discuss key limitations: <ol style="list-style-type: none"> Public Policy: Contracts against public interest (e.g., agreements to commit illegal acts) are void.



	<p>2. Unfair Terms: Courts may void contracts with unconscionable or exploitative terms (e.g., <i>procedural or substantive unfairness</i>).</p> <p>3. Statutory Restrictions:</p> <ul style="list-style-type: none"> ▪ Consumer protection laws (e.g., unfair trade practices). ▪ Labor laws (e.g., minimum wage requirements). <p>4. Capacity of Parties: Minors, mentally incapacitated individuals, or intoxicated persons may lack the capacity to enter into a contract.</p> <p>5. Duress, Undue Influence, and Fraud: Agreements made under coercion or misrepresentation are not enforceable.</p> <ul style="list-style-type: none"> • Case law examples: <ul style="list-style-type: none"> ○ <i>Carlill v. Carbolic Smoke Ball Co.</i> – freedom with clear terms. ○ <i>Lloyds Bank Ltd. v. Bundy</i> – doctrine of unequal bargaining power. <p>c. Balancing Freedom and Public Interest (5 minutes)</p> <ul style="list-style-type: none"> • Discuss how the law aims to balance individual autonomy with societal interests. • Provide examples: <ul style="list-style-type: none"> ○ Contracts promoting monopolies or restraint of trade may be regulated. ○ Employment contracts ensuring fair treatment of workers. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Present scenarios and ask students to determine whether freedom of contract applies or if limitations are valid: <ol style="list-style-type: none"> 1. A landlord imposes excessive penalties in a rental agreement. 2. A company binds an employee to a non-compete clause indefinitely. 3. A consumer agrees to unfair refund policies in an online purchase.
Closure	<p>1. Summary (3 minutes)</p> <ul style="list-style-type: none"> ○ Recap: <ul style="list-style-type: none"> ▪ Freedom of contract as a cornerstone of contract law. ▪ The importance of balancing autonomy with fairness and public interest. ▪ Examples of legal limitations to ensure justice and equity. ○ Reinforce: “<i>Freedom of contract enables individual</i>



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	<p><i>autonomy, but the law ensures that freedom is exercised responsibly.”</i></p> <p>2. Suggested Reading</p> <ul style="list-style-type: none">○ Indian Contract Act, 1872 (General Principles).○ Landmark case laws on limitations of freedom of contract. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• Why is freedom of contract essential for economic transactions?• When should the law limit freedom of contract?• How do consumer protection laws affect the principle of freedom of contract? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 5	Course Name: Law of Contract-I Topic: Capacity of Contract	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define the capacity to contract as per the law. b. Identify the categories of persons who are legally incompetent to contract. c. Explain the legal consequences of agreements made by persons lacking capacity. d. Analyze real-world examples and case laws related to capacity to contract.
Teaching Aids (if any)	i. Presentation j. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Ask students:<ul style="list-style-type: none">○ Can a minor buy a house?○ Can a person under the influence of alcohol enter into a valid contract?○ Why does the law limit certain people from entering into contracts?• Introduce the concept: <i>Capacity to contract refers to the legal ability of a person to enter into a binding agreement.</i>• Present Section 11 of the Indian Contract Act, 1872: <i>“Every person is competent to contract who is of the age of majority according to the law to which he is subject, and who is of sound mind, and is not disqualified from contracting by any law to which he is subject.”</i> 2. Development (30 minutes) a. Categories of Persons Lacking Capacity (15 minutes) <ul style="list-style-type: none">• Explain with examples:<ol style="list-style-type: none">1. Minors<ul style="list-style-type: none">▪ Definition: Persons below 18 years of age.▪ Legal consequence: Agreements with minors are void ab initio (<i>Mohori Bibee v. Dharmodas Ghose</i>).▪ Exceptions:<ul style="list-style-type: none">▪ Contracts for necessaries (e.g., food, clothing, shelter).▪ Beneficial contracts (e.g., scholarships,



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apprenticeships).

2. Persons of Unsound Mind

- Definition: Persons unable to understand the terms and consequences of the contract at the time of agreement.
- Legal consequence: Contracts are void unless entered during lucid intervals.
- Examples: Mental illness, senility, or temporary conditions like intoxication.

3. Persons Disqualified by Law

- Categories:
 - Insolvents: Cannot manage or transfer property rights.
 - Foreign enemies: Contracts with enemy nations are void.
 - Corporations: Limited capacity to contract based on their legal authority.

b. Legal Consequences of Incompetence (10 minutes)

- Discuss consequences of agreements involving incompetent parties:
 1. **Void Agreements:** Agreements are legally unenforceable.
 2. **Restitution:** Benefits received under void contracts may need to be restored if equity demands it.
 3. **No Legal Remedies:** The incompetent party cannot sue for enforcement.
- Case Law Examples:
 - *Mohori Bibee v. Dharmodas Ghose:* A minor's contract is void, and property cannot be enforced for repayment.
 - *Nash v. Inman:* Minor liable for payment of necessaries.

c. Importance of Capacity in Contracts (5 minutes)

- Explain why capacity is critical:
 - Protects vulnerable individuals from exploitation.
 - Ensures contracts are entered into knowingly and willingly.
- Relate to modern examples (e.g., predatory lending practices targeting minors).

3. Exercise (5 minutes)

- Scenario-based activity: Present cases to the class and ask students to analyze:
 1. A minor purchases a luxury car on credit.
 2. A mentally ill person signs a property transfer document during a lucid interval.



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	3. An insolvent individual promises to repay a large debt.
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">Recap key points:<ul style="list-style-type: none">Definition of capacity to contract.Categories of persons lacking capacity and their legal implications.Importance of capacity in ensuring fairness and enforceability of contracts.Reinforce: “<i>Capacity safeguards individuals from entering into agreements they are unable to understand or fulfill.</i>” <p>Suggested Reading</p> <ul style="list-style-type: none">Indian Contract Act, 1872 (Sections 11 and 12).Case law: <i>Mohori Bibee v. Dharmodas Ghose.</i> <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">Why does the law restrict minors and persons of unsound mind from entering into contracts?Are there exceptions to these restrictions?How does the concept of capacity protect both individuals and society? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 6	Course Name: Law of Contract-I Topic: Free Consent- Meaning and Importance	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define free consent and its significance in the validity of contracts. b. Identify factors affecting free consent, such as coercion, undue influence, fraud, misrepresentation, and mistake. c. Explain the legal consequences of agreements made without free consent. d. Appreciate the role of free consent in ensuring fairness and equity in contractual relationships.
Teaching Aids (if any)	k. Presentation l. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">Start with a question:<ul style="list-style-type: none">“If a person signs a contract under pressure, is it fair to enforce that contract?”Provide relatable examples:<ul style="list-style-type: none">Buying insurance under false claims of benefits.Signing a contract because of threats or undue influence.Introduce the concept of free consent as per Section 13 of the Indian Contract Act, 1872: “Two or more persons are said to consent when they agree upon the same thing in the same sense.”Emphasize the role of free consent in ensuring fairness and justice in contracts. 2. Development (30 minutes) a. Meaning of Free Consent (10 minutes) <ul style="list-style-type: none">Explain Section 14 of the Indian Contract Act, 1872: <i>Consent is free when it is not caused by coercion, undue influence, fraud, misrepresentation, or mistake.</i>Discuss its importance:<ol style="list-style-type: none">Ensures voluntary agreement between parties.Upholds the integrity and enforceability of contracts.Protects individuals from being exploited or misled. b. Factors Affecting Free Consent (15 minutes)



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- Explain each factor with definitions, examples, and case laws:
 1. **Coercion (Section 15):**
 - Definition: Committing or threatening to commit any act forbidden by law to compel someone to enter a contract.
 - Example: Threatening physical harm to force someone to sign a document.
 - Case law: *Ranganayakamma v. Alwar Setti* (coercion through family pressure).
 2. **Undue Influence (Section 16):**
 - Definition: Taking advantage of a position of power to dominate another party and gain an unfair advantage.
 - Example: A guardian forcing their ward to sign over property.
 - Case law: *Mannu Singh v. Umadat Pande*.
 3. **Fraud (Section 17):**
 - Definition: Deliberate misrepresentation of facts to deceive a party.
 - Example: Selling counterfeit goods as genuine.
 - Case law: *Derry v. Peek*.
 4. **Misrepresentation (Section 18):**
 - Definition: Innocent but false statements leading the other party to agree to a contract.
 - Example: Providing inaccurate financial data unintentionally.
 - Distinction between fraud and misrepresentation.
 5. **Mistake (Sections 20-22):**
 - Definition: Erroneous belief about a fact essential to the contract.
 - Types:
 - Mutual mistake: Both parties misunderstand the contract terms.
 - Unilateral mistake: Only one party is mistaken.
 - Legal effect: Void contracts in cases of mutual mistake.

c. Legal Consequences of Lack of Free Consent (5 minutes)

- Discuss the impact:
 1. Contracts induced by coercion, undue influence, fraud, or misrepresentation are voidable at the option of the aggrieved party.
 2. Contracts formed under mutual mistake are void.
 3. The aggrieved party may seek rescission, damages, or



	<p>rectification depending on the circumstances.</p> <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none">• Present scenarios and ask students to determine if free consent was present:<ol style="list-style-type: none">1. A person signs a contract under threat of harm.2. A seller exaggerates the benefits of a product but doesn't intend to deceive.3. Two parties enter into a contract under a mutual misunderstanding about the subject matter.
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">• Recap key points:<ul style="list-style-type: none">○ Definition and importance of free consent.○ Factors affecting free consent and their legal implications.○ The principle that contracts are only valid when entered into willingly and knowingly.• Reinforce: <i>“Free consent is the foundation of a fair and enforceable contract.”</i> <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 13-22).• Case laws on free consent (e.g., <i>Ranganayakamma v. Alwar Setti</i>, <i>Derry v. Peek</i>). <p>Spend 5 minutes to wrap up and consolidate the learnings</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• Why is free consent crucial for the validity of a contract?• How does undue influence differ from coercion?• What is the distinction between fraud and misrepresentation? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 7	Course Name: Law of Contract-I Topic: Elements vitiating Free Consent: Coercion, Undue Influence, Fraud, Misrepresentation	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define and explain each element vitiating free consent. b. Identify and differentiate between coercion, undue influence, fraud, and misrepresentation. c. Analyze the impact of these factors on the validity of a contract. d. Apply these concepts to real-world scenarios and case laws.
Teaching Aids (if any)	m. Presentation n. Discussion with real examples
Teaching Development	<p>1. Introduction (5 minutes)</p> <ul style="list-style-type: none"> Begin with an interactive question: <ul style="list-style-type: none"> “What would you do if someone forced you to sign a contract?” “What if someone lied to you about the terms of an agreement?” Relate these situations to the concept of vitiating free consent: <ul style="list-style-type: none"> Contracts require mutual agreement, but certain factors like coercion, undue influence, fraud, or misrepresentation can undermine free consent. Link to Section 14 of the Indian Contract Act, 1872: <i>Consent is free when it is not caused by coercion, undue influence, fraud, misrepresentation, or mistake.</i> <p>2. Development (30 minutes)</p> <p>a. Coercion (Section 15) (7 minutes)</p> <ul style="list-style-type: none"> Definition: Committing or threatening an illegal act or threatening someone to obtain their consent. <ul style="list-style-type: none"> “Coercion is the committing or threatening to commit any act forbidden by law or the unlawful detaining of property to compel a person to enter into a contract.” Examples: <ul style="list-style-type: none"> Threatening physical harm to force someone to sign a contract. Illegally detaining property to compel agreement. Case Law: <ul style="list-style-type: none"> <i>Ranganayakamma v. Alwar Setti:</i> Widow forced to adopt a



	<p>child to regain her husband's property. Contract declared void due to coercion.</p> <ul style="list-style-type: none">• Legal Consequences: Contract is voidable at the option of the party under coercion. <p>b. Undue Influence (Section 16) (7 minutes)</p> <ul style="list-style-type: none">• Definition: When one party in a position of power takes unfair advantage of another to secure consent.<ul style="list-style-type: none">◦ <i>"A contract is said to be induced by undue influence when one party is in a position to dominate the will of the other and uses that position to gain an unfair advantage."</i>• Conditions:<ol style="list-style-type: none">1. Domination of will due to relationship (e.g., parent-child, doctor-patient).2. Unfair use of influence.• Examples:<ul style="list-style-type: none">◦ Guardian pressuring a minor to transfer property.◦ Employer forcing an employee to accept unfair terms.• Case Law:<ul style="list-style-type: none">◦ <i>Mannu Singh v. Umadat Pande:</i> Contract set aside due to the undue influence of a spiritual adviser.• Legal Consequences: Contract is voidable at the option of the aggrieved party. <p>c. Fraud (Section 17) (8 minutes)</p> <ul style="list-style-type: none">• Definition: Intentional deception by one party to induce another into entering a contract.<ul style="list-style-type: none">◦ <i>"Fraud includes any act committed with intent to deceive another party or to induce them to enter into a contract."</i>• Key Elements:<ol style="list-style-type: none">1. False statement of fact.2. Intention to deceive.3. The other party is induced to act upon the misrepresentation.• Examples:<ul style="list-style-type: none">◦ Selling counterfeit goods as genuine.◦ Concealing material facts in a transaction.• Case Law:<ul style="list-style-type: none">◦ <i>Derry v. Peek:</i> Fraud established when a tramway company falsely claimed it had government approval for steam-powered trams.• Legal Consequences: Voidable contract and claim for damages. <p>d. Misrepresentation (Section 18) (8 minutes)</p>
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	<ul style="list-style-type: none">• Definition: Innocent or unintentional misstatement of facts that induces another party to contract.<ul style="list-style-type: none">○ <i>“Misrepresentation is an incorrect statement made without intent to deceive but induces the other party to enter into a contract.”</i>• Types:<ol style="list-style-type: none">1. Negligent Misrepresentation: Careless false statements.2. Innocent Misrepresentation: Honest mistakes about facts.• Examples:<ul style="list-style-type: none">○ Selling a car with an incorrect odometer reading, unaware of the inaccuracy.• Case Law:<ul style="list-style-type: none">○ <i>Nash v. Inman</i>: Misrepresentation of contractual terms led to the avoidance of the contract.• Legal Consequences: Contract voidable, but no damages awarded if the mistake was innocent. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none">• Present scenarios and ask students to identify the vitiating factor:<ol style="list-style-type: none">1. A person is threatened with harm to sell property. (<i>Coercion</i>)2. A doctor pressures a patient to transfer assets in return for care. (<i>Undue Influence</i>)3. A company knowingly hides product defects to secure a sale. (<i>Fraud</i>)4. A seller unknowingly misrepresents product specifications. (<i>Misrepresentation</i>)
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">• Recap key points:<ul style="list-style-type: none">○ Definitions of coercion, undue influence, fraud, and misrepresentation.○ Legal consequences of these factors vitiating free consent.○ The importance of free consent in ensuring valid and fair contracts.• Reinforce: <i>“Contracts must be based on free and informed consent to be enforceable.”</i> <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 15-18).• Case laws on vitiating free consent. <p>Spend 5 minutes to wrap up and consolidate the learnings</p>



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Evaluation

Reflective Questions:

- How does undue influence differ from coercion?
- What is the difference between fraud and misrepresentation?
- Why are contracts induced by coercion or fraud voidable rather than void?

Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 8	Course Name: Law of Contract-I Topic: Effects of Coercion, Undue Influence, Fraud and Misrepresentation on Contract	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Explain the legal consequences of coercion, undue influence, fraud, and misrepresentation on a contract. b. Analyze the distinction between void and voidable contracts in the context of vitiated consent. c. Understand the remedies available to the aggrieved party when free consent is vitiated. d. Apply these principles to real-world cases and scenarios.
Teaching Aids (if any)	o. Presentation p. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Begin with a question:<ul style="list-style-type: none">o “What should happen to a contract if one party was forced or misled into signing it?”• Highlight the significance of free consent:<ul style="list-style-type: none">o Contracts require voluntary agreement.o Factors like coercion, undue influence, fraud, and misrepresentation can distort this agreement.• Preview the outcomes:<ul style="list-style-type: none">o Voidable contracts, rescission, and damages. 2. Development (30 minutes) a. General Rule (5 minutes) <ul style="list-style-type: none">• Legal Principle:<ul style="list-style-type: none">o Contracts vitiated by coercion, undue influence, fraud, or misrepresentation are generally voidable at the option of the aggrieved party.o Voidable contracts remain valid unless rescinded by the aggrieved party.• Explain exceptions where a contract becomes void, such as when both parties are mistaken about a fundamental fact. b. Effects of Each Factor (25 minutes)



1. Coercion (Section 15)

- **Effect on Contract:**
 - The contract is voidable at the option of the party subjected to coercion.
 - If the aggrieved party opts to rescind, the contract is treated as null and void.
- **Case Law:**
 - *Ranganayakamma v. Alwar Setti*: Coercion rendered the contract voidable, and the widow's consent was invalid.
- **Remedies:**
 - Rescission of the contract.
 - Return of any benefits obtained under the contract.

2. Undue Influence (Section 16)

- **Effect on Contract:**
 - Voidable at the option of the aggrieved party.
 - The burden of proof is on the dominant party to show the absence of undue influence.
- **Case Law:**
 - *Mannu Singh v. Umadat Pande*: Contract rescinded due to undue influence by a spiritual adviser.
- **Remedies:**
 - Rescission of the contract.
 - Restoration of status quo.

3. Fraud (Section 17)

- **Effect on Contract:**
 - Voidable at the option of the party defrauded.
 - In cases of fraud, the aggrieved party can also claim damages for losses incurred.
- **Case Law:**
 - *Derry v. Peek*: Fraud established, and the contract was voidable with damages awarded.
- **Remedies:**
 - Rescission of the contract.
 - Damages for deceit.

4. Misrepresentation (Section 18)

- **Effect on Contract:**
 - Voidable at the option of the misled party.
 - If misrepresentation is innocent (without intent to deceive), only rescission is available, not damages.
- **Case Law:**



	<ul style="list-style-type: none">○ <i>Nash v. Inman</i>: Contract voidable due to misrepresentation of facts.● Remedies:<ul style="list-style-type: none">○ Rescission of the contract.○ No damages in cases of innocent misrepresentation. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none">● Present scenarios and ask students to analyze the effect:<ol style="list-style-type: none">1. A person signs a contract under a threat of harm. (<i>Effect: Voidable due to coercion.</i>)2. A seller knowingly conceals defects in a product. (<i>Effect: Voidable with damages due to fraud.</i>)3. A teacher pressures a student to transfer property. (<i>Effect: Voidable due to undue influence.</i>)4. A misstatement about a product was made without intent to deceive. (<i>Effect: Voidable due to innocent misrepresentation.</i>)
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">● Recap key points:<ul style="list-style-type: none">○ Contracts affected by coercion, undue influence, fraud, and misrepresentation are voidable.○ The aggrieved party has the right to rescind and may claim damages in cases of fraud.○ Free consent ensures the fairness and validity of agreements.● Reinforce: “<i>Contracts made under vitiated consent undermine fairness and justice.</i>” <p>Suggested Reading</p> <ul style="list-style-type: none">● Indian Contract Act, 1872 (Sections 15-18).● Case studies on vitiated consent. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">● What happens if a contract is made under coercion?● How does undue influence differ from coercion in its effect on contracts?● Why are damages not awarded in cases of innocent misrepresentation? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 9	Course Name: Law of Contract-I Topic: Mistake of Law	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define and differentiate between <i>mistake of law</i> and <i>mistake of fact</i> . b. Explain the implications of a mistake of law on the validity of contracts. c. Identify the exceptions where a mistake of law can invalidate a contract. d. Analyze case laws to illustrate the principles related to the mistake of law.
Teaching Aids (if any)	q. Presentation r. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Ask questions to engage students:<ul style="list-style-type: none">○ “Have you ever signed or agreed to something without fully understanding the legal implications?”○ “What happens if someone signs a contract based on a misunderstanding of the law?”• Relate to legal principle:<ul style="list-style-type: none">○ Contracts require informed consent. Mistakes, whether of law or fact, can impact the validity of an agreement.• Introduce the concept of <i>mistake of law</i>:<ul style="list-style-type: none">○ “A mistake of law occurs when a party misunderstands or is ignorant of the legal provisions governing the contract.” 2. Development (30 minutes) a. Mistake of Law: Definition and Types (10 minutes) <ul style="list-style-type: none">• Legal Principle:<ul style="list-style-type: none">○ <i>Mistake of law</i> refers to a misunderstanding of the legal provisions applicable in a jurisdiction.○ Governed by Section 21 of the Indian Contract Act, 1872.• General Rule:<ul style="list-style-type: none">○ Ignorance of the law is no excuse (<i>ignorantia juris non excusat</i>).○ Contracts based on a mistake of law are generally valid.• Types:<ol style="list-style-type: none">1. Mistake of Law of the Land:<ul style="list-style-type: none">▪ Ignorance of domestic laws.▪ Contracts remain valid despite such mistakes.▪ Example: Misinterpreting tax laws while forming a contract.2. Mistake of Foreign Law:



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	<ul style="list-style-type: none"> ▪ Foreign law is treated as a matter of fact. ▪ A mistake regarding foreign law may void a contract if it impacts the agreement's terms. ▪ Example: Incorrect understanding of export regulations in another country. <p>b. Exceptions to the General Rule (10 minutes)</p> <ul style="list-style-type: none"> • Contracts may be voidable if: <ol style="list-style-type: none"> 1. The mistake of law involves misrepresentation by one party. <ul style="list-style-type: none"> ▪ <i>Example:</i> A party misleads another about a statutory obligation. 2. A foreign law is misunderstood, impacting the fundamental terms of the agreement. <ul style="list-style-type: none"> ▪ <i>Example:</i> Misinterpreting tariff rules in international trade. <p>c. Case Laws (10 minutes)</p> <ol style="list-style-type: none"> 1. Pannalal v. State of Rajasthan <ul style="list-style-type: none"> ○ Context: Payment of tax under a mistaken interpretation of tax laws. ○ Judgment: Ignorance of law of the land is not an excuse. 2. Cooper v. Phibbs <ul style="list-style-type: none"> ○ Context: Contract entered under a mistake regarding ownership governed by law. ○ Judgment: Contract declared void due to mistake about rights under the law. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Provide examples and ask students to classify the type of mistake: <ol style="list-style-type: none"> 1. A party misunderstands the tax implications of a contract. (<i>Mistake of law of the land – contract valid.</i>) 2. A buyer and seller misunderstand foreign trade laws in their agreement. (<i>Mistake of foreign law – contract may be voidable.</i>) 3. A party is misled about legal obligations by another party. (<i>Misrepresentation – contract voidable.</i>)
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> • Recap key points: <ul style="list-style-type: none"> ○ Mistake of law of the land generally does not invalidate a contract. ○ Mistake of foreign law is treated as a mistake of fact and



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	<p>may render a contract voidable.</p> <ul style="list-style-type: none">○ Exceptions include misrepresentation or fundamental errors in understanding foreign law.• Reinforce: “<i>Understanding the law is crucial for valid and enforceable contracts.</i>” <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Section 21).• Case laws on the mistake of law. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• Why is ignorance of law generally not an excuse?• How does a mistake of foreign law differ from a mistake of domestic law?• What role does misrepresentation play in the context of mistakes of law? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 10	Course Name: Law of Contract-I Topic: Mistake of Fact	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define and explain the concept of <i>mistake of fact</i> in contract law. b. Differentiate between unilateral and mutual mistakes of fact. c. Discuss the implications of mistake of fact on the validity of contracts. d. Analyze relevant case laws to illustrate the principles.
Teaching Aids (if any)	s. Presentation t. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">Start with a question:<ul style="list-style-type: none">“Have you ever agreed to something based on a <i>misunderstanding of facts</i>?”Relate to examples: buying an item based on incorrect assumptions about its features.Highlight relevance:<ul style="list-style-type: none">A mistake of fact can significantly impact a contract’s enforceability.Contrast with <i>mistake of law</i>: “<i>Mistakes of fact may void contracts, while mistakes of law generally do not.</i>” 2. Development (30 minutes) a. Definition and General Rule (5 minutes) <ul style="list-style-type: none">Legal Principle:<ul style="list-style-type: none">Mistake of fact refers to an incorrect belief about a fact essential to the contract.Governed by Section 20 of the Indian Contract Act, 1872.General Rule:<ul style="list-style-type: none">Mutual mistake about a material fact renders the contract void.Unilateral mistake generally does not affect the contract’s validity, except in specific circumstances. b. Types of Mistakes of Fact (10 minutes) 1. Mutual Mistake <ul style="list-style-type: none">Both parties misunderstand or are ignorant of a fundamental fact central to the contract.Effect: Contract is void.



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- **Example:**
 - Sale of land where both parties believe the land exists, but it has been submerged under water.
- **Case Law:**
 - *Raffles v. Wichelhaus*
 - Two ships named “Peerless.” Parties misunderstood which ship was being referred to. Contract was void due to mutual mistake.

2. Unilateral Mistake

- Only one party is mistaken about a material fact, while the other is not.
- **General Rule:**
 - Contract is valid unless:
 - The non-mistaken party knew or ought to have known of the mistake.
 - The mistake is about the identity of the other party or subject matter.
- **Example:**
 - A seller incorrectly prices an item but the buyer is unaware of the error. The contract is valid.
- **Case Law:**
 - *Smith v. Hughes*
 - A buyer purchased oats believing them to be old oats. The seller made no such representation. The court upheld the contract as the mistake was unilateral and did not affect its enforceability.

c. Implications on Contracts (10 minutes)

1. **Void Contracts:**
 - Mutual mistakes about material facts make the contract void ab initio (from the start).
2. **Valid Contracts:**
 - Unilateral mistakes generally do not affect validity unless induced by fraud or misrepresentation.
3. **Exceptions:**
 - Identity of the contracting party: Mistake about identity can void a contract (e.g., entering a contract with an imposter).

d. Distinguishing Mistake of Fact from Other Mistakes (5 minutes)

- **Mistake of Fact vs. Mistake of Law:**
 - Mistake of fact may render a contract void.



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	<ul style="list-style-type: none">○ Mistake of law does not typically invalidate a contract.● Mistake of Fact vs. Misrepresentation:<ul style="list-style-type: none">○ Mistake is unintentional; misrepresentation involves misleading information. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none">● Provide scenarios and ask students to identify the type of mistake and its effect:<ol style="list-style-type: none">1. A seller unknowingly sells a painting believed to be a replica, but it is an original. (<i>Mutual mistake – contract void.</i>)2. A buyer signs a contract believing the seller is a famous artist. (<i>Unilateral mistake about identity – contract voidable.</i>)3. A party misunderstands a tax obligation affecting the contract. (<i>Mistake of law – contract valid.</i>)
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">● Recap key points:<ul style="list-style-type: none">○ Mutual mistakes of fact make contracts void.○ Unilateral mistakes generally do not affect validity, unless they involve identity or are induced by fraud.○ Understanding the nature of mistakes is crucial to determining contract enforceability.● Reinforce: “<i>A contract built on a foundation of factual error may crumble under legal scrutiny.</i>” <p>Suggested Reading</p> <ul style="list-style-type: none">● Indian Contract Act, 1872 (Sections 20, 22).● Case laws on mistake of fact. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">● Why does a mutual mistake render a contract void?● Under what circumstances can a unilateral mistake invalidate a contract?● How does the concept of mistake protect fairness in contractual relationships? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 11	Course Name: Law of Contract-I Topic: Consideration – S.2(d), S.23, S.24, S.25	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define <i>consideration</i> and explain its essential elements under Section 2(d). b. Understand the legal requirements for valid consideration and analyze its role in forming a contract. c. Discuss the principles governing lawful and unlawful consideration (Sections 23 and 24). d. Identify exceptions where an agreement without consideration is valid (Section 25).
Teaching Aids (if any)	u. Presentation v. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with a question:<ul style="list-style-type: none">○ “Can a contract exist without something being given or promised in return?”• Highlight the concept of consideration:<ul style="list-style-type: none">○ Consideration is what each party gives or promises in exchange for a contractual promise.○ It is the foundation of most enforceable agreements.• Preview the focus:<ul style="list-style-type: none">○ Legal definition and essentials of consideration.○ The requirement of lawful consideration.○ Exceptions to the rule of consideration. 2. Development (30 minutes) a. Definition and Essentials of Consideration (Section 2(d)) (10 minutes) <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ Consideration is defined as something of value given or promised by one party to another as part of a contractual bargain.○ “When, at the desire of the promisor, the promisee does or abstains from doing something, such act or abstinence is called consideration.”• Essentials:<ol style="list-style-type: none">1. Must move at the desire of the promisor.2. May move from the promisee or a third party.3. May be past, present, or future.4. Must have value in the eyes of the law.• Case Law:<ul style="list-style-type: none">○ <i>Durga Prasad v. Baldeo</i>: Acts done voluntarily, without the promisor’s desire, do not constitute consideration.



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b. Lawful and Unlawful Consideration (Sections 23 and 24) (10 minutes)

1. Lawful Consideration (Section 23):

- Consideration is lawful unless it:
 - Is forbidden by law.
 - Defeats the provisions of any law.
 - Is fraudulent.
 - Involves or implies injury to a person or property.
 - Is immoral or against public policy.
- **Examples:**
 - Selling contraband items (unlawful).
 - Gambling agreements (void due to public policy).

2. Effect of Unlawful Consideration (Section 24):

- If any part of a single consideration for one or more objects is unlawful, the entire agreement is void.
- **Case Law:**
 - *Gherulal Parakh v. Mahadeodas Maiya*: An agreement with an object contrary to public policy is void.

c. Exceptions to the Rule of Consideration (Section 25) (10 minutes)

1. Agreements without consideration are void unless:

- **Natural Love and Affection:**
 - A written and registered agreement made out of love and affection between close relatives is valid without consideration.
 - Example: A father gifts property to his son through a registered document.
- **Compensation for Voluntary Services:**
 - A promise to compensate someone who has already voluntarily done something for the promisor.
 - Example: A person voluntarily saves another's property, and the owner later promises to pay for the effort.
- **Promise to Pay a Time-Barred Debt:**
 - A written promise to pay a debt barred by limitation is valid even without fresh consideration.
 - Example: A debtor acknowledges a debt that cannot be enforced in court due to time limits.

2. Case Law:

- *Chinnaya v. Ramaya*: A gift to a third party was held valid even without direct consideration between the donor and recipient.

3. Exercise (5 minutes)

- Provide scenarios and ask students to determine whether the agreements are valid:
 1. A promises to pay B for past services rendered voluntarily. (*Valid under Section 25.*)
 2. A and B enter into an agreement for the sale of illegal drugs. (*Void under Section 23.*)
 3. A father gifts property to his son through a registered document.



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	<p>(Valid under Section 25.)</p> <p>4. A promises to pay a time-barred debt through a written acknowledgment. (Valid under Section 25.)</p>
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">Recap key points:<ul style="list-style-type: none">Consideration is the price of a promise and essential to enforce most contracts.It must be lawful and fulfill the criteria under Section 2(d).Agreements without consideration are generally void, but exceptions exist under Section 25.Reinforce: “<i>Consideration ensures mutuality in contracts, balancing the interests of both parties.</i>” <p>Suggested Reading</p> <ul style="list-style-type: none">Indian Contract Act, 1872 (Sections 2(d), 23, 24, and 25).Landmark case laws on consideration. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">Why is consideration a critical element of a valid contract?How does the law distinguish lawful and unlawful consideration?What are the exceptions to the requirement of consideration under Section 25? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 12	Course Name: Law of Contract-I Topic: Void, Voidable & Valid Agreements: Definition	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define and distinguish between valid, void, and voidable agreements. b. Understand the legal implications and enforceability of each type of agreement. c. Identify examples and exceptions of valid, void, and voidable agreements. d. Analyze relevant case laws to better understand the practical application of these concepts.
Teaching Aids (if any)	w. Presentation x. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with questions:<ul style="list-style-type: none">○ “What do you think happens when an agreement is made but it cannot be enforced?”○ “Are all agreements made between parties legally enforceable?”• Introduce the concepts:<ul style="list-style-type: none">○ Explain that not all agreements that are made result in legally binding contracts.○ Introduce the terms valid, void, and voidable agreements as crucial concepts in contract law. 2. Development (30 minutes) a. Valid Agreements (10 minutes) <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ A valid agreement is one that fulfills all the essential elements of a contract: offer, acceptance, consideration, and intention to create legal relations.○ A valid agreement is legally enforceable in a court of law.• Characteristics:<ol style="list-style-type: none">1. Offer and acceptance.2. Intention to create legal relations.3. Consideration (lawful and sufficient).4. Capacity of parties.5. Free consent.6. Lawful object.• Example:



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	<ul style="list-style-type: none">○ A offers to sell a car to B for ₹2,00,000, and B agrees to buy it at that price. This is a valid contract.• Case Law:<ul style="list-style-type: none">○ <i>Carlill v. Carbolic Smoke Ball Co.:</i> A clear offer and acceptance led to a valid contract. <p>b. Void Agreements (10 minutes)</p> <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ A void agreement is one that is not enforceable by law. It is treated as if it never existed, and there is no legal effect from it.○ Section 2(g) of the Indian Contract Act, 1872: An agreement not enforceable by law is void.• Characteristics:<ol style="list-style-type: none">1. Lack of essential elements (such as a lawful object or free consent).2. Agreement based on unlawful consideration or objects.3. Agreements that are impossible to perform.• Examples:<ul style="list-style-type: none">○ A contract to sell illegal drugs is void because the object is unlawful.○ An agreement to do something that is impossible, such as selling a non-existent item, is void.• Case Law:<ul style="list-style-type: none">○ <i>K.K. Verma v. Union of India:</i> A contract that violates public policy is void. <p>c. Voidable Agreements (10 minutes)</p> <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ A voidable agreement is one that is valid and enforceable on the surface but can be rescinded or annulled by one of the parties due to certain legal grounds, such as coercion, fraud, misrepresentation, or undue influence.○ Section 19 of the Indian Contract Act, 1872: A contract is voidable at the option of the party whose consent was obtained through misrepresentation, fraud, coercion, or undue influence.• Characteristics:<ol style="list-style-type: none">1. One party has the power to rescind the contract.2. The contract is not void in the beginning, but becomes voidable at the discretion of the affected party.3. If the affected party does not rescind, the contract remains valid.• Examples:<ul style="list-style-type: none">○ A signs a contract to sell goods under duress, but after the
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	<p>threat is removed, A can decide to either continue or cancel the contract.</p> <ul style="list-style-type: none"> ○ A agrees to sell a car to B, but B fraudulently conceals defects in the car. A can rescind the contract once the fraud is discovered. <ul style="list-style-type: none"> • Case Law: <ul style="list-style-type: none"> ○ <i>Mohori Bibee v. Dharmodas Ghose</i>: A contract entered by a minor, although valid, is voidable at the minor’s discretion. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Provide scenarios and ask students to classify the agreement as valid, void, or voidable: <ol style="list-style-type: none"> 1. A minor enters into an agreement to sell property. (<i>Voidable due to lack of capacity.</i>) 2. A contract to sell counterfeit money. (<i>Void due to unlawful object.</i>) 3. A contract to rent an apartment for a lawful purpose with all terms agreed upon by both parties. (<i>Valid contract.</i>) 4. A contract signed under threat or coercion. (<i>Voidable at the discretion of the coerced party.</i>)
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> • Recap key points: <ul style="list-style-type: none"> ○ A valid agreement is enforceable and fulfills all legal requirements. ○ A void agreement has no legal effect and is treated as though it never existed. ○ A voidable agreement is initially valid but can be rescinded by one party under certain conditions. • Reinforce: “<i>Understanding the differences between valid, void, and voidable agreements helps ensure that only legitimate contracts are enforceable.</i>” <p>Suggested Reading</p> <ul style="list-style-type: none"> • Indian Contract Act, 1872 (Sections 2(g), 2(h), and 2(i)). • Landmark case laws on void, voidable, and valid agreements. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
<p>Evaluation</p>	<p>Reflective Questions:</p> <ul style="list-style-type: none"> • What is the key difference between a void agreement and a voidable agreement?



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- Under what circumstances can an agreement be voidable?
- Why are void agreements considered to have no legal effect?

Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 13	Course Name: Law of Contract-I Topic: Agreements in Restraint of Marriage (S. 26), In Restraint of Trade with Exceptions (S. 27), In Restraint of Legal Proceedings with Exceptions (S. 28), Void for Uncertainty (S. 29), By way of Wager (S. 30)	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Define and explain agreements in restraint of marriage, trade, and legal proceedings under the Indian Contract Act, 1872. b. Understand the exceptions to these restraints. c. Analyze the implications of void agreements for uncertainty and wagering contracts. d. Examine the legal effect and case law of each of these types of agreements.
Teaching Aids (if any)	y. Presentation z. Discussion with real examples
Teaching Development	<p>1. Introduction (5 minutes)</p> <ul style="list-style-type: none"> • Start with questions: <ul style="list-style-type: none"> ○ <i>“Are all types of restrictions placed on agreements enforceable in contract law?”</i> ○ <i>“What do you understand by the freedom to contract, and how does the law regulate agreements that restrict individual freedom?”</i> • Introduce the concepts: <ul style="list-style-type: none"> ○ Discuss the importance of restrictions and restraints in contracts, and how the law deals with such restrictions that violate public policy or individual freedoms. <p>2. Development (30 minutes)</p> <p>a. Agreements in Restraint of Marriage (Section 26) (6 minutes)</p> <ul style="list-style-type: none"> • Definition: <ul style="list-style-type: none"> ○ Under Section 26, an agreement in restraint of marriage is void if it directly or indirectly prevents a person from marrying or restricts their freedom of choosing a spouse. • Key Point: <ul style="list-style-type: none"> ○ Agreements that prevent someone from marrying at all or restrict the freedom to marry within certain conditions (e.g., "I will give you money only if you marry someone I





choose") are void.

- **Exceptions:**

- A restraint on marriage that is reasonable and tied to an agreement, such as a prenuptial agreement that places certain conditions on marriage but does not outright prevent it, may be enforceable.

- **Case Law:**

- *Gulabchand v. Rehmat Bibi*: Agreements that restrain marriage are void unless there is an exception for reasonable restraint.

b. Agreements in Restraint of Trade (Section 27) (8 minutes)

- **Definition:**

- **Section 27** of the Indian Contract Act makes agreements that restrain trade, business, or profession void. Any contract that prohibits a person from carrying on any lawful trade or profession is illegal unless it falls under the exceptions.

- **Key Point:**

- The restraint on trade must be reasonable to be enforceable. Restrictions that are too broad or have no legitimate purpose are void.

- **Exceptions to Section 27:**

1. **Sale of Business:** An agreement that restrains a seller of a business from carrying on a similar business within a reasonable geographical area and time period after selling the business.
2. **Partnership Agreements:** Restrictions on a partner's ability to carry on business outside the partnership.
 - The restriction must be reasonable in terms of time, geographical area, and scope.

- **Case Law:**

- *Niranjan Shankar v. Century Spinning and Manufacturing Co.*: A restraint on the right to work is valid if it is limited in time and place and is not excessive.

c. Agreements in Restraint of Legal Proceedings (Section 28) (6 minutes)

- **Definition:**

- **Section 28** makes agreements that restrain a person from initiating or defending legal proceedings void. Any clause in a contract that restricts the right to sue or defend in a court of law is invalid.

- **Exceptions to Section 28:**

1. **Agreements to settle disputes through arbitration or**



	<p>mediation: If both parties agree to resolve disputes outside the courts, this is allowed.</p> <p>2. Contracts involving alternative dispute resolution methods (ADR) are generally enforceable, provided they do not deny access to courts entirely.</p> <ul style="list-style-type: none">• Key Point:<ul style="list-style-type: none">○ The law upholds the right to access the judicial system and does not allow a contract to entirely deny that right.• Case Law:<ul style="list-style-type: none">○ <i>Derrington v. The British Petroleum Co.:</i> A contract clause preventing legal action was found to be void for restricting access to courts. <p>d. Void Agreements for Uncertainty (Section 29) (6 minutes)</p> <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ Section 29 provides that an agreement is void if its terms are uncertain or ambiguous to the extent that the court cannot determine the rights or obligations of the parties.• Key Point:<ul style="list-style-type: none">○ For an agreement to be valid, its terms must be clear enough that the court can ascertain the intentions of the parties. An agreement based on uncertain terms lacks the required certainty to form a contract.• Examples:<ul style="list-style-type: none">○ A contract stating, “I will pay you a sum of money as long as I feel like it” is uncertain and void.• Case Law:<ul style="list-style-type: none">○ <i>Scott v. Coulson:</i> The court held that a contract with vague terms was void due to uncertainty. <p>e. Wagering Agreements (Section 30) (6 minutes)</p> <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ Section 30 of the Indian Contract Act makes any agreement by way of wager (i.e., betting) void. A wagering agreement is one where one party agrees to pay money or provide a benefit upon the happening or non-happening of an uncertain event.• Key Point:<ul style="list-style-type: none">○ A wagering agreement is not a contract because there is no genuine exchange of goods, services, or consideration—just the bet or wager itself.• Exceptions:<ul style="list-style-type: none">○ Insurance Contracts: While betting is void, agreements related to insurance or other legitimate risk-sharing agreements are not wagers and are valid.
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	<ul style="list-style-type: none"> • Case Law: <ul style="list-style-type: none"> ○ <i>Gherulal Parakh v. Mahadeodas Maiya</i>: A betting contract where one party bets on an uncertain event, like the outcome of a cricket match, was declared void. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Scenarios for discussion: <ol style="list-style-type: none"> 1. A clause in a job contract prohibits an employee from working in any competing company for the next 10 years. (<i>Void for restraint of trade.</i>) 2. A contract that prohibits a person from suing in a court of law for any reason. (<i>Void under Section 28.</i>) 3. A contract to sell a car with a clause restricting the seller from starting a car-selling business within a 5-mile radius for the next two years. (<i>Valid under Section 27 if reasonable.</i>) 4. A bet between two friends on who will win the next election. (<i>Void under Section 30.</i>)
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> • Recap the key points: <ul style="list-style-type: none"> ○ Agreements in restraint of marriage, trade, legal proceedings, agreements based on uncertainty, and wagers are generally void. ○ The law allows for certain exceptions where such agreements may be valid. ○ The freedom to contract is limited by public policy to ensure fairness and freedom. <p>Suggested Reading</p> <ul style="list-style-type: none"> • Indian Contract Act, 1872 (Sections 26, 27, 28, 29, and 30). • Case laws on restraint of trade, legal proceedings, and wagering agreements. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none"> • Why does the law prohibit agreements in restraint of marriage or trade? • How do the exceptions to wagering agreements affect their enforceability?



	<ul style="list-style-type: none">• What role does uncertainty play in making agreements void? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>
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Lesson Plan No. 14	Course Name: Law of Contract-I Topic: Contingent Contracts (Ss. 31-36)	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the definition and nature of contingent contracts. b. Explain the conditions required for a contract to be contingent under the Indian Contract Act, 1872. c. Analyze the various sections (31-36) related to contingent contracts and their legal implications. d. Discuss the practical applications and examples of contingent contracts.
Teaching Aids (if any)	aa. Presentation bb. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with questions:<ul style="list-style-type: none">○ “What do you understand by the term ‘contingency’ in a contract?”○ “Can a contract be made dependent on the occurrence or non-occurrence of a future event?”• Introduce the topic:<ul style="list-style-type: none">○ Discuss the concept of contracts that depend on the occurrence of a certain future event, which is the essence of a contingent contract.○ Highlight the importance of this category in practical contracts such as insurance, wagers, or business contracts where outcomes depend on certain conditions. 2. Development (30 minutes) a. Definition and Nature of Contingent Contracts (Section 31) (6 minutes) <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ A contingent contract is an agreement to do or not do something if a certain event, which is uncertain, happens or does not happen.○ Section 31 of the Indian Contract Act defines a contingent contract as one that is dependent on the occurrence or non-occurrence of a specific uncertain event.• Key Points:<ul style="list-style-type: none">○ The event upon which the contract depends must be uncertain.○ The event must not be entirely within the control of either



	<p>party, otherwise, it would not be a contingent contract.</p> <ul style="list-style-type: none">○ The performance of the contract depends on the happening or non-happening of the event. <ul style="list-style-type: none">● Example:<ul style="list-style-type: none">○ A agrees to sell goods to B for ₹10,000 if B's factory gets the required government approval. This is a contingent contract. <p>b. Conditions for Contingent Contracts (Section 32) (7 minutes)</p> <ul style="list-style-type: none">● Definition:<ul style="list-style-type: none">○ Section 32 states that a contingent contract is void if the event is impossible.● Key Points:<ul style="list-style-type: none">○ If the event is impossible (physically or legally), the contract cannot be enforced.○ For a contract to be contingent, the event must be possible to occur or not occur.● Example:<ul style="list-style-type: none">○ A contract to sell a car if a certain bridge is built within a year, but the bridge is physically impossible to build, would be void.● Case Law:<ul style="list-style-type: none">○ <i>Khan v. Jamal</i>: A contract made contingent upon an impossible event (e.g., the outcome of an event that could not happen) was held void. <p>c. Performance of Contingent Contracts (Section 33) (6 minutes)</p> <ul style="list-style-type: none">● Definition:<ul style="list-style-type: none">○ Section 33 states that if the event on which the contract is contingent becomes impossible before performance, the contract becomes void.● Key Points:<ul style="list-style-type: none">○ The event must occur for the contract to be performed.○ If the event becomes impossible, the contract is void even if one party was willing to perform.● Example:<ul style="list-style-type: none">○ A agrees to sell goods to B if B's company secures a tender. If the tender is canceled before B can secure it, the contract is void.● Case Law:<ul style="list-style-type: none">○ <i>Chand Kaur v. Ramesh</i>: Held that a contingent contract becomes void if the event on which it is contingent is rendered impossible.
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d. Contracts When the Event Becomes Certain (Section 34) (6 minutes)

- **Definition:**
 - **Section 34** allows the contract to become enforceable if the event becomes certain.
- **Key Points:**
 - A contingent contract can only be enforced once the event it depends on happens or becomes certain.
 - If the event becomes certain, the contract can be executed.
- **Example:**
 - A contract to deliver goods if a ship reaches a certain port, but the ship's arrival is uncertain. If the ship arrives as scheduled, the contract becomes enforceable.

e. Contracts in Case of Failure of the Event (Section 35) (5 minutes)

- **Definition:**
 - **Section 35** provides that if the event on which the contract is contingent does not happen, the contract becomes void.
- **Key Points:**
 - If the event does not happen, the promise is no longer enforceable, and the contract is considered void.
 - Example: A agrees to pay B ₹50,000 if B's proposal to a third party is accepted, but the proposal is rejected. The contract is void because the event did not happen.
- **Example:**
 - A agrees to pay B ₹5,000 if B wins a cricket match. If B does not win, the agreement becomes void.

f. Contracts in Case of Performance of the Contingent Event (Section 36) (6 minutes)

- **Definition:**
 - **Section 36** discusses the performance of a contingent contract once the event occurs. If the event becomes certain, the contract is performed according to its terms.
- **Key Points:**
 - If the event occurs and becomes certain, the contract must be executed.
 - Example: A agrees to pay ₹1,00,000 if B wins a race. Once B wins the race, A must perform the contract and pay B.
- **Case Law:**
 - *Mohanlal v. Patel*: A contingent contract to pay for the performance of an uncertain event, when the event becomes certain, must be performed.

3. Exercise (5 minutes)



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	<ul style="list-style-type: none">• Provide scenarios and ask students to identify whether they involve contingent contracts and explain why:<ol style="list-style-type: none">1. A agrees to sell a car to B if B gets a loan from the bank. (<i>Contingent contract.</i>)2. A agrees to buy a house if he receives a promotion at work. (<i>Contingent contract.</i>)3. A contracts to pay B ₹10,000 if it rains tomorrow. (<i>Contingent contract.</i>)4. A agrees to deliver goods to B if B's shipment arrives by next week, but the shipment is destroyed. (<i>Contract becomes void.</i>)
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">• Recap the key points:<ul style="list-style-type: none">○ Contingent contracts depend on the occurrence or non-occurrence of uncertain events.○ If the event is impossible, the contract is void.○ If the event becomes certain, the contract is enforceable.○ If the event does not happen, the contract is void.• Contingent contracts are widely used in insurance, trade, and wagers. <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 31-36).• Relevant case laws on contingent contracts. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• What are the conditions that make a contract contingent under the Indian Contract Act?• How does a contingent contract differ from a simple contract?• What happens if the event in a contingent contract becomes impossible? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 15	Course Name: Law of Contract-I Topic: Quasi Contract	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the concept and nature of quasi contracts under the Indian Contract Act, 1872. b. Identify the various situations where quasi contracts arise and the legal basis for these contracts. c. Analyze the provisions related to quasi contracts under sections 68 to 72 of the Indian Contract Act. d. Discuss the legal implications and real-life applications of quasi contracts.
Teaching Aids (if any)	cc. Presentation dd. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with questions:<ul style="list-style-type: none">○ “What do you understand by a contract, and how do quasi contracts differ from ordinary contracts?”○ “Can there be a contract without an agreement or mutual consent?”• Introduce the topic:<ul style="list-style-type: none">○ Define quasi contracts as situations where the law creates obligations, even in the absence of a formal agreement or mutual consent between parties.○ Explain that quasi contracts are not actual contracts but are imposed by law to prevent unjust enrichment or unfairness. 2. Development (30 minutes) a. Definition and Nature of Quasi Contracts (5 minutes) <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ A quasi contract is an obligation imposed by law to prevent unjust enrichment or unjust loss to a person, even though no formal contract exists. The law treats certain situations as contracts to ensure fairness and justice.• Nature:<ul style="list-style-type: none">○ Quasi contracts are not based on the parties’ consent or agreement. Instead, they arise out of circumstances that require a party to compensate another for a benefit received or to prevent unjust enrichment.



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b. Sections Relating to Quasi Contracts (Sections 68 to 72) (15 minutes)

1. Section 68: Claim for Necessaries Supplied to a Person Unable to Contract

○ **Definition:**

- If a person, who is incapable of contracting (e.g., a minor or a person of unsound mind), receives necessary goods or services, the supplier can claim the reasonable value of those goods or services from that person or their property.

○ **Example:**

- If a minor receives medical treatment during an emergency, the hospital can claim the payment for the treatment from the minor's parents or guardians.

2. Section 69: Reimbursement of Person Paying Money Due by Another

○ **Definition:**

- A person who, without intending to do so as a volunteer, pays a debt or obligation that another person owes, can claim reimbursement from the person who owes the debt.

○ **Example:**

- A pays the rent for B's house on behalf of B. Later, A can claim reimbursement from B.

3. Section 70: Obligation to Pay for Non-Gratuitous Acts

○ **Definition:**

- A person who does something or provides a service for another person without any agreement (but not as a volunteer) can claim payment for the service if it was not done gratuitously.

○ **Example:**

- A repairs B's car, thinking it was his own, but B later accepts the service. A can claim payment for the repair from B.

4. Section 71: Responsibility of Finder of Goods

○ **Definition:**

- A person who finds goods belonging to someone else has a duty to take reasonable care of them and return them to the owner. If they are not returned, the finder may be liable for damages.

○ **Example:**

- If A finds a lost wallet containing money, A is obligated to return it to the owner or report it to the authorities.

5. Section 72: Liability of Person to Whom Money is Paid by Mistake or under Coercion

○ **Definition:**



	<ul style="list-style-type: none"> ▪ If a person receives money or goods by mistake or under coercion, they are obligated to return it. ○ Example: <ul style="list-style-type: none"> ▪ If A mistakenly pays ₹10,000 to B thinking it was owed, B must return the money to A. <p>c. Legal Justifications for Quasi Contracts (10 minutes)</p> <ul style="list-style-type: none"> • Principle of Unjust Enrichment: <ul style="list-style-type: none"> ○ The primary reason for the creation of quasi contracts is to prevent unjust enrichment. If a person benefits at the expense of another without legal justification, the law imposes an obligation to compensate for the benefit received. • Example: <ul style="list-style-type: none"> ○ If someone mistakenly receives goods that they did not order and consumes them, they must pay for them because the supplier should not lose out while the recipient unjustly benefits. • Case Law: <ul style="list-style-type: none"> ○ <i>M.A. Behan v. State of Kerala</i>: The court imposed a quasi-contractual obligation on the defendant, who had received services but had not paid for them, emphasizing the principle of preventing unjust enrichment. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Scenario-based Questions: <ol style="list-style-type: none"> 1. A person finds a lost phone on the road and uses it for a few days before realizing it belongs to someone else. Does a quasi contract arise? 2. A minor is hospitalized and treated for an accident. Can the hospital claim the costs from the minor's parents or guardians? 3. B mistakenly receives a payment of ₹5,000 from A, and B knows that it was made by mistake. Is B required to return the money?
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> • Recap the key points: <ul style="list-style-type: none"> ○ Quasi contracts are legal obligations imposed by the law, even in the absence of mutual consent or agreement. ○ They arise to prevent unjust enrichment or unjust loss, ensuring fairness in situations where no formal contract exists. ○ Sections 68 to 72 of the Indian Contract Act define specific



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	<p>scenarios where quasi contracts apply.</p> <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 68-72).• Relevant case laws on quasi contracts and unjust enrichment. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• What is the difference between a quasi contract and a regular contract?• How does a quasi contract ensure fairness in situations where no formal agreement exists?• Can a person ever avoid liability under a quasi contract? If so, under what circumstances? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 16	Course Name: Law of Contract-I Topic: Performance of Contracts (Ss. 37-61)	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the concept and legal principles governing the performance of contracts under the Indian Contract Act, 1872. b. Analyze the obligations of the parties in a contract during the performance phase. c. Explain the provisions under Sections 37-61 of the Indian Contract Act that relate to the performance of contracts. d. Discuss the conditions under which performance of contracts can be excused or altered.
Teaching Aids (if any)	ee. Presentation ff. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with questions:<ul style="list-style-type: none">○ “What do you understand by the term ‘performance of a contract’?”○ “What happens when one party fails to perform its obligations in a contract?”• Introduce the topic:<ul style="list-style-type: none">○ Define performance of contracts as the fulfillment of the terms of the agreement by the parties involved. Performance can be actual (done as agreed) or imperfect (partially or conditionally performed).○ Discuss the importance of performance for the completion and enforcement of contracts. 2. Development (30 minutes) a. General Principles of Performance (5 minutes) <ul style="list-style-type: none">• Definition and Obligation:<ul style="list-style-type: none">○ Under Section 37 of the Indian Contract Act, the performance of a contract is the duty of both parties involved, and they must fulfill their obligations as per the terms of the agreement.○ The performance must be exact, as agreed, and completed within the specified time frame.○ If a contract involves a delivery or payment of a sum of money, the performance should occur according to the



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terms agreed upon.

- **Key Points:**

- A contract is said to be performed when both parties fulfill their obligations.
- Performance must be as per the time, manner, and place specified in the contract (Section 38 and 39).
- Performance may be done by the promisee, a third party, or the promisor.

b. Performance by the Promisor or by a Third Party (Section 40) (5 minutes)

- **Section 40** discusses the performance of the promise by the promisor or by any other person.
- **Performance by Third Party:**
 - The promisor can appoint a third party to perform his obligation, unless the nature of the contract requires personal performance by the promisor.
 - A third party can perform a contract if the promisee accepts the performance.
- **Example:**
 - A agrees to sell goods to B. A can appoint C to deliver the goods to B, and B can accept the goods from C.

c. Performance by Offeror and Offerree: Section 38 (5 minutes)

- **Section 38** clarifies that a promise must be performed by the **promisor** or the **promisee**, depending on the nature of the contract.
- The offeror (promisor) must perform the contract in the manner as agreed, while the offeree (promisee) must accept the performance according to the terms.
- If the performance is completed correctly by the promisor, the promisee has a duty to accept it.
- **Example:**
 - If A promises to deliver 100 items to B, A must deliver the items as per the agreed terms, and B must accept the goods if they conform to the contract.

d. Time and Place for Performance (Sections 38 & 39) (5 minutes)

- **Section 38:** If no time is specified in the contract, performance should be done within a reasonable time.
- **Section 39:** If no place is specified, the performance should be done at the promisor's place of business or residence at the time of performance.
- **Key Points:**
 - If time is of the essence in the contract, the performance



	<p>must occur on the agreed date; otherwise, the contract is voidable.</p> <ul style="list-style-type: none">○ If no place is mentioned, the performance must occur at the place where the promisee receives the performance or the promisor's usual place of business. <p>e. Devolution of Liability (Section 40) (5 minutes)</p> <ul style="list-style-type: none">• Section 40 explains that the liability under the contract can devolve from one person to another.<ul style="list-style-type: none">○ If a party to the contract is deceased or incapable of performing, the responsibility may pass to the person legally representing them.• Example:<ul style="list-style-type: none">○ If a seller dies before delivering goods, the seller's legal heir must deliver the goods. <p>f. When Performance is Excused: Impossibility and Frustration of Contract (Sections 56) (6 minutes)</p> <ul style="list-style-type: none">• Doctrine of Frustration:<ul style="list-style-type: none">○ Under Section 56, performance of a contract becomes impossible when an event occurs that makes the contract impossible to perform (e.g., destruction of subject matter).○ If performance becomes impossible due to an event not caused by the parties, the contract may be frustrated and rendered void.○ Case Law:<ul style="list-style-type: none">▪ <i>Krell v. Henry</i>: A contract for the hire of a room to view the King's procession was frustrated when the procession was canceled.• Example:<ul style="list-style-type: none">○ A contract for the delivery of goods to a certain location becomes impossible if the goods are destroyed by fire before delivery. <p>g. Breach of Contract and Consequences (Sections 73-75) (6 minutes)</p> <ul style="list-style-type: none">• Section 73: A breach occurs when one party fails to perform their obligations as agreed.<ul style="list-style-type: none">○ In case of breach, the affected party can claim compensation for losses suffered.○ Consequences of Breach:<ul style="list-style-type: none">▪ Damages: The affected party is entitled to claim damages, which may be compensatory or punitive.▪ Specific Performance: In certain cases, the aggrieved party may ask the court to enforce the
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	<p>performance of the contract.</p> <ul style="list-style-type: none">• Section 74: A person who has suffered due to the breach of contract is entitled to compensation for the actual damage or loss suffered. <p>h. Discharge of Contract by Performance (5 minutes)</p> <ul style="list-style-type: none">• Full Performance:<ul style="list-style-type: none">○ A contract is discharged when all parties perform their obligations fully and completely.• Partial Performance:<ul style="list-style-type: none">○ If only partial performance occurs and the other party refuses to perform, the contract may be terminated or adjusted.• Example:<ul style="list-style-type: none">○ If A delivers 80 out of 100 goods and B refuses to accept the goods, A may sue for breach or claim for partial performance. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none">• Scenario-based Questions:<ol style="list-style-type: none">1. A and B enter into a contract where A is to deliver goods at B's residence. A delivers the goods to B's office, which B refuses to accept. Is this a breach of contract?2. A agrees to sell a car to B within 30 days. The car is destroyed in an accident before the 30 days are up. What happens to the contract?3. A contracts to deliver goods to B, but B dies before delivery. Who is responsible for performing the contract?
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">• Recap the key points:<ul style="list-style-type: none">○ The performance of a contract involves the fulfillment of contractual obligations by the promisor or a third party.○ Performance must occur at the specified time, place, and in the manner agreed upon.○ Performance can be excused under certain conditions like impossibility, frustration, or breach of contract.• Performance of contract is a fundamental element of the law of contracts, ensuring the binding nature of agreements. <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 37-61).• Relevant case laws on performance of contracts and breach.



	Spend 5 minutes to wrap up and consolidate the learning
Evaluation	Reflective Questions: <ul style="list-style-type: none">• What are the key differences between actual and partial performance?• How does Section 56 (frustration) excuse the performance of a contract?• What are the legal remedies available in case of breach of contract? Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 17	Course Name: Law of Contract-I Topic: By whom Contracts must be performed and the Obligation of the parties to perform contracts	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand who is responsible for performing a contract. b. Examine the legal obligations of the parties involved in the performance of a contract. c. Discuss the rights and duties of the promisor, promisee, and third parties in the performance of contracts. d. Identify circumstances in which performance can be delegated and the exceptions to this rule
Teaching Aids (if any)	gg. Presentation hh. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with questions:<ul style="list-style-type: none">○ “Who do you think should perform the obligations of a contract, the person who made the agreement or someone else?”○ “Is it possible for someone else to perform your contract obligations? Under what circumstances?”• Introduce the topic:<ul style="list-style-type: none">○ Define performance of a contract as fulfilling the promises made in the contract by the party that is obligated. In legal terms, performance refers to carrying out the contractual duties, whether by the promisor, promisee, or a third party.○ Mention that the Indian Contract Act outlines the responsibilities of the parties regarding performance in Sections 37-40. 2. Development (30 minutes) a. General Rule - Performance by the Promisor (Section 37) (6 minutes) <ul style="list-style-type: none">• Section 37: A contract must be performed by the promisor or by someone whom the promisor authorizes to perform the contract.<ul style="list-style-type: none">○ Who must perform?:<ul style="list-style-type: none">▪ The promisor is responsible for performing the



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obligations of the contract unless the performance can be done by a third party or the contract allows for delegation.

○ **Example:**

- A agrees to deliver goods to B. A is responsible for delivering the goods unless a third party (C) is authorized by A to deliver them.

• **Performance Must Be by the Party Who Made the Promise:**

- The promisee (the person to whom the promise is made) cannot be forced to perform the promisor's obligations unless the promisee voluntarily agrees.

b. Performance by Third Party (Section 40) (6 minutes)

• **Section 40:** A contract may be performed by a third party, but only under specific circumstances.

- A third party may perform the contract if the **promisor** specifically allows it or if the performance requires no personal skill or involvement by the promisor.
- **Exceptions:**
 - If the contract requires the **personal skill or expertise** of the promisor, a third party cannot perform the contract.
 - In contracts involving **personal services** (e.g., a singer performing at an event), the contract cannot be performed by a third party because the personal attributes or abilities of the promisor are essential.

• **Example:**

- A hires B to paint a portrait. The contract requires B's personal skills, so A cannot hire C to do the painting.

c. Performance by the Promisee or by a Third Party (Section 38) (6 minutes)

• **Section 38:** In some cases, the **promisee** may be required to perform part of the contract, or they may have the right to accept performance from a third party.

- If the contract allows, the **promisee** can accept the performance from someone other than the promisor.
- If the **promisee** performs the contract, they are entitled to receive the agreed benefit under the contract.
- **Example:**
 - A agrees to supply goods to B. If B arranges for C to receive the goods, B's performance is still valid, as long as A accepts it.

d. Who Must Perform When the Contract Involves Several Parties? (5



minutes)

- **Joint Contracts:**

- In a **joint contract** where multiple parties are involved, the **contract may be performed by one or more of the parties**, but all parties are jointly responsible.

- **Example:**

- A, B, and C enter into a contract to supply goods to D. If A delivers the goods, B and C remain responsible for fulfilling their parts of the agreement.

- **Several Promises to Be Performed Separately:**

- If a contract has several promises to be performed separately, each promise can be performed by the respective party, even without the others performing their promises.

- **Example:**

- A agrees to sell goods to B, and B agrees to pay a certain amount of money. A can sell the goods, and B can pay the money, independently of each other.

e. Devolution of Liability in Case of Death or Incapacity (Section 40)
(6 minutes)

- **Section 40:** If a promisor or promisee dies, the liability to perform the contract can devolve on their legal representatives or heirs.

- In the case of the death of a **promisor**, their **legal representative** may be liable to perform the contract if it can be performed by a third party.

- **Example:**

- If A, a contractor, dies, and A's legal heir (B) is able to complete the contract, B is liable to perform the obligations under the contract.

- **Incapacity:**

- If a party becomes incapable of performing a contract (e.g., becomes mentally incapable), their legal representatives may step in to fulfill the contract.

f. Performance Must Be as Agreed (Time, Place, and Manner) (6 minutes)

- **Time of Performance:**

- Performance must be done at the **time specified** in the contract, or within a reasonable time if no time is specified. Failure to perform at the correct time can lead to a **breach** of contract.

- **Example:**

- A promises to deliver goods on a certain date, but



	<p>delivers late. This can be a breach unless the delay is excused under certain conditions (e.g., force majeure).</p> <ul style="list-style-type: none"> • Place of Performance: <ul style="list-style-type: none"> ○ If no place is specified in the contract, the contract should be performed at the promisor's place of business or residence at the time of performance. ○ Example: <ul style="list-style-type: none"> ▪ If A promises to deliver goods to B but does not specify a place, A must deliver them at A's place of business. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Scenario-based Questions: <ol style="list-style-type: none"> 1. A promises to deliver books to B's home, but A mistakenly delivers them to B's office. Is A's performance valid? 2. A hires B to paint a portrait of him. Can A ask C, a different artist, to perform the contract? 3. A dies before completing a contract with B. What happens to the contract now? 4. B refuses to perform the contract despite having agreed to do so. What options does A have?
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> • Recap the key points: <ul style="list-style-type: none"> ○ The promisor is primarily responsible for performing the contract unless a third party performs it with the promisor's permission. ○ The promisee may also perform certain obligations or accept performance from a third party. ○ Contracts involving multiple parties require careful consideration of who must perform and when. ○ Performance must occur at the specified time, place, and in the manner agreed upon in the contract. <p>Suggested Reading</p> <ul style="list-style-type: none"> • Indian Contract Act, 1872 (Sections 37-40). • Relevant case laws involving performance of contracts and delegation of performance. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
<p>Evaluation</p>	<p>Reflective Questions:</p>



- What are the key legal principles that govern the performance of a contract?
- Can a third party always perform a contract on behalf of the promisor? Why or why not?
- What happens if the contract is not performed according to the agreed time, place, or manner?

Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 18	Course Name: Law of Contract-I Topic: Time, Place and Manner of Performance	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the importance of time, place, and manner in the performance of a contract. b. Identify how time, place, and manner of performance affect the enforceability and execution of contracts. c. Analyze the legal implications of non-performance or improper performance with respect to time, place, and manner. d. Examine case studies and examples to understand practical applications of the rules regarding performance.
Teaching Aids (if any)	ii. Presentation jj. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with questions:<ul style="list-style-type: none">○ "Why do you think the place and time of performance matter in a contract?"○ "What could happen if one party does not perform on time?"○ "Can a contract be valid if the place or manner of performance is unclear?"• Introduce the topic:<ul style="list-style-type: none">○ Discuss that the time, place, and manner of performance are critical components of a contract's execution. If these elements are not addressed clearly, they can lead to disputes or breach of contract.○ The lesson will focus on the legal aspects of these elements as defined in the Indian Contract Act, 1872, particularly in Sections 37, 38, and 39. 2. Development (30 minutes) a. Time of Performance (Section 37) (8 minutes) <ul style="list-style-type: none">• Legal Requirement:<ul style="list-style-type: none">○ Section 37 of the Indian Contract Act stipulates that a contract must be performed at the time agreed upon by the parties.○ If no time is specified, the performance must be made within a reasonable time, which depends on the nature of



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the contract.

- **Consequences of Delayed Performance:**

- If performance is not done on time, it is considered a **breach** unless it is excused under special circumstances (force majeure, mutual agreement to extend time, etc.).
- In cases where time is **not of the essence**, a delay may not necessarily result in a breach, but in cases where time is critical (e.g., contract for perishable goods), delay can be a breach.

- **Example:**

- A agrees to deliver a car to B on a specific date. If A delivers after the agreed date without a valid reason, A has committed a breach of contract.

b. Place of Performance (Section 38) (8 minutes)

- **Legal Requirement:**

- **Section 38** dictates that the contract should be performed at the **place** agreed upon by the parties.
- If no place is specified, performance should take place at the **promisor's place of business or residence** at the time of contract formation.
- For **goods** contracts, the place of performance is typically where the goods are to be delivered.

- **Changes in Place:**

- If a party is unable to perform at the specified place due to certain circumstances (e.g., the location is destroyed, inaccessible), the contract might need to be renegotiated, or the place may be changed through mutual consent.

- **Example:**

- A agrees to sell goods to B at A's warehouse. If B arrives at the warehouse and finds it closed, A must make alternative arrangements to perform the contract, or else A will be in breach.

c. Manner of Performance (Section 39) (8 minutes)

- **Legal Requirement:**

- **Section 39** stresses that performance must be carried out in the **manner agreed upon** by the parties.
- If the contract specifies a certain way in which the contract should be performed, the performance must follow that method. If the contract does not specify a manner, the performance should be done in the **usual manner** for such contracts or in a reasonable manner.

- **Deviation from the Agreed Manner:**

- If the performance does not match the agreed-upon manner,



it may lead to a breach of contract unless the change is agreed upon by both parties.

○ **Example:**

- A agrees to deliver a certain quantity of goods packed in specific packaging, but A delivers the goods unpacked. This would likely constitute a breach of the contract's manner of performance.

d. Time, Place, and Manner as Key Terms in Contract Enforcement (6 minutes)

• **Why They Matter:**

- **Certainty:** Clearly specifying time, place, and manner in a contract ensures certainty in performance, reducing the chance of disputes.
- **Enforceability:** Courts can enforce the contract more easily when these elements are defined. If they are vague or absent, the contract may become unenforceable or lead to complications.

• **Example:**

- A contractor agrees to complete a construction project by a certain date (time), at a specified location (place), and following a particular method of construction (manner). If the contractor does not meet any of these terms, the project owner can claim a breach of contract.

e. Remedies for Non-performance Regarding Time, Place, and Manner (4 minutes)

• **Breach of Contract:**

- If any of these elements (time, place, or manner) are violated, the party suffering the non-performance can seek remedies such as **damages** or **specific performance**.
- Courts may assess whether the breach was material or whether it could be excused due to unforeseen circumstances.

• **Force Majeure:**

- In certain situations (e.g., natural disasters, war), the time, place, or manner of performance may be excused, but this depends on the contract and applicable law.

3. Exercise (5 minutes)

• **Scenario-based Questions:**

1. A agrees to sell 100 tons of grain to B by the end of the month. However, A delivers only 50 tons a week later. What are A's legal obligations, and what can B do?



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	<ol style="list-style-type: none">2. A and B agree that B will deliver a specific machine to A's factory, but B delivers it to A's residence instead. What happens next?3. A hires B to paint a house with a particular type of paint and a specific technique. B uses a different paint and changes the technique. Is B in breach?
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">• Recap the key points:<ul style="list-style-type: none">○ Time, place, and manner are essential to the performance of contracts.○ The promisor must perform at the agreed time, at the agreed place, and in the manner specified.○ Non-performance or improper performance can result in a breach, and the aggrieved party may seek remedies like damages or specific performance.• Real-life application: Time, place, and manner clauses help avoid disputes and ensure both parties know what to expect in contract execution. <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 37-39).• Case laws on breach of contract due to failure in time, place, or manner of performance. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• Why is it important to specify the time, place, and manner of performance in a contract?• What would happen if these terms were not included in a contract?• How does the concept of time, place, and manner affect the enforcement of a contract? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 19	Course Name: Law of Contract-I Topic: Performance of Reciprocal promises & alternative promises	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the concept of reciprocal promises in a contract and how they must be performed. b. Learn the legal rules related to the performance of reciprocal promises . c. Analyze the different scenarios related to alternative promises and their performance. d. Apply the legal principles to practical contract cases involving reciprocal and alternative promises.
Teaching Aids (if any)	kk. Presentation ll. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with questions:<ul style="list-style-type: none">○ "What happens if two parties in a contract agree to perform something only after each other's performance?"○ "Have you ever made a promise where you had to wait for someone else to perform before you could fulfill your part?"• Introduce the topic:<ul style="list-style-type: none">○ Explain that in contracts, sometimes promises are made in exchange for another promise, known as reciprocal promises.○ Discuss alternative promises, where one of several options can be performed to fulfill the contract.○ This lesson will explain the performance rules for these types of promises under the Indian Contract Act, 1872, focusing on Sections 51-53. 2. Development (30 minutes) a. Performance of Reciprocal Promises (Sections 51-53) (10 minutes) <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ Reciprocal promises are promises made by the parties to a contract, where one promise is dependent on the performance of the other.○ In other words, the performance of each promise depends on the other party performing their promise.• Example:



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	<ul style="list-style-type: none">▪ A promises to sell his car to B, and B promises to pay A ₹50,000 for the car. A's promise to deliver the car is conditional on B paying, and B's promise to pay is conditional on A delivering the car. <ul style="list-style-type: none">• Legal Rules on Performance:<ul style="list-style-type: none">○ If the performance of reciprocal promises is to be done simultaneously, both must be performed at the same time. For example, A must deliver the car, and B must pay the agreed price simultaneously.○ If one party's performance is due first, the other party must perform after the first party has fulfilled their promise.○ Section 51: A party must perform their promise at the same time unless a different time is agreed upon.• Failure to Perform:<ul style="list-style-type: none">○ If one party fails to perform, the other party is not required to perform their part. This is often referred to as the doctrine of concurrent condition.○ Example: If B fails to pay ₹50,000, A is not required to deliver the car. <p>b. Performance of Alternative Promises (Sections 53) (10 minutes)</p> <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ Alternative promises are promises in which one party is required to do one of several things, and the other party may choose which one to perform.○ Example: A promises to either deliver a car or ₹50,000 in cash to B. B may choose either the car or the money.• Legal Rules on Performance:<ul style="list-style-type: none">○ In the case of alternative promises, the performance of one alternative discharges the contract.○ If a party performs one of the options, the other options become irrelevant, and the contract is considered performed.○ Section 53: When a contract involves alternative promises, the performance of any one option by the promisor will discharge the contract. The promisee cannot demand performance of the other option once the first option has been fulfilled.• Example:<ul style="list-style-type: none">○ A promises to pay ₹50,000 or deliver a car to B. If A pays ₹50,000 to B, the promise is fulfilled, and there is no obligation to deliver the car. <p>c. Case Study: Reciprocal and Alternative Promises (5 minutes)</p> <ul style="list-style-type: none">• Case Study 1 (Reciprocal Promises):
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	<ul style="list-style-type: none"> ○ A agrees to sell a piece of land to B for ₹1,00,000. B agrees to pay A ₹1,00,000 on the delivery of the title deed. ○ If A does not deliver the title deed, B is not required to pay the money, and vice versa. ○ Ask students: How does the failure of one party to perform affect the other party's obligations? ● Case Study 2 (Alternative Promises): <ul style="list-style-type: none"> ○ A promises to either deliver 100 kg of rice or ₹20,000 to B. A delivers the ₹20,000. Is A's obligation fulfilled? ○ Discuss with students: How does performance of one promise discharge the contract? <p>d. Distinction Between Reciprocal and Alternative Promises (5 minutes)</p> <ul style="list-style-type: none"> ● Reciprocal Promises: <ul style="list-style-type: none"> ○ Involve mutual performance or simultaneous performance of promises. ○ Performance is often dependent on the other party's performance. ○ Example: A and B promise to exchange goods. A must perform first if there is no simultaneous exchange clause. ● Alternative Promises: <ul style="list-style-type: none"> ○ Involve one promise among several options, and once one is performed, the contract is discharged. ○ Example: A promises to deliver a car or pay a certain amount of money. Once the payment is made, the car is not required. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> ● Scenario-based Questions: <ol style="list-style-type: none"> 1. A promises to deliver 100 bags of cement to B by next week, and B promises to pay ₹50,000 upon delivery. If B fails to pay on time, is A still required to deliver the cement? 2. A promises to either pay ₹10,000 to B or deliver a used car. A decides to pay ₹10,000. Is the contract fulfilled? 3. A and B agree that A will either give a laptop or ₹25,000. A delivers ₹25,000 to B. Is B entitled to the laptop?
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> ● Reciprocal promises require simultaneous performance or performance based on the other party's performance. ● Alternative promises offer several options, and fulfilling one option discharges the contract.



	<ul style="list-style-type: none">• Legal rules ensure fairness and clarity in the performance of these promises. <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 51-53).• Case laws on performance of reciprocal and alternative promises. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• What is the difference between reciprocal promises and alternative promises?• How does failure to perform reciprocal promises affect the other party?• Why is it important to clearly define the performance of alternative promises in a contract? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 20	Course Name: Law of Contract-I Topic: Rules to appropriation of payment	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the concept of appropriation of payment in contract law. b. Learn the rules governing the appropriation of payment in cases where there is more than one debt. c. Identify when and how a debtor may appropriate their payment towards a specific debt. d. Apply the principles of appropriation of payment to real-life examples and cases.
Teaching Aids (if any)	mm. Presentation nn. Discussion with real examples
Teaching Development	<p>1. Introduction (5 minutes)</p> <ul style="list-style-type: none"> • Start with Questions: <ul style="list-style-type: none"> ○ "Have you ever made a payment for a debt but did not specify which part of the debt you were paying?" ○ "What do you think happens when a debtor has multiple debts but makes a payment without specifying which debt it is for?" • Introduce the Topic: <ul style="list-style-type: none"> ○ Explain the concept of appropriation of payment: When a debtor makes a payment, they can specify how the payment should be applied (to a specific debt), or if no such specification is made, the creditor can apply the payment in a way that is fair and according to the law. ○ This lesson will discuss the rules of appropriation as provided under Section 59 of the Indian Contract Act, 1872. <p>2. Development (30 minutes)</p> <p>a. Concept of Appropriation of Payment (10 minutes)</p> <ul style="list-style-type: none"> • Definition: <ul style="list-style-type: none"> ○ Appropriation of payment refers to the process by which a debtor applies a payment towards a specific debt when multiple debts exist. ○ It applies when a debtor owes several debts to the creditor and makes a payment without specifying which debt the payment should be applied to. • Example:



	<ul style="list-style-type: none">○ A owes B two debts: ₹5,000 for goods purchased and ₹3,000 for a loan. If A pays ₹3,000 without specifying which debt it should be applied to, the payment will be appropriated according to the rules discussed.• Legal Provision:<ul style="list-style-type: none">○ Section 59 of the Indian Contract Act, 1872, provides that when a debtor makes a payment without specifying the debt to which it should be applied, the creditor has the right to decide how to apply the payment, provided there are no express instructions from the debtor. <p>b. Rules of Appropriation of Payment (10 minutes)</p> <ul style="list-style-type: none">• Rule 1: Payment According to Debtor's Instructions<ul style="list-style-type: none">○ If the debtor specifies how the payment should be applied (e.g., paying for a specific debt), the creditor must apply the payment accordingly.○ Example: A owes ₹5,000 for goods and ₹3,000 for a loan. If A specifies that the ₹3,000 payment should go toward the loan, the creditor must apply the payment as instructed.• Rule 2: Payment Made Without Specific Instructions<ul style="list-style-type: none">○ If the debtor does not specify how the payment is to be applied, the creditor can appropriate the payment toward any of the debts, but must act in a manner that is fair to the debtor.○ Example: A pays ₹2,000 but does not specify which debt the payment is for. The creditor can decide whether to apply it to the goods debt or the loan debt.• Rule 3: Appropriation of Payment When One Debt is Older<ul style="list-style-type: none">○ If the debtor has multiple debts and no specific instructions are given, the creditor may apply the payment to the older debt first. This is to ensure that the debtor is not penalized for past obligations.○ Example: A owes ₹5,000 for goods purchased (due now) and ₹3,000 for a loan (due next month). If A pays ₹3,000, the payment is likely to be applied to the loan, as it is the older debt.• Rule 4: Appropriation of Payment When One Debt is More Urgent<ul style="list-style-type: none">○ If one of the debts is more urgent, such as a debt that is overdue, the creditor may apply the payment to that debt to prevent the debtor from facing higher penalties (such as interest).○ Example: A owes ₹5,000 for goods, but also owes ₹3,000 for rent, which is overdue. A pays ₹3,000, and the creditor can apply the payment to the overdue rent.• Rule 5: Payment for Specific Performance
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	<ul style="list-style-type: none"> ○ If the debtor owes multiple debts but makes a payment that is explicitly for a specific performance or condition (e.g., an installment for a contract), the creditor must apply it according to the specified purpose. ○ Example: A owes ₹5,000 for goods and ₹3,000 for a loan. A pays ₹3,000 for an installment on the loan. The creditor must apply the payment toward the loan. <p>c. Case Studies (5 minutes)</p> <ul style="list-style-type: none"> • Case Study 1: <ul style="list-style-type: none"> ○ A owes B ₹8,000 for two debts: ₹5,000 for goods and ₹3,000 for rent. A pays ₹3,000 but does not specify which debt it is for. B applies the payment to the goods debt. ○ Question for Discussion: Is B's appropriation of payment legally correct? • Case Study 2: <ul style="list-style-type: none"> ○ A owes ₹6,000 for goods and ₹4,000 for a loan. A makes a payment of ₹4,000 and specifies that it should go toward the goods debt. ○ Question for Discussion: How should the creditor respond to this payment? <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Scenario-based Questions: <ol style="list-style-type: none"> 1. A owes B ₹10,000 for two separate debts: ₹6,000 for goods and ₹4,000 for a loan. A makes a payment of ₹5,000 without specifying which debt it is for. How should the creditor apply the payment? 2. A pays ₹2,000 for two debts: ₹1,500 for rent and ₹500 for goods. A does not specify the allocation. How should the creditor appropriately apply the payment? 3. A owes ₹8,000 for goods and ₹3,000 for a loan. A pays ₹3,000 and specifies it is for the goods. Can the creditor apply the payment to the loan instead? • Group Discussion: <ul style="list-style-type: none"> ○ Discuss the answers and clarify any doubts regarding the principles of appropriation of payment.
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> • The appropriation of payment is essential when a debtor makes a payment without specifying which debt it should be applied to. • The rules of appropriation ensure fairness and protect both the debtor and creditor in such cases. • Key principles include applying payment according to the debtor's



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	<p>instructions, applying it to the older or more urgent debt when there are no instructions, and ensuring the payment matches the terms of the contract.</p> <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Section 59) on appropriation of payment.• Case laws on payment appropriation. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• What happens when a debtor does not specify how a payment should be applied?• Why is it important for the creditor to apply the payment fairly?• How does the rule of appropriating payment to older debts work in practice? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 21	Course Name: Law of Contract-I Topic: Modes of Discharge of Contract	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the various modes of discharge of a contract . b. Learn the conditions and legal implications under each mode of discharge. c. Apply the principles of contract discharge to real-life scenarios and case studies. d. Distinguish between discharge by performance, discharge by breach, discharge by agreement , and other modes.
Teaching Aids (if any)	oo. Presentation pp. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with Questions:<ul style="list-style-type: none">○ "What do you think happens when one party does not fulfill their part of a contract?"○ "Can a contract end before both parties perform their obligations? How?"• Introduce the Topic:<ul style="list-style-type: none">○ Discharge of contract refers to the termination of contractual obligations. A contract can be discharged through various modes, including performance, breach, agreement, and frustration.○ This lesson will explore these different modes under the Indian Contract Act, 1872, focusing on Section 39 and related sections. 2. Development (30 minutes) a. Discharge by Performance (10 minutes) <ul style="list-style-type: none">• Definition: A contract is discharged when both parties have fulfilled their obligations as agreed.<ul style="list-style-type: none">○ Complete performance: All terms of the contract are fulfilled.○ Partial performance: If one party performs their part and the other fails to do so, the contract is partially discharged, and the performing party may sue for breach.• Legal Rules:<ul style="list-style-type: none">○ Section 37 of the Indian Contract Act emphasizes that both parties are bound to perform their respective promises



	<p>unless the performance is excused by the law.</p> <ul style="list-style-type: none">○ The contract can be discharged by performance if:<ul style="list-style-type: none">▪ Tender of performance: If one party offers to perform and the other party refuses without valid reason, the contract is discharged.▪ Time of performance: If the contract specifies time for performance, and the time passes without performance, the contract may be discharged.• Example:<ul style="list-style-type: none">○ A agrees to sell a car to B for ₹50,000. If A delivers the car and B pays the amount, the contract is discharged by performance. <p>b. Discharge by Breach (10 minutes)</p> <ul style="list-style-type: none">• Definition: A contract is discharged when one party fails to perform their obligations under the contract, leading to a breach.<ul style="list-style-type: none">○ Anticipatory Breach: Occurs when a party indicates, before the due date of performance, that they will not perform their obligations.○ Actual Breach: Occurs when a party fails to perform at the specified time or in the manner agreed upon in the contract.• Legal Rules:<ul style="list-style-type: none">○ Section 39 of the Indian Contract Act defines breach of contract as the failure to perform a promise at the appointed time or in the prescribed manner.○ The aggrieved party can either:<ul style="list-style-type: none">▪ Sue for performance (if performance is still possible), or▪ Terminate the contract and sue for damages.• Example:<ul style="list-style-type: none">○ A agrees to deliver goods to B by a specific date. If A fails to deliver the goods on time, B can treat the contract as breached and either terminate it or demand damages. <p>c. Discharge by Agreement (Rescission or Novation) (5 minutes)</p> <ul style="list-style-type: none">• Definition: A contract can be discharged by mutual agreement between the parties, which can happen in the following ways:<ol style="list-style-type: none">1. Rescission: Both parties agree to cancel the contract.2. Novation: One of the original parties to the contract is replaced by a new party, and the obligations are transferred.• Legal Rules:<ul style="list-style-type: none">○ Section 62 of the Indian Contract Act allows for discharge by mutual agreement, either by rescission or substitution of the contract.○ The contract may also be discharged by alteration
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	<p>(changing the terms of the contract) with mutual consent.</p> <ul style="list-style-type: none">• Example:<ul style="list-style-type: none">○ A and B agree to cancel their previous contract and enter into a new contract where A will supply different goods. This discharges the original contract by novation. <p>d. Discharge by Impossibility (Frustration of Contract) (5 minutes)</p> <ul style="list-style-type: none">• Definition: A contract is discharged if, due to an unforeseen event, the performance becomes impossible or illegal. This is known as frustration of contract.• Legal Rules:<ul style="list-style-type: none">○ Section 56 of the Indian Contract Act provides that if performance of the contract becomes impossible due to an unforeseen event (e.g., destruction of the subject matter, death of the party), the contract is automatically discharged.○ If an agreement becomes impossible to perform due to an event that neither party could control (force majeure), the contract is void.• Example:<ul style="list-style-type: none">○ A contracts with B to supply goods from a certain location. A's goods are destroyed by a natural disaster. In this case, the contract may be discharged due to impossibility of performance. <p>e. Discharge by Lapse of Time (5 minutes)</p> <ul style="list-style-type: none">• Definition: A contract may be discharged if the time specified for performance lapses without performance taking place, and no action is taken within the prescribed period of limitation.• Legal Rules:<ul style="list-style-type: none">○ Under Section 57 of the Indian Contract Act, a contract is discharged when the time for performance passes and the party fails to perform within the time frame agreed upon or prescribed by law.• Example:<ul style="list-style-type: none">○ If A promises to deliver goods to B within 30 days, but does not do so within that time and B does not take action, the contract may lapse. <p>f. Discharge by Operation of Law (5 minutes)</p> <ul style="list-style-type: none">• Definition: A contract can be discharged by operation of law when a legal event occurs, such as the insolvency of one of the parties, which makes it impossible for the contract to be performed.• Legal Rules:<ul style="list-style-type: none">○ The discharge may occur when a party becomes insolvent
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	<p>(in bankruptcy), or a party's mental incapacity or death prevents the contract from being performed.</p> <ul style="list-style-type: none"> • Example: <ul style="list-style-type: none"> ○ If A, who owes B ₹50,000, becomes insolvent, B may no longer be able to enforce the contract, discharging A from the debt. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Scenario-based Questions: <ol style="list-style-type: none"> 1. A agrees to deliver goods to B, but due to unforeseen circumstances, A cannot perform the contract. How would this contract be discharged? 2. A and B mutually agree to cancel an existing contract and replace it with a new contract. How is the original contract discharged? 3. A fails to perform their obligations under a contract by the agreed date. How can B discharge the contract? • Group Discussion: <ul style="list-style-type: none"> ○ Discuss each scenario and determine the mode of discharge based on the facts.
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> • Modes of discharge include performance, breach, agreement, impossibility (frustration), lapse of time, and operation of law. • Each mode has its own legal implications and consequences for both parties in the contract. <p>Suggested Reading</p> <ul style="list-style-type: none"> • Indian Contract Act, 1872 (Sections 37, 39, 56, 62, 57). • Case laws on discharge of contracts. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
<p>Evaluation</p>	<p>Reflective Questions:</p> <ul style="list-style-type: none"> • How does discharge by breach differ from discharge by performance? • What happens to a contract if one party becomes insolvent? • When would a contract be discharged due to impossibility of performance? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 22	Course Name: Law of Contract-I Topic: Breach of Contract	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the concept and legal implications of breach of contract . b. Identify the different types of breaches of contract (anticipatory and actual). c. Explain the legal remedies available for breach of contract, including damages and specific performance. d. Apply legal principles to real-life scenarios involving breach of contract.
Teaching Aids (if any)	qq. Presentation rr. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with Questions:<ul style="list-style-type: none">○ "What do you think happens when one party does not fulfill their part of a contract?"○ "Can a contract end before both parties perform their obligations? How?"• Introduce the Topic:<ul style="list-style-type: none">○ Discharge of contract refers to the termination of contractual obligations. A contract can be discharged through various modes, including performance, breach, agreement, and frustration.○ This lesson will explore these different modes under the Indian Contract Act, 1872, focusing on Section 39 and related sections. 2. Development (30 minutes) a. Discharge by Performance (10 minutes) <ul style="list-style-type: none">• Definition: A contract is discharged when both parties have fulfilled their obligations as agreed.<ul style="list-style-type: none">○ Complete performance: All terms of the contract are fulfilled.○ Partial performance: If one party performs their part and the other fails to do so, the contract is partially discharged, and the performing party may sue for breach.• Legal Rules:<ul style="list-style-type: none">○ Section 37 of the Indian Contract Act emphasizes that both parties are bound to perform their respective promises unless the performance is excused by the law.



	<ul style="list-style-type: none">○ The contract can be discharged by performance if:<ul style="list-style-type: none">▪ Tender of performance: If one party offers to perform and the other party refuses without valid reason, the contract is discharged.▪ Time of performance: If the contract specifies time for performance, and the time passes without performance, the contract may be discharged.• Example:<ul style="list-style-type: none">○ A agrees to sell a car to B for ₹50,000. If A delivers the car and B pays the amount, the contract is discharged by performance. <p>b. Discharge by Breach (10 minutes)</p> <ul style="list-style-type: none">• Definition: A contract is discharged when one party fails to perform their obligations under the contract, leading to a breach.<ul style="list-style-type: none">○ Anticipatory Breach: Occurs when a party indicates, before the due date of performance, that they will not perform their obligations.○ Actual Breach: Occurs when a party fails to perform at the specified time or in the manner agreed upon in the contract.• Legal Rules:<ul style="list-style-type: none">○ Section 39 of the Indian Contract Act defines breach of contract as the failure to perform a promise at the appointed time or in the prescribed manner.○ The aggrieved party can either:<ul style="list-style-type: none">▪ Sue for performance (if performance is still possible), or▪ Terminate the contract and sue for damages.• Example:<ul style="list-style-type: none">○ A agrees to deliver goods to B by a specific date. If A fails to deliver the goods on time, B can treat the contract as breached and either terminate it or demand damages. <p>c. Discharge by Agreement (Rescission or Novation) (5 minutes)</p> <ul style="list-style-type: none">• Definition: A contract can be discharged by mutual agreement between the parties, which can happen in the following ways:<ol style="list-style-type: none">1. Rescission: Both parties agree to cancel the contract.2. Novation: One of the original parties to the contract is replaced by a new party, and the obligations are transferred.• Legal Rules:<ul style="list-style-type: none">○ Section 62 of the Indian Contract Act allows for discharge by mutual agreement, either by rescission or substitution of the contract.○ The contract may also be discharged by alteration (changing the terms of the contract) with mutual consent.
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- **Example:**

- A and B agree to cancel their previous contract and enter into a new contract where A will supply different goods. This discharges the original contract by novation.

d. Discharge by Impossibility (Frustration of Contract) (5 minutes)

- **Definition:** A contract is discharged if, due to an unforeseen event, the performance becomes impossible or illegal. This is known as **frustration of contract**.
- **Legal Rules:**
 - **Section 56** of the Indian Contract Act provides that if performance of the contract becomes impossible due to an unforeseen event (e.g., destruction of the subject matter, death of the party), the contract is automatically discharged.
 - If an agreement becomes impossible to perform due to an event that neither party could control (force majeure), the contract is void.
- **Example:**
 - A contracts with B to supply goods from a certain location. A's goods are destroyed by a natural disaster. In this case, the contract may be discharged due to **impossibility of performance**.

e. Discharge by Lapse of Time (5 minutes)

- **Definition:** A contract may be discharged if the time specified for performance lapses without performance taking place, and no action is taken within the prescribed period of limitation.
- **Legal Rules:**
 - Under **Section 57** of the Indian Contract Act, a contract is discharged when the time for performance passes and the party fails to perform within the time frame agreed upon or prescribed by law.
- **Example:**
 - If A promises to deliver goods to B within 30 days, but does not do so within that time and B does not take action, the contract may lapse.

f. Discharge by Operation of Law (5 minutes)

- **Definition:** A contract can be discharged by operation of law when a legal event occurs, such as the **insolvency** of one of the parties, which makes it impossible for the contract to be performed.
- **Legal Rules:**
 - The discharge may occur when a party becomes **insolvent** (in bankruptcy), or a party's **mental incapacity** or **death**



	<p>prevents the contract from being performed.</p> <ul style="list-style-type: none"> • Example: <ul style="list-style-type: none"> ○ If A, who owes B ₹50,000, becomes insolvent, B may no longer be able to enforce the contract, discharging A from the debt. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Scenario-based Questions: <ol style="list-style-type: none"> 1. A agrees to deliver goods to B, but due to unforeseen circumstances, A cannot perform the contract. How would this contract be discharged? 2. A and B mutually agree to cancel an existing contract and replace it with a new contract. How is the original contract discharged? 3. A fails to perform their obligations under a contract by the agreed date. How can B discharge the contract? • Group Discussion: <ul style="list-style-type: none"> ○ Discuss each scenario and determine the mode of discharge based on the facts.
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> • Modes of discharge include performance, breach, agreement, impossibility (frustration), lapse of time, and operation of law. • Each mode has its own legal implications and consequences for both parties in the contract. <p>Suggested Reading</p> <ul style="list-style-type: none"> • Indian Contract Act, 1872 (Sections 37, 39, 56, 62, 57). • Case laws on discharge of contracts. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
<p>Evaluation</p>	<p>Reflective Questions:</p> <ul style="list-style-type: none"> • How does discharge by breach differ from discharge by performance? • What happens to a contract if one party becomes insolvent? • When would a contract be discharged due to impossibility of performance? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 23	Course Name: Law of Contract-I Topic: Anticipatory Breach of Contract	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the concept of anticipatory breach of contract and its legal implications. b. Distinguish between actual breach and anticipatory breach . c. Learn the remedies available for anticipatory breach, including the right to terminate the contract and claim damages. d. Apply the principles of anticipatory breach to real-world contract scenarios.
Teaching Aids (if any)	ss. Presentation tt. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with Questions:<ul style="list-style-type: none">○ "What do you think would happen if one party informs the other before the due date that they cannot perform the contract?"○ "How does this differ from when a party refuses to perform the contract on the actual due date?"• Introduce the Topic:<ul style="list-style-type: none">○ Anticipatory Breach of Contract occurs when one party, before the due date of performance, indicates an intention not to fulfill their contractual obligations. This breach allows the non-breaching party to treat the contract as terminated immediately and seek remedies. 2. Development (30 minutes) a. Definition of Anticipatory Breach of Contract (10 minutes) <ul style="list-style-type: none">• Definition:<ul style="list-style-type: none">○ An anticipatory breach happens when one party clearly indicates, before the performance is due, that they will not or cannot fulfill their obligations under the contract. This can happen through explicit communication (words) or through actions that show an unwillingness or inability to perform.• Key Characteristics:<ol style="list-style-type: none">1. Early refusal or indication: The breaching party informs the other party ahead of the agreed time that they will not perform.



	<p>2. Before performance is due: The breach occurs before the time of performance has arrived.</p> <p>3. Non-performance or inability to perform: The party demonstrates they cannot fulfill their part of the contract, either by direct statement or through conduct.</p> <ul style="list-style-type: none">• Legal Basis:<ul style="list-style-type: none">○ The principle of anticipatory breach is rooted in common law and is recognized under Indian Contract Act, 1872. The anticipatory breach allows the non-breaching party to terminate the contract and claim damages before the time for performance has arrived. <p>b. Difference between Anticipatory Breach and Actual Breach (10 minutes)</p> <ul style="list-style-type: none">• Actual Breach:<ul style="list-style-type: none">○ Occurs when one party fails to perform their obligations at the time specified in the contract or performs the contract improperly.○ The breach happens at the time of performance, not before.○ Example: A agrees to deliver goods on a specific date but fails to do so on that date.• Anticipatory Breach:<ul style="list-style-type: none">○ Occurs when one party informs the other, before the time of performance, that they will not be able to fulfill their obligations.○ The non-breaching party has the option to either:<ul style="list-style-type: none">▪ Wait until the time for performance arrives and see if the party changes their mind.▪ Treat the contract as terminated and take action immediately (claim damages or rescind the contract). <p>Key Differences:</p> <ul style="list-style-type: none">• Timing: Anticipatory breach happens before the due date; actual breach happens at or after the due date.• Action: In anticipatory breach, the non-breaching party can take immediate action, whereas in actual breach, they must wait for the failure to perform. <p>Example Comparison:</p> <ul style="list-style-type: none">• Anticipatory Breach: A contracts to sell goods to B and informs B one week before the due date that they will not deliver the goods.
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- **Actual Breach:** A fails to deliver the goods to B on the agreed date.

c. Remedies for Anticipatory Breach of Contract (10 minutes)

- **1. Right to Terminate the Contract:**
 - The non-breaching party can immediately treat the contract as terminated upon learning of the anticipatory breach.
 - This is because the act of anticipatory breach is seen as a refusal to perform, and the non-breaching party has no obligation to wait for the formal due date.
- **2. Right to Claim Damages:**
 - The non-breaching party can file for **damages** immediately. The damages are calculated based on the loss suffered due to the anticipatory breach.
 - **Compensatory Damages:** Aimed at compensating the non-breaching party for the actual loss they will suffer as a result of the anticipatory breach.
 - **Consequential Damages:** If there are additional indirect losses due to the breach, these can also be claimed.
- **3. Right to Sue for Specific Performance:**
 - In some cases, if the subject matter of the contract is unique and cannot be replaced, the non-breaching party may seek **specific performance**, compelling the breaching party to fulfill their obligations under the contract.
- **4. No Need to Wait for the Due Date:**
 - One of the significant aspects of anticipatory breach is that the non-breaching party does not need to wait for the due date to claim damages or seek other remedies. The breach is considered an immediate ground for action.
- **Example of Legal Remedy:**
 - A contract for the sale of a rare painting is breached anticipatorily by A, who informs B before the agreed delivery date that they will not deliver the painting. B can immediately terminate the contract and may claim damages for the loss suffered.

d. Legal Cases on Anticipatory Breach (5 minutes)

- **Case 1: Hochster v. De La Tour (1853):**
 - The court held that a contract could be treated as breached when one party **informs the other party ahead of the due date** that they would not be able to perform the contract. In this case, the non-breaching party was entitled to **immediate action** and did not have to wait for the due date.
- **Case 2: Frost v. Knight (1872):**
 - The case involved a promise that was to be performed at a future time. The court held that when one party repudiates



	<p>the contract before performance is due, the other party has the option to treat the contract as terminated.</p> <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none">• Scenario-Based Discussion:<ol style="list-style-type: none">1. A agrees to deliver a batch of goods to B by December 1st. On November 25th, A informs B that they cannot fulfill the contract. How would B handle this situation under the law? What remedies are available?2. A has promised to repair B's house by next month, but one week before the agreed date, A informs B that they won't do the work. What options does B have?
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">• Anticipatory breach occurs when one party indicates, before the due date, that they will not perform their obligations.• The non-breaching party can immediately terminate the contract and claim damages or seek other legal remedies.• Actual breach occurs when the performance fails at the due time, and the non-breaching party can only act once the breach happens. <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 39, 73, 74).• Relevant case laws, including Hochster v. De La Tour, Frost v. Knight. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none">• How does anticipatory breach affect the non-breaching party's rights?• What are the remedies available for anticipatory breach?• What is the difference between anticipatory breach and actual breach in terms of legal remedies? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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Lesson Plan No. 24	Course Name: Law of Contract-I Topic: Consequences of Breach of Contract	Course No.: BBALLB-101
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Objectives	At the end of the lesson, the student shall be able to: a. Understand the concept of breach of contract and its legal consequences. b. Learn the various types of consequences arising from a breach of contract. c. Distinguish between the different remedies available for breach of contract, including damages, specific performance, and injunctions. d. Apply the principles of breach of contract to real-world scenarios and understand the rights of the non-breaching party.
Teaching Aids (if any)	uu. Presentation vv. Discussion with real examples
Teaching Development	<p>1. Introduction (5 minutes)</p> <ul style="list-style-type: none"> • Start with Questions: <ul style="list-style-type: none"> ○ "What happens when one party does not fulfill their obligations under a contract?" ○ "How would you respond if the other party fails to perform as agreed?" • Introduce the Topic: <ul style="list-style-type: none"> ○ Breach of contract occurs when a party fails to perform their obligations under the contract without a lawful excuse. This can result in various legal consequences, which will be discussed in this lesson. <p>2. Development (30 minutes)</p> <p>a. Definition of Breach of Contract (5 minutes)</p> <ul style="list-style-type: none"> • Breach of contract is the failure of a party to fulfill their obligations as per the contract, either by not performing on time, performing inadequately, or refusing to perform altogether. • Key Points: <ol style="list-style-type: none"> 1. Failure to Perform: When the promisor does not fulfill the contract terms. 2. Non-performance: Failure to complete the work at all. 3. Partial Performance: When a party only performs part of their obligations or does so incorrectly. • Legal Basis: <ul style="list-style-type: none"> ○ Breach of contract is recognized under Sections 73 and 74



of the Indian Contract Act, 1872.

b. Types of Breach of Contract (5 minutes)

1. Actual Breach:

- Occurs when a party fails to perform the contract on the agreed date or performs it incorrectly at the time of performance.
- Example: If a supplier agrees to deliver goods by a specific date and fails to do so.

2. Anticipatory Breach:

- Occurs when one party informs the other in advance that they will not perform the contract.
- Example: A seller informs the buyer before the delivery date that they will not deliver the goods as agreed.

3. Minor Breach (Partial Breach):

- Occurs when the breach is minor and does not affect the whole contract. The non-breaching party may still be required to perform, but damages can be claimed for the minor breach.
- Example: A contractor builds a house with a minor deviation from the agreed design but still largely fulfills the contract.

4. Material Breach:

- A significant violation that goes to the heart of the contract, allowing the non-breaching party to terminate the contract.
- Example: A buyer contracts for 100 units of a product, but the seller delivers only 50 units.

c. Consequences of Breach of Contract (15 minutes)

• 1. Damages:

- The most common remedy for a breach of contract is the award of **damages** to the non-breaching party to compensate for the loss suffered.
- **Types of Damages:**
 - **Compensatory Damages:** To cover the actual loss directly resulting from the breach.
 - **Consequential Damages:** To cover indirect losses (e.g., lost profits) due to the breach.
 - **Nominal Damages:** When a breach occurs but no actual financial loss is suffered.
 - **Punitive Damages:** Awarded in cases where the breach was willful or malicious.
 - **Liquidated Damages:** Pre-agreed sum of damages specified in the contract in case of breach.
- **Example:** If a supplier breaches the contract by delivering



	<p>defective goods, the buyer may be entitled to compensatory damages to cover the cost of replacing the goods.</p> <ul style="list-style-type: none">• 2. Specific Performance:<ul style="list-style-type: none">○ A remedy that compels the breaching party to perform the contract as agreed, typically used when damages are inadequate, such as in contracts for unique items.○ Example: A contract for the sale of a unique piece of art, where specific performance may be ordered instead of monetary compensation.• 3. Injunction:<ul style="list-style-type: none">○ A court order preventing a party from doing something that would breach the contract, or compelling them to do something.○ Example: A court may issue an injunction to stop an employee from disclosing confidential information in violation of a non-disclosure agreement.• 4. Rescission:<ul style="list-style-type: none">○ The non-breaching party may choose to rescind (cancel) the contract, which means treating the contract as void. The parties are restored to their original positions, as if the contract had never existed.○ Example: If one party fails to deliver a service within the stipulated time, the other party may rescind the contract and return any payments made.• 5. Restitution:<ul style="list-style-type: none">○ Restoring the non-breaching party to the position they were in before the contract was made. This is typically used when the contract has been rescinded.○ Example: A contract for the purchase of goods is breached, and the buyer may demand restitution, i.e., return of any money paid for the goods.• 6. Quantum Meruit:<ul style="list-style-type: none">○ If one party has partially performed their contractual obligations, they may claim payment for the work done, even if the contract has been breached.○ Example: A contractor who has completed part of the work but is unable to finish due to the other party's breach may claim payment for the work done. <p>d. Case Law Examples (5 minutes)</p> <ol style="list-style-type: none">1. Hadley v. Baxendale (1854):<ul style="list-style-type: none">○ The court held that damages for breach of contract are limited to those losses that were reasonably foreseeable by both parties at the time the contract was made.○ Impact: Establishes the rule of foreseeability in awarding damages.
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	<p>2. Ruxley Electronics v. Forsyth (1996):</p> <ul style="list-style-type: none">○ The case clarified that damages for non-performance may not always be calculated based on the cost of rectification if it exceeds the value of the benefit that would have been gained by full performance.○ Impact: Introduced the concept of loss of amenity as an element in determining damages. <p>3. Exercise (5 minutes)</p> <ul style="list-style-type: none">• Scenario-Based Discussion:<ol style="list-style-type: none">1. Scenario 1: A car manufacturer fails to deliver a vehicle to the buyer by the agreed date. What remedies does the buyer have under contract law?2. Scenario 2: A developer delivers substandard construction work that violates the contract terms. The buyer is disappointed with the work and demands compensation. What remedies are available to the buyer?• Group Discussion:<ul style="list-style-type: none">○ In each scenario, students should identify which remedy (damages, specific performance, rescission, etc.) would apply and justify their choice based on the nature of the breach.
<p>Closure</p>	<p>Summary (3 minutes)</p> <ul style="list-style-type: none">• Breach of contract leads to legal consequences, including the right to claim damages, seek specific performance, obtain an injunction, or rescind the contract.• The remedies available depend on the nature and seriousness of the breach. <p>Suggested Reading</p> <ul style="list-style-type: none">• Indian Contract Act, 1872 (Sections 73 and 74).• Case studies and judgments related to breach of contract. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
<p>Evaluation</p>	<p>Reflective Questions:</p> <ul style="list-style-type: none">• What are the different remedies for a breach of contract?• How do compensatory damages differ from punitive damages?• In what cases would a party seek specific performance as a remedy?



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Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 25	Course Name: Law of Contract-I Topic: Remedies for Breach of Contract	Course No.: BBALLB-101
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Objectives	At the end of this lesson, the student shall be able to: a. Understand the concept of remedies available for breach of contract. b. Identify and distinguish between different remedies for breach of contract (e.g., damages, specific performance, injunction). c. Apply the principles of breach of contract remedies to various case scenarios. d. Analyze how remedies are awarded in practical situations, considering the facts of the case and the legal principles.
Teaching Aids (if any)	ww. Presentation xx. Discussion with real examples
Teaching Development	1. Introduction (5 minutes) <ul style="list-style-type: none">• Start with Questions:<ul style="list-style-type: none">○ "What happens if one party does not fulfill their obligations under a contract?"○ "What do you think are the options available to the party whose rights are violated in such cases?"• Introduce the Topic:<ul style="list-style-type: none">○ When a contract is breached, the non-breaching party is entitled to a remedy. These remedies aim to compensate for the loss caused by the breach or to compel the breaching party to fulfill their obligations.○ Legal Basis: Breach of contract remedies are outlined primarily in Sections 73 and 74 of the Indian Contract Act, 1872. 2. Development (30 minutes) <p>a. Remedies for Breach of Contract (5 minutes)</p> <ul style="list-style-type: none">• General Principle:<ul style="list-style-type: none">○ When a party breaches a contract, the law provides remedies designed to either compensate the non-breaching party or enforce performance of the contract. <p>b. Types of Remedies (20 minutes)</p> <p>1. Damages (10 minutes)</p> <ul style="list-style-type: none">○ Definition: Damages are the most common remedy for breach of contract. They aim to compensate the non-



	<p>breaching party for the loss caused due to the breach.</p> <ul style="list-style-type: none">○ Types of Damages:<ul style="list-style-type: none">▪ Compensatory Damages: These are awarded to cover actual loss directly resulting from the breach.<ul style="list-style-type: none">▪ Example: A seller failing to deliver goods by the agreed date. The buyer can claim damages to recover the cost of purchasing goods from another seller at a higher price.▪ Consequential (Special) Damages: These cover indirect or secondary losses that were foreseeable at the time the contract was made.<ul style="list-style-type: none">▪ Example: A printer company not delivering a printer on time, resulting in the buyer losing a lucrative business deal because they could not fulfill their own contract.▪ Nominal Damages: Awarded when there is a breach, but no significant loss has been suffered.<ul style="list-style-type: none">▪ Example: If a contract was breached but the non-breaching party did not experience financial loss, nominal damages like a small token amount may be awarded.▪ Punitive Damages: These are awarded to punish the breaching party when the breach was willful or malicious, and to deter similar conduct in the future.<ul style="list-style-type: none">▪ Example: A company intentionally defrauds a consumer and causes harm.▪ Liquidated Damages: Pre-agreed sum of money specified in the contract for breach, enforceable if the breach occurs.<ul style="list-style-type: none">▪ Example: A construction contract specifying that the contractor will pay a specific amount if the project is not completed by a certain date. <p>2. Specific Performance (5 minutes)</p> <ul style="list-style-type: none">○ Definition: Specific performance is an equitable remedy that compels the breaching party to perform the contract as agreed, usually in cases where damages are not an adequate remedy.○ When is it applicable?: Specific performance is typically granted when the subject matter of the contract is unique and cannot be easily replaced (e.g., the sale of land, rare goods, or works of art).○ Example: A seller agrees to sell a rare collectible painting to a buyer but later refuses to deliver it. The buyer may seek an order for specific performance, compelling the seller to deliver the painting. <p>3. Injunction (5 minutes)</p>
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	<ul style="list-style-type: none">○ Definition: An injunction is a court order that either restrains a party from doing something (prohibitory injunction) or compels a party to do something (mandatory injunction).○ When is it applicable?: Injunctions are typically used to prevent further breach of contract or to prevent harm that may result from non-performance.○ Example: An employer may seek an injunction to prevent an employee from working for a competitor in violation of a non-compete clause in a contract. <p>4. Rescission (3 minutes)</p> <ul style="list-style-type: none">○ Definition: Rescission is the cancellation of the contract, which treats the contract as if it never existed. This remedy is available when a breach is material or fundamental.○ When is it applicable?: Rescission is appropriate when the breach affects the heart of the contract, rendering the agreement voidable.○ Example: If one party does not deliver the goods or services as promised and the other party can no longer fulfill the purpose of the contract, they may choose to rescind the contract. <p>5. Restitution (2 minutes)</p> <ul style="list-style-type: none">○ Definition: Restitution seeks to return the non-breaching party to the position they were in before the contract was made, often by returning money or property that was exchanged.○ When is it applicable?: This remedy applies when a contract is rescinded or voided due to a breach.○ Example: If a buyer makes an advance payment for goods and the seller breaches the contract, the buyer may claim restitution to recover the payment made. <p>6. Quantum Meruit (5 minutes)</p> <ul style="list-style-type: none">○ Definition: This remedy allows a party to claim compensation for the value of the work they have performed under the contract, even if the contract has been breached or cannot be completed.○ When is it applicable?: This applies when a contract has been partially performed and is not completed due to the other party's breach.○ Example: A contractor who has performed part of the work (such as designing a building) but is unable to complete it due to the employer's breach may claim quantum meruit for the completed work. <p>3. Case Law Examples (5 minutes)</p> <p>1. Hadley v. Baxendale (1854):</p>
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	<ul style="list-style-type: none"> ○ Established the rule of foreseeability for awarding damages. The damages must be those that both parties could have reasonably foreseen at the time the contract was made. <p>2. Ruxley Electronics v. Forsyth (1996):</p> <ul style="list-style-type: none"> ○ In this case, the court clarified that the measure of damages for a breach of contract can be based on the loss of amenity, i.e., the difference in value caused by the defect. <p>4. Exercise (5 minutes)</p> <ul style="list-style-type: none"> • Scenario-Based Discussion: <ul style="list-style-type: none"> ○ Scenario 1: A hotel fails to provide a room for a wedding reservation made months in advance. What remedy does the client have, and why? ○ Scenario 2: A buyer agrees to purchase a rare book, but the seller changes their mind. What are the possible remedies for the buyer? • Group Discussion: Students identify the appropriate remedy in each case (damages, specific performance, rescission, etc.) and justify their reasoning.
Closure	<p>Summary (3 minutes)</p> <ul style="list-style-type: none"> • Breach of contract can lead to various remedies, depending on the circumstances of the breach. The most common remedies include damages, specific performance, injunctions, rescission, restitution, and quantum meruit. <p>Suggested Reading</p> <ul style="list-style-type: none"> • Indian Contract Act, 1872, Sections 73 and 74. • Case law discussions on remedies for breach of contract. <p>Spend 5 minutes to wrap up and consolidate the learning</p>
Evaluation	<p>Reflective Questions:</p> <ul style="list-style-type: none"> • What is the difference between compensatory damages and liquidated damages? • In which cases would a court grant specific performance instead of awarding damages? • Can nominal damages be awarded in all breach cases? <p>Spend 5 minutes to evaluate student assimilation of the lesson contents</p>



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