QUASI CONTRACTS

MEANING

- It means a contract which lacks one or more of the essentials of a contract.
- Quasi contract are declared by law as valid contracts on the basis of principles of equity i.e. no person shall be allowed to enrich himself at the expense of another.

Contract

PARTY A CONTRACT PARTY B

Consideration

E.G 'A' places an order for a medium size pizza from 'Smoking Joe'. The delivery boy, delivers it at a place of 'B' by mistake.

Here B has to return it or pay for it.

Kinds of Quasi Contract

Supply of Necessaries

Payment made by Interested person

Non-Gratuitous Act

Finder of Goods

Payment of money by mistake

 Supply of necessaries to incompetent persons:

Minor or unsound mind

- E.g
- A supplied to B, a lunatic, the necessaries suitable to his condition to life.
- A is entitled to be reimbursed from B's property.

 Payment made by Interested person

Payment made on behalf of another

e.g

A had rented his flat to B. As per agreement, the electricity bill shall be paid by A.

A fails to pay the bill for three months. B can make the payment to avoid disconnection and can recover the amount from A

- Non-Gratuitous Act
- Means acts which are done with the intention of being paid.

- E.g
- A constructed a market for the municipality as per the contract. Afterwards the municipality refused to make payments inspite of enjoying the benefits on the grounds that the contract entered into had some technical problem.
- A was entitled to recover the amount

Finder of Goods

- E.g
- A finds a purse lying on the road. A must make reasonable search for the true owner.
- The true owner must reimburse the expenses incurred by A in tracing him.

Payment of money by mistake

- E.g
- A and B jointly owe Rs. 1000 to
 C. A alone pays the amount to
 C.
- B, not knowing of the fact also pays C the amount of Rs. 1000.
- C is bound to repay the amount to B