

Chapter 1-Indian Regulatory System

1. Article 141 of the Indian Constitution. In fact, a Supreme Court decision is binding on all courts
2. Article 126-Appointment of Chief Justice of India
3. Article 32-Writ Petition in Supreme Court
4. Article 214 of the Indian Constitution - there must be a High Court in each state.
5. Article 227 of the Indian Constitution- limits a High Court's supervisory power.
6. Article 226-Writ Petition in High Court

Chapter 2-Indian Contracts Act

UNIT 1: NATURE OF CONTRACTS

1. Section 2 (h) – Definition of Contract- “An agreement enforceable by law is a contract”.
2. Section 2(e)-Definition of Agreement- “every promise and every set of promises, forming the consideration for each other”.
3. Section 2 (b)- definition of Promise/Acceptance - “when the person to whom the proposal is made signifies his assent there to, the proposal is said to be accepted. Proposal when accepted, becomes a promise”.
4. Section 2 (a)- Definition of Offer/Proposal- “When one person signifies to another his willingness to do or to abstain (not to do) from doing anything, with a view to obtaining the assent of that another to such act or abstinence, he is said to make a proposal”
5. Section 8 - Anyone performing the conditions of the offer can be considered to have accepted the offer(General offer)
6. Section 6- Lapse of offer/revocation of offer:
7. Section 4-Communication of offer is complete when it comes to the knowledge of offeree.
8. Section 3 -prescribes two modes of communication namely,
 - a. By any act and
 - b. By omission, intending thereby, to communicate to the other or which has the effect of communicating it to the other.
9. Section 2 (j)-Definition of Void Contract “A contract which ceases to be enforceable by law becomes void when it ceases to be enforceable”.
10. Section 2(i)-Definition of Voidable Contract- “an agreement which is enforceable by law at the option of one or more the parties but not at the option of the other or others is a voidable contract”.
11. Section 9 -provides that if a proposal or acceptance of any promise is made in words the promise is said to be express.
12. Section 10 of the Act- “all agreements are contracts if they are made by the free consent of the parties competent to contract, for lawful consideration and with a lawful object and are not expressly declared to be void”.
13. Section 11 of the Indian Contract Act - every person is competent to contract who
 - a. is of the age of majority according to the law to which he is subject and
 - b. is of sound mind and
 - c. is not otherwise disqualified from contracting by any law to which he is subject. A person for being competent to contract must fulfil all the above three qualifications.
14. Section 23 - consideration or object is not lawful if it is prohibited by law, or it is such as would defeat the provisions of law, if it is fraudulent or involves injury to the person or property of another or court regards it as immoral or opposed to public policy.

UNIT 2: CONSIDERATION

1. section 2 (d) –Definition of Consideration “When at the desire of the promisor, the promisee or any other person did or abstained from doing, or does or abstains from doing, or promises to do or abstain from doing something, such act or abstinence is called a consideration for the promise”.
2. Section 25 –No Consideration, No contract-Exceptions
3. section 25(1)- Natural Love and Affection Contracts
4. Section 25(2)- Compensation for past voluntary services
5. Section 25(3)- Promise to pay time barred debt
6. Section 185 -no consideration is necessary to create an agency.
7. Explanation (1) to Section 25 states “nothing in this section shall affect the validity as between the donor and donee, of any gift actually made.” Thus, gifts do not require any consideration.

UNIT 3: OTHER ESSENTIAL ELEMENTS OF A VALID CONTRACT

1. Section 11)-“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”.
2. Section 30 of the Indian Partnership Act-Minor can be admitted to the benefits of partnership.
3. Section 12-a person is of unsound mind if he is not capable of understanding the terms of contract and form a rational judgment as to its effect.
4. Section 13 –Definition of Consent- “Two or more persons are said to consent when they agree upon the same thing in the same sense. “ It is also known as consensus-ad-idem (i.e. meetings of the minds)
5. Section 14 –Definition of Free Consent- Consent is said to be free when it is not caused by:
 - 1) Coercion
 - 2) Undue influence
 - 3) Fraud
 - 4) Misrepresentation
 - 5) Mistake
6. Section 15-Definition of Coercion-“Coercion is committing or threatening to commit, any act forbidden by the Indian Penal Code or unlawfully detaining or threatening to detain any property, to the prejudice of any person whatever with the intention of causing any person to enter into an agreements.

7. Section 16-Definition of undue influence-A contract is said to be induced by “undue influence” where the relations subsisting between the parties are such that one of the parties is in a position to dominate the will of the other and uses that position to obtain an unfair advantage of the other
8. Section 19A- Effect of undue influence
9. Section 17- Definition of Fraud- ‘Fraud’ means and includes any of the following acts committed by a party to a contract, or with his connivance, or by his agent, with an intent to deceive another party thereto or his agent, or to induce him to enter into the contract:
 - 1) the suggestion, as a fact, of that which is not true, by one who does not believe it to be true;
 - 2) the active concealment of a fact by one having knowledge or belief of the fact;
 - 3) a promise made without any intention of performing it;
 - 4) any other act fitted to deceive;
 - 5) any such act or omission as the law specially declares to be fraudulent.
10. SECTION 18- Definition of Misrepresentation- There is misrepresentation:
 - 1) Statement of fact, which of false, would constitute misrepresentation if the maker believes it to be true but which is not justified by the information he possesses;
 - 2) When there is a breach of duty by a person without any intention to deceive which brings an advantage to him;
 - 3) When a party causes, even though done innocently, the other party to the agreement to make a mistake as to the subject matter
11. Section 19-When consent to an agreement is caused by coercion, undue influence, fraud or misrepresentation, the agreement is a contract voidable at the option of the party whose consent was so caused.
12. Section 20-Bilateral mistake: Where both the parties to an agreement are under a mistake as to a matter of fact essential to the agreement, there is a bilateral mistake. In such a case, the agreement is void
13. Section 22- Unilateral Contract-a contract is not voidable merely because it was caused by one of the parties to it being under a mistake as to a matter of fact.
14. Section 23&24-Unlawful consideration and object
15. Section 26- Agreement in restraint of marriage
16. Section 27- Agreement in restraint of trade
17. Section 28- Agreement in restraint of legal proceedings
18. Section 29- Agreement the meaning of which is uncertain
19. Section 30-Wagering Agreement

UNIT 4: PERFORMANCE OF CONTRACT

1. Section 37-Obligations of parties to contracts-Perform /offer to perform
2. section 40-Performance of contracts by Promisor/Agent
3. Section 41-Performance by Third persons

4. Section 42-Performance by Joint promisors
5. Section 38-Effect of refusal to accept offer of performance (requirements of A valid performance)
6. Section 39- Effect of a refusal of party to perform promise
7. Section 42-The joint promisors or their representatives must jointly perform the promise
8. Section 43-The promisee may compel anyone of the joint promisors to perform the promise
9. Section 44-The promisee may release one of the joint promisors
10. Section 45-Rights of Joint Promisees
11. Section 46 -Where the day for performance is not specified in the contract, and the promisor himself has to perform the promise without being asked (i.e., without any demand) by the promisee the promise must be performed within a reasonable time
12. Section 47-Where the time for performance is not specified in the contract, and the promisor himself has to perform the promise without being asked (i.e., without any demand) by the promisee, promise may be performed at any time during the usual hours of business on the specified day.
13. Section 48-Where the day for the performance is specified in the contract and the promisor has to perform it only on being asked (i.e., on demand) by the promisee, Promisee's duty to specify day, time, place for performance
14. Section 49-Where the place for performance is not specified in the contract, and the promisor himself has to perform the promise without being asked by the promisee, then the promisor, must first apply to the promisee to appoint a reasonable place for the performance of the promise. And thereafter, he should perform the premise at the place appointed by the promisee
15. Section 50-Where the manner and time for performance is prescribed by the promisee himself, the promise should be performed in the manner and at the time prescribed by the promisee
16. Section 2(f)-Definition of a Reciprocal Promise -"Promises which form the consideration or part of consideration for each other are called reciprocal promises."
17. Section 51-Mutual and concurrent reciprocal promise
18. Section 54-Conditional and dependent reciprocal promise
19. Section 52-Order of performance of reciprocal promises
20. Section 53-Liability of party preventing event on which the contract is to take effect
21. Section 57-Reciprocal promise to do certain things that are legal, and also some other things that are illegal
22. Section 58-'Alternative promise' one branch being illegal
23. Section 55-Effects of failure to perform at a time fixed in a contract which time is essential
24. Section 56-Impossibility of performance
25. Section 59-Where the debtor has stated that the payment made by him should be adjusted against a particular debt, the creditor must do so if he accepts the payment
26. Section 60-Where the debtor makes payment without any indication about the appropriation of the payment, the creditor may adjust the payment according to his discretion.
27. Section 61-Where the debtor does not expressly intimate anything about the appropriation of the payment and the creditor also fails to make any appropriation, And if there is no express intimation, the law will gather his intention from the circumstances regarding the payment

28. Section 62-Novation means the substitution of existing contract for a new contract.
29. Section 66-Communication of rescission (Section 66)
30. Section 62-The term 'alteration' means change in one or more terms of the contract.
31. Sec 63-The term 'remission' means the acceptance of lesser fulfillment of the terms of the promise
32. Sec 64-Any benefit received under voidable contract which is subsequently avoided is to be returned back
33. Section 65-Any benefit received under void contract is to be returned back
34. Section 67-Effects of neglect of promisee

UNIT 5: BREACH OF CONTRACT AND ITS REMEDIES

1. Section 39 -Anticipatory breach of contract and provides as follows:
2. Section 73-Damages for breach of contract
3. Section 74 provides that if a sum is named in a contract as the amount to be paid in case of a breach, the aggrieved party is entitled to receive from the party at fault a reasonable compensation not exceeding the amount so named(Liquidated damages and Penalty)
4. Section 75-A person who rightfully rescinds a contract is entitled to compensation for any damage which he has sustained through non-fulfilment of the contract.

UNIT 6: CONTINGENT AND QUASI CONTRACTS

1. Section 31-"A contract to do or not to do something, if some event, collateral to such contract, does or does not happen".
2. Section 32-Enforcement of contracts contingent on an event happening:
3. Section 33-Enforcement of contracts contingent on an event not happening
4. Section 34-A contract would cease to be enforceable if it is contingent upon the conduct of a living person when that living person does something to make the 'event' or 'conduct' as impossible of happening.
5. Section 35-Contingent on happening/not happening of specified event within the fixed time
6. Section 36-Contingent on an impossible event

QUASI CONTRACTS

1. Section 68-Claim for necessities supplied to persons incapable of contracting

2. Section 69-Payment by an interested person
3. Section 70-Obligation of person enjoying benefits of non-gratuitous act
4. Section 71-Responsibility of finder of goods
5. Section 72-Money paid by mistake or under coercion

Chapter 3-Special Contracts

UNIT 1:Indemnity and Guarantee

1. Section 124-Definition of Indemnity Contract- Indemnity contract is a contract, by which one party promises to save the other from loss caused to him by the conduct of the promisor himself or by the conduct of any other person, is called a contract of indemnity.
2. Section 125-Rights of indemnity holder
3. Section 126-Definition of “Contract of Guarantee”- ‘A contract of guarantee’ is a contract to perform the promise, or discharge the liability, of a third person in case of his default.
4. Section 127 -no actual consideration is required for contract of guarantee. In other words, anything done, or any promise made, for the benefit of the principal debtor, may be a sufficient consideration to the surety for giving the guarantee.
5. Section 128-Nature of Surety’s Liability -The liability of the surety is co-extensive with that of the principal debtor unless it is otherwise provided by the contract.
6. section 129- Continuing guarantee
7. Section 130: A continuing guarantee may at any time be revoked by the surety, as to future transactions, by notice to the creditor.
8. Section 131- The death of the surety operates in the absence of any contract to the contrary, as to revocation of a continuing guarantee so for as regards future transactions.
9. Section133- Surety discharged by Variation in terms of contract between the principal debtor and creditor without surety’s consent
10. Section 134- Surety discharged by By release or discharge of principal debtor
11. Section 135 -Discharge of surety when creditor compounds with, gives time to, or agrees not to sue, principal debtor
12. Section 139- If creditor fails to perform his duty, surety is discharged.
13. Section136- Surety is not discharged when agreement made with third person to give time to principal debtor.
14. Section 137-Mere forbearance on the part of the creditor to sue the principal debtor does not in the absence of any provision in the guarantee to the contrary, discharge the surety.
15. Section 138 -Where there are co- sureties, a release by the creditor , one of them does not discharge the other
16. Section 145- In every contract of guarantee there is an implied promise by the principal debtor to indemnify the surety.
17. Section 141-Surety’s right to benefit of creditor’s securities
18. Section 146=Co- sureties liable to contribute equally
19. Section 147- Where the co- sureties have agreed to guarantee different sums, they have to contribute in the agreed ratio.

20. Section 138-Creditor may sue any one of the co-sureties or he may release any of the co-sureties from the liability. However, this does not free the surety so released from his liability towards the other co-sureties.
21. Section 132-Any understanding/ mutual agreement between co-sureties that one of them only shall be liable as a surety will not affected the rights of the creditor in any way even if the creditor knew the arrangement between the debtors.
22. Section 142-Guarantee obtained by misrepresentation invalid
23. Section 143-Guarantee obtained by concealment invalid
24. Section 144-Where more than 1 surety is required, guarantee given by only 1 surety is invalid until others join.

UNIT 2: BAILMENT AND PLEDGE

1. Bailment is defined under Section 148-Definition of bailment- “A contract whereby goods are delivered by one person to another for some purpose, that the goods shall, when the purpose is over be returned or disposed off according to directions of the person delivering the goods.”
2. Section 150-Bailor’s duty to disclose faults in goods bailed
3. Section 158-Bailor’sDuty to pay necessary expenses
4. Section 159-Duty to indemnify the Bailee for premature termination
5. Section 164-Bailor’s responsibility to bailee
6. Section 153-If bailee does any act with regards to the goods bailed, which is not permissible as per the contract of bailment, the contract becomes voidable at the option of the bailor
7. Section 159-When the goods are lent gratuitously, the bailor can demand back the goods at any time even before the expiry of the time fixed or the achievement of the object.
8. Section 180 -Suit by bailor & bailee against wrong doers
9. Section181-Appportionment of relief or compensation obtained by such suits (): Whatever is obtained by way of relief or compensation in any such suit shall, as between the bailor and the bailee, be dealt with according to their respective interests
10. Section 151-Duty of Bailee to take reasonable Care of the goods
11. Section 152-The bailee, in the absence of any special contract, is not responsible for the loss, destruction or deterioration of the thing bailed, if he has taken the amount of care of it described in section 151.
12. Section 153-Bailee’s duty Not to make inconsistent use of goods
13. section 154- Damages for violation of section 153
14. Section 155 -If the Bailee mixes the goods bailed with this own goods With the consent of the Bailor, Both the parties shall have interest in proportion to their respective shares in the mixture produced
15. Section 156- the Bailee mixes the goods bailed with this own goods Without the consent of the Bailor and If the goods are separable ,Bailer has to separate the goods and bailee is bound to bear the expenses of separation and division and any damage arising from the mixture

16. Section 157-Section If the goods are not separable, Bailee have to compensate bailor for any loss/damage
17. Section 160-It is the duty of bailee to return, or deliver according to the bailor's directions, the goods bailed without demand, as soon as the time for which they were bailed, has expired, or the purpose for which they were bailed has been accomplished (Section 160)
18. Section 161-If, by the default of the bailee, the goods are not returned, delivered or tendered at the proper time, he is responsible to the bailor for any loss, destruction or deterioration of the goods from that time.
19. Section 163- Bailee's duty to Return an accretion from the Goods
20. Section 165-Bailee's Right to Deliver the Goods to any one of the Joint Bailors
21. Section 166-Bailee's Right to indemnity
22. Section 150- Bailee's Right to claim compensation in case of faulty goods
23. Section 158-Bailee's Right to claim extraordinary expenses
24. Section 167-Bailee's Right to Apply to Court to decide the Title to the Goods
25. Section 170- Bailee's Right of particular lien for payment of services
26. Section 171- Bailee's Right of general lien
27. Section 168- If the owner has offered some reward for the return of goods and the finder of goods has the knowledge of such reward, he can file a suit for the recovery of the award.

Pledge

1. Section 172-Definition of Pledge- Bailment of goods as security for a payment of a debt or performance of a promise is called pledge/pawn.
2. Section 173- Pawnee's Right to retain the pledged goods
3. Section 174- Pawnee's Right to retention of subsequent debts
4. Section 175-Pawnee's right to extraordinary expenses incurred
5. Section 176-Pawnee's right where pawnor makes default
6. Section 177-Pawnor's Right to redeem goods pledged
7. Section 178-Pledge by mercantile agent
8. Section 178A-Pledge by person in possession under voidable contract
9. Section 179-Pledge where pawnor has only a limited interest

Agency

1. Section 182-An agent is a person employed to do any act for another or to represent another in dealings with third person. The person for whom such act is done, or who is so represented is called the principal
2. Section 185-The peculiarity in the law of agency lies in the fact that unlike other forms of contract the existence of consideration is not at all necessary for its validity

3. Section 183-Only a person who has contractual capacity can lawfully employ an agent. Thus a minor or a person of unsound mind cannot appoint an agent
4. Section 184-Even a minor can become an agent and the principal can be bound by his acts
5. Section 186 -The authority of an agent may be expressed or implied
6. Section 187-An authority is said to be express when it is given by words, spoken or written
7. Section 237-Agency by Estoppel
8. Section 197-Ratification of Agency may be expressed or Implied
9. Section 198-Knowledge requisite for valid ratification of agency
10. Section 199-Effect of ratifying unauthorized act forming part of a transaction
11. Section 200-Ratification of unauthorized act cannot injure third person
12. Section 188-Agent's authority in normal circumstances
13. Section 189-Agent's authority In case of emergency
14. Section 191-Definition of sub agent- "a sub-agent is a person employed by and acting under the control of the original agent in the business of agency."
15. Section 190-The general rule of law is that an agent cannot delegate his powers to another without the consent of the principal
16. Section 192-Representation of principal by sub-agent properly appointed
17. Section 193-Agent's responsibility for sub-agent appointed without authority
18. Section 194-Substituted agent is not to be treated as a sub agent but only as an agent of the original principal
19. Section 195-While selecting a "substituted agent" the agent is bound to exercise same amount of diligence as a man of ordinary prudence and if he does so he will not be responsible for acts or negligence of the substituted agent
20. Section 211- Agent's duty to Conduct business in accordance with the directions given by the principal
21. Section 212, an agent is bound to conduct the business of the agency with as much skill as is generally possessed by persons engaged in similar business, unless the principal has notice of his want of skill.
22. Section 214-Agent' duty to communicate with principal
23. Section 215-If an agent deals on his own account in the business of the agency, without first obtaining the consent of his principal and informing him with all material circumstances which have come to his own knowledge on the subject, the principal may cancel the transaction, if the case shows either that any material fact has been dishonestly concealed from him by the agent, or that the dealings of the agent have been disadvantageous to him.
24. section 216- if an agent, without the knowledge of his principal deals in the business of the agency on his own account instead of on account of his principal, the principal is entitled to claim from the agent any benefit which may have resulted to him from the transaction.
25. Section 213- Agent's Duty to render proper accounts
26. Section 218-Agent's duty to pay sums received for principal
27. Section 217-Right of retain out of sums received on principal's account
28. Section 219-Right to remuneration

29. Section 220-However an agent who is guilty of misconduct in the business of the agency is not entitled to any remuneration in respect of that part of the business which he has committed misconduct
30. Section 221-Agent's lien on principal's property
31. Agent's Right of indemnification for lawful acts
32. Section 223-Right of indemnification against acts done in good faith
33. Section 224-Non-liability of employer of agent to do a criminal act
34. Section 225-Right to compensation for injury caused by principal's neglect
35. Section 226-Principal liable for the acts of agents which are within the scope of his authority
36. Section 227-When agent exceeds authority and when the part of what he does, which is within his authority, can be separated from the part which is beyond his authority, then principal is liable only for the part which is within authority
37. Section 229-Principal is bound by the notice given to agent provided notice is in course of business
38. Section 238-Liability for Misrepresentation or fraud by an agent when agent is acting within his authority
39. Section 237-When an agent has, without authority, done acts or incurred obligations to third persons on behalf of his principal, the principal is bound by such acts or obligations, if he has by his words or conduct induced such third persons to believe that such acts and obligations were within the scope of the agent's authority
40. Section 228-When agent exceeds authority and when the part of what he does, which is within his authority, cannot be separated from the part which is beyond his authority, then agent is liable
41. Section 230-Agent personally liable When he is working for a foreign principal ,sovereign, ambassador etc.
42. Section 235-Liability of pretended agent
43. Section 236-Person falsely contracting agent not entitled to performance
44. Section 238-Liability for Misrepresentation or fraud by an agent when agent is acting beyond his authority
45. Section 231-If the principal discloses himself before the contract is completed, the other contracting party may refuse to fulfil the contract, if he can show that, if he had known who was the principal in the contract, or if he had known that the agent was not a principal, he would not have entered into the contract
46. Section 232-Where one man makes a contract with another, neither knowing nor having reasonable ground to suspect that the other is an agent, the principal, if he requires the performance of the contract, can only obtain such performance subject to the rights and obligations subsisting between the agent and the other party to the contract
47. Section 233-In cases where the agent is personally liable, a person dealing with him may hold either him or his principal, or both of them, liable
48. Section 234-When a person who has made a contract with an agent induces the agent to act upon the belief that the principal only will be held liable, or induces the principal to act upon the

belief that the agent only will be held liable, he cannot afterwards hold liable the agent or principal respectively

49. Section 203-Revocation of Agency by Principal
50. Section 205-Compensation for revocation by principal, or renunciation by agent
51. Section 206-Notice of revocation or renunciation
52. Section 207-Revocation and renunciation may be expressed or implied
53. Section 208-When termination of agent's authority takes effect as to agent, and as to third persons
54. Section 209-Death / Insanity (Section 209): Death or Insanity of the Principal or the agent amounts to termination of agency if it is not coupled with interest.
55. Section 202-where the agency cannot be terminated, it is irrevocable agency. Where the agent has himself an interest in the property which forms the subject matter of the agency, the agency cannot in the absence of an express contract, be terminated.

Chapter 4-Sale of Goods Act

UNIT 1: Formation of contract of sale

1. Section 4(1)- “A contract of sale of goods is a contract whereby the seller transfers or agrees to transfer the property in the goods to the buyer for a price. “
2. Section 4(2)- A contract of sale may be absolute or conditional
3. Section 4(3) -“where under a contract of sale the property in the goods is transferred from the seller to the buyer, the contract is called a sale.”
4. Section 4(3) of the Sale of Goods Act, 1930, as – “where the transfer of the property in the goods is to take place at a future time or subject to some condition thereafter to be fulfilled, the contract is called an agreement to sell.”
5. Section 2(1)]-“Buyer means a person who buys or agrees to buy goods.”
6. Section 2(13)]-“Seller means person who sells or agrees to sell goods.”
7. Section 2(7)-“Goods” means every kind of movable asset other than actionable claims and money; and includes stocks and shares,growing crops, grass and things attached to or forming part of the land which are agreed to the severed before sale or under the contract of sale
8. Section 6-EXISTING GOODS are such goods as are in existence at the time of the contract of sale, i.e., those owned or possessed by the seller at the time of contract of sale
9. Section 2(14)-Specific goods means goods identified and agreed upon at the time a contract of sale is made
10. Section 2 (6)-FUTURE GOODS means goods to be manufactured or produced or acquired by the seller after making the contract of sale
11. Section 6(2)-The acquisition of which by the seller depends upon an uncertain contingency (uncertain event) are called ‘contingent goods’
12. Section 2(2)]-“Delivery’ means voluntary transfer of possession from one person to another”
13. Section 2 (4)-Documents showing Title to Goods/ Documents of Title to Goods
14. Section 2 (10)]-“Price’ means the money consideration for a sale of goods.”
15. Section 2 (11)- General property (Ownership), Special property (Interest)
16. Section 2 (9)]-“Mercantile Agent’ means an agent having in the customary course of business as such agent, authority either to sell goods, or to consign goods for the purpose of sale, or, to buy goods, or to raise money on the security of goods.”
17. Section 2(8)]: A person is said to be insolvent when he ceases to pay his debts in the ordinary course of business, or cannot pay his debts as they become due, whether he has committed an act of insolvency or not.
18. Section 2(12)-Quality of goods includes their state or condition.
19. Section 5 (1)-Formation and modes of a contract of sale
20. Section 5 (2)- if any particular mode is prescribed by any law, then the contract of sale must be made in that particular mode
21. Section 7-Goods perishing before making of contract

22. Section 8-Goods perishing before sale but after agreement to sell
23. Section 9 –Modes of fixing price
24. Section 9(2)-The fixation of a reasonable price
25. Section 10-The fixation of price by third party
26. Section 11-Stipulation as to time

Unit 2: conditions and warranties

1. Section 12-“A condition is a stipulation essential to the main purpose of the contract, that breach of which gives a right to treat the contract as repudiated.”
2. Section 12-“A warranty is a stipulation collateral to the main purpose of the contract, the breach of which gives rise to a claim for damages but not a right to reject the goods and treat the contract as repudiated”.
3. Section 13-When Conditions can be treated as warranty
4. Section 14-Conditions as to title
5. Section 15-Condition as to description
6. Section 17-Condition as to sample
7. Section 15-Condition as to sample as well as description
8. Section 16(1)-Condition as to quality or fitness for buyer’s purpose
9. Section 16(2)-Condition as to merchantability
10. Section 14(b)-Warranty as to undisturbed possession
11. Section 14(c)-Warranty as to free from encumbrance
12. Section 16(3)-Warranties quality or fitness by usage of trade
13. Section 16-The doctrine of caveat emptor(buyer beware)

Unit 3: Transfer of ownership and delivery of goods

1. Section 19-Where there is a contract for the sale of specific or ascertained goods the property in them is transferred to the buyer at such time as the parties to the contract intend it to be transferred
2. Section 20- Where there is an unconditional contract for the sale of specific goods in a deliverable state, the property in the goods passes to the buyer when the contract is made, and it is immaterial whether the time of payment of the price or the time of delivery of the goods, or both, is postponed.
3. Section 21: The ownership is transferred as soon as the seller has put the goods in a deliverable state and the buyer comes to know about the act of the seller.

4. Section 22- Where the specific goods in a deliverable state are to be weighed or measured by the seller to ascertain the price, the ownership is transferred to the buyer as soon as the seller has done the act of ascertaining the price and the buyer comes to know about this act of the seller.
5. Section 18-Where there is a contract for the sale of unascertained goods, property in the goods is transferred to the buyer only after the goods are ascertained.
6. Section 23-Appropriation of goods
7. Section 24-Goods sent on approval or “on sale or return”
8. Section 25-Reservation of right of disposal
9. Section 26-Transfer of risk
10. Section 27-Sale by a mercantile agent
11. Section 28-Sale by a joint owner
12. Section 30(1) -Sale by a seller in possession of goods after their sale
13. Section 30(2)- Sale by a buyer in possession of goods before the ownership is transferred.
14. Section 29-Sale by a person in possession under a voidable contract
15. Section 31)-It is the duty of the seller to deliver the goods and of the buyer to accept and pay for them, in accordance with the terms of the contract of sale.
16. Section 32-Payment and delivery are concurrent conditions
17. Section 33-The delivery of the goods may be made in any of the modes, but it must have the effect of putting the goods in the possession of the buyer or his agent.
18. Section 35-It is seller’s duty to put the goods in deliverable state and inform the buyer regarding same. It is buyer’s duty to make a demand for the delivery of the goods.
19. Section 36(3)-Sometimes, at the time of sale, the goods are in the possession of a third person. In such cases, the effective delivery takes place when such person acknowledges to (i.e., inform) the buyer, that he holds the goods on his (buyer’s) behalf.
20. Section 39(1)-Where the sold goods are delivered to a carrier/wharfinger for the purpose of transmission to the buyer or safe custody, the delivery of goods to the carrier/ wharfinger is treated as a delivery to the buyer
21. Section 36(1)-Place for the delivery of goods
22. Section 36(2)-Time for the delivery of goods
23. Section 36(4)-Time for demand or tender of delivery
24. Section 36(5)-Expenses for the delivery of goods [Section 36(5)]
25. Section 40-Deterioration of goods during transit
26. Section 38-Delivery of goods by instalments
27. Section 34-Part delivery of goods
28. Section 37-Delivery of wrong quantity
29. Section 41- Buyer’s right to examine the goods
30. Section 42-Rule related to Acceptance of Delivery of Goods (Section 42):Acceptance is deemed to take place when the buyer
31. Section 43-Buyer not bound to return rejected goods
32. Section 44-Liability of buyer for neglecting or refusing delivery of goods

Unit 4-Unpaid Seller

1. SECTION 45(1)-A seller will be called 'unpaid' if the following conditions are fulfilled:
 - a. The whole or part of the price has not been paid or tendered and that the seller has immediate right of action for the price.
 - b. A bill of exchange or other negotiable instrument has been received but the same has been dishonoured.
2. Section 46- Rights of unpaid seller
3. Section 47-The unpaid seller of goods can retain his possession of goods until payment of the price
4. Section 48: Where an unpaid seller has made part delivery of the goods, he may exercise his right of lien on the remainder
5. Section 49-Termination of Lien
6. Section 50-Meaning of right of stoppage in transit - The right of stoppage in transit means the right of stopping the goods while they are in transit, to regain the possession and to retain them till the full price is paid.
7. Section 51-Duration of transit
8. Section 52-How stoppage in transit is effected
9. Section 54-Right of Resale by unpaid seller
10. Section 55-Suit for recovery of price
11. Section 56-Suit for damages.
12. Section 60-Repudiation (cancellation) of contract before due date
13. Section 61-Suit for interest
14. Sec 53-The right of lien or stoppage in transit is not affected by the buyer selling or pledging the goods unless the seller has assented to it.
15. Section 57-Damages for non-delivery
16. Suit for specific performance by buyer
17. Section 59-Suit for breach of warranty
18. Section 64-Auction sales
19. SECTION 64A- inclusion of increased or decreased taxes in contract of sale

Chapter 5-Indian partnership act

Unit 1- General nature of partnership

1. Section 4 -Partnership is the relation between two or more persons who have agreed to share the profits of a business carried on by all or any of them acting for all.
2. Section 6-Mode of determining existence of partnership (Section 6)
3. Section 5-Partnership is created by agreement and not by status
4. Section 7-Partnership at will
5. Section 28-Partner by Holding Out or by Estoppel
6. Section 58-Procedure for Registration of a Partnership Firm
7. Section 59: When the Registrar is satisfied that the provisions of Section 58 have been duly complied with, he shall record an entry of the statement in a Register called the Register of Firms and shall file the statement. Then he shall issue a certificate of Registration.
8. Section 59A-1 -Late registration of Firm on payment of penalty
9. Section 69-Consequences of non-registration

UNIT 2: RELATION OF PARTNERS

1. Section 12 (a)- Right to take part in business
2. Section 12 (c)- Right to be consulted [Section 12 (c)]
3. Section 12 (d)- Right to have access to books [Section 12 (d)]
4. Section 12 (e)- Right of legal heirs/ representatives/ their duly authorised agents
5. Section 13 (b)- Right to share profits [Section 13 (b)]
6. Section 13 (c)- Right to interest on capital
7. Section 13 (d)- Right to interest on advances
8. Section 13 (e)- Right to be indemnified
9. Section 13 (a)- Right to remuneration
10. Section 9-Duty to carry on the firm business to the greatest common advantage
11. Section 10-Duty to indemnify for loss caused by fraud
12. Section 12(b)-Duty to attend diligently
13. Section 16-Duty to account for personal profits
14. Section 15-Duty to use firm property exclusively for firm
15. SECTION 11-The mutual rights and duties of the partners of a firm may be determined by contract between the partners, and such contract may be express or may be implied.
16. section 17-Rights and duties of the partners in the reconstituted firm
17. Section 14-property of the firm
18. Section 18-Partner to be agent of the firm (Section 18)

19. Express and implied Authority of a Partner-(Section 19 & 22)
20. Section 20-Alteration of Authority
21. Section 21-Authority in an emergency
22. Section 23-Admission/Representation by a partner
23. Section 24-Notice to the Acting Partner
24. Section 25-Liability of a partner for acts of the firm- Contractual liability
25. Section 26-Liability of the firm for wrongful acts of a partner
26. Section 27-Liability of firm for misapplication by partners
27. Section 29-Transfer of Partner's interest
28. Section 30-Minor's Position in Partnership Firm
29. Section 31-Admission of a Partner
30. Section 32-Retirement of a Partner
31. Section 33-Expulsion of a Partner
32. Section 36- Rights of the Partner to carry on competing business
33. Section 37-Right To share subsequent profits (Section 37)
34. Section 34-Insolvency of a Partner
35. Section 35-Death of a Partner

.UNIT 3 : DISSOLUTION OF FIRM

1. Section 39-Dissolution of firm
2. Section 41-Compulsory dissolution
3. Section 40-Dissolution by agreement between the partners
4. Section 43-Dissolution by
5. Section 42-Dissolution on the happening of certain contingencies
6. Section 44-Dissolution with the intervention of court
7. Section 45-Liabilities for the acts done after dissolution
8. Section 47-Continuing Authority for Winding Up
9. Section 46-Partner's Right for Utilization of Assets
10. Section 48-Mode of Settlement of Accounts
11. Section 49-Payment of firm's debts and Partner's Private Debts

Chapter 6

Limited Liability Partnership Act,2008

1. LLP is a body corporate: Section 3 of LLP Act -LLP is a body corporate formed and incorporated under this Act and is a legal entity separate from that of its partners.
2. Section 14(c)-LLP may have a common seal, if it decides to have one
3. Section 26-Every partner of a LLP is, for the purpose of the business of LLP, the agent of the LLP, but not of other partners
4. Section 2(1)(e)-“Business” includes every trade, profession, service and occupation except any activity which the Central Government may, by notification, exclude.
5. Section 2(1)(ta)-Small LLP
6. Section 7-Designated Partner
7. Section 5-Individual As a partner
8. Sec 2(1)(d)-Body Corporate as a partner
9. Section 6-Number of partners
10. section 2(1)(m)- Foreign LLP means a LLP formed, incorporated or registered outside India which establishes a place of business within India.
11. Section 59-Central Government may make rules for provisions in relation to establishment of place of business by foreign LLP within India and carrying on their business
12. Section 2(1)(o)-LLP Agreement
13. Section 2(1)(l)-Financial year
14. SECTION 4-Unless otherwise provided, the provisions of the Indian Partnership Act, 1932 shall not apply to a LLP
15. Section 15-Every limited liability partnership shall have either the words “limited liability partnership” or the acronym “LLP” as the last words of its name.
16. Section 16-Reservation of name
17. Section 11-Incorporation Document
18. Section 12-Incorporation Registration
19. Section 14-Effect of registration
20. SECTION 13-Registered office and it’s change
21. Section 16-Change of name

Chapter 7

Companies Act, 2013

1. Section 2(20) - 'company' means a company incorporated under Companies Act, 2013 or under any of the previous laws relating to companies.
2. Section 2(22)-a company limited by shares is a registered company having the liability of its members limited to the amount, if any, unpaid on the shares respectively held by them. If his shares are fully paid - up, he has nothing more to pay.
3. Section 2(21)- a company limited by guarantee or a "guarantee company" is a company having the liability of its members limited to such an amount as the members may respectively thereby undertake, by the memorandum of association of the company, to contribute to the assets of the company.
4. Section 2(92)-unlimited company is a company not having any limit on the liability of its members. In such a company the liability of a member ceases when he ceases to be a member.
5. Section 2(68)-private company is a company which by its articles,
 - a. Restricts the right to transfer its shares;
 - b. Limits the number of its members to 200 (except in case of One Person Company):
6. Section 2(71)-public company is a company which is not a private company and has a minimum share capital as prescribed.
7. Section 2(62)- One Person Company' means a company which has only one person as a member.
8. Section 2(85)-small company means a company, other than a public company,-
 - a. Paid-up share capital of which does not exceed 4 crore rupees or such higher amount as may be prescribed which shall not be more than ten crore rupees and
 - b. Turnover of which as per as per profit and loss account for the immediately preceding financial year does not exceed 40 crore rupees or such higher amount as may be prescribed which shall not be more than one hundred crore rupees.
9. Section 2(87)-company shall be a subsidiary of another, if any of the following conditions are satisfied :-
 - a. That other controls the composition of its Board of Directors;
 - b. That other exercises or-controls more than one-half of the total voting power either on its own or together with one or more of its subsidiary companies; or
 - c. The first-mentioned company is a subsidiary of any company which is that other's subsidiary.
10. Section 2(46)-'Holding Company', in relation to one or more other companies, means a company of which such companies are subsidiary companies.

11. Section 2(6)- In relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.
12. Section 2(52), it is a company which has any of its securities listed on any recognised stock exchange.
13. Section 2(45)-Government company means any company in which not less than fifty- one per cent. of the paid-up share capital is held by
 - a. the Central Government, or
 - b. by any State Government or Governments, or
 - c. partly by the Central Government and partly by one or more State Governments,
14. Section 2(42), foreign company means any company or body corporate incorporated outside India which
 - a. Has a place of business in India whether by itself or through an agent, physically or through electronic mode; and
 - b. Conducts any business activity in India in any other manner
15. Section 455-Where a company is formed and registered under this Act for a future project or to hold an asset or intellectual property and has no significant accounting transaction, such a company or an inactive company may make an application to the Registrar in such manner as may be prescribed for obtaining the status of a dormant company.
16. section 406(1) -Nidhi or Mutual Benefit Society' means a company which the Central Government may, by notification in Official Gazette declare to be a 'Nidhi or Mutual Benefit Society.
17. Section 2(72)-public financial institutions.
18. section 2(69) -Promoter means a person
 - a. Who has been named as such in a prospectus or is identified by the company in the annual return referred to in section 92; or
 - b. Who has control over the affairs of the company, directly or indirectly whether as a shareholder, director or otherwise; or
 - c. In accordance with whose advice, directions or instructions the Board of Directors of the company is accustomed to act.
19. Section 3-deals with the basic requirement with respect to the constitution of the company
20. SECTION 7-Incorporation of Companies
21. Section 9-Effect of Registration [Sec. 9]:
22. section 447-Punishments for fraud
23. Section 399-A memorandum is a public document under Section 399
24. Section 4-Form of Memorandum
25. Section 5(1)- Contents and model of articles of association
26. Section 10 -where the memorandum and articles when registered, shall bind the company and the members thereof to the same extent as if they respectively had been signed by the company and by each member, and an agreement to observe all the provisions of the memorandum and of the articles.

27. Section 2(84) -share means a share in the share capital of a company and includes stock.
28. Section 44 of the Companies Act, 2013, the shares or debentures or other interests of any member in a company shall be movable property transferable in the manner provided by the articles of the company.
29. Section 2(8)- “authorised capital” or “nominal capital” means such capital as is authorised by the memorandum of a company to be the maximum amount of share capital of the company.
30. Section 2(86)- “subscribed capital” means such part of the capital which is for the time being subscribed by the members of a company.
31. Section 2(15)- “Called-up capital” means such part of the capital, which has been called for payment.
32. Section 2(64) - “paid-up share capital” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.

Chapter 8

Negotiable instruments Act, 1881

1. Section 143A-interim compensation during the pendency of the criminal complaint
2. Section 148-criminal appeal.
3. Section 13 of the Act provides for only three kinds of negotiable instruments namely, bills of exchange, promissory notes and cheques, payable either to order or bearer.
4. Section 4- Promissory note is An instrument in writing (not being bank note or a currency note) containing an unconditional undertaking, signed by the maker to pay a certain sum of money to a certain person or to the order of a certain person, or to the bearer of the instrument.
5. Sec. 31 of RBI Act). Only the Reserve Bank or the Central Government can make or issue a promissory note 'payable to bearer' as bearer promissory notes are currency notes.
6. Section 5-Bill of exchange is an instrument in writing containing an unconditional order, signed by the maker, directing a certain person to pay a certain sum of money to a certain person or to the order of a certain person or to the bearer of the instrument.
7. Section 6 defines a cheque as a bill of exchange drawn on a specified banker and not expressed to be payable otherwise than on demand and includes the electronic image of a truncated cheque and a cheque in the electronic form.
8. Section 11 -Inland instrument- Inland Instrument: Any instrument drawn or made in India and Either payable in or drawn upon any person resident in India shall be deemed to be an inland instrument.
9. Section 12-Foreign Instruments -Instrument which is not an inland instrument
10. Section 134-the liability of the maker or drawer of a foreign promissory note or bill of exchange or cheque is regulated in all essential matters by the law of the place where he made the instrument, and the respective liabilities of the acceptor and Indorser by the law of the place where the instrument is made payable
11. Section 20-Inchoate Instrument (Section 20)-It means an Instrument that is incomplete in certain respects.
12. Section 17-Ambiguous Instrument-An instrument which is vague and cannot be clearly identified either as a bill of exchange, or as a promissory note, is an Ambiguous instrument. In other words, such an instrument may be construed either as promissory note, or as a bill of exchange. Regarding such instruments, Section 17 provides that the holder may, at his discretion, treat it as either and the instrument shall thereafter be treated accordingly. Thus, after exercising his option, the holder cannot change that it is the other kind of instrument.
13. Section 18- If the amount undertaken or ordered to be paid is stated differently in figures and in words, the amount stated in words shall be the amount undertaken or ordered to be paid.
14. Section 47-A promissory note, bill of exchange or cheque payable to bearer is negotiable by the delivery thereof

15. Section 48-A promissory note, bill of exchange or cheque payable to order is negotiable by the holder by indorsement and delivery thereof
16. Section 46-Delivery of an instrument is essential whether the instrument is payable to bearer or order for effecting the negotiation.
17. Section 57-If a person makes the indorsement of instrument but before the same could be delivered to the indorsee the indorser dies, the legal representatives of the deceased person can't negotiate the same by mere delivery thereof
18. Section 138- Dishonour of Cheque
19. Section 139-It shall be presumed that the holder of a cheque received the cheque of the nature referred to in section 138 for the discharge, in whole or in part, or any debt or other liability unless proved otherwise.
20. Section 140-The drawer cannot defend himself for the offence under section 138 by stating that he had no reason to believe when he issued the cheque, it would be dishonoured on presentment due to insufficiency of funds.
21. Section 61-Presentment for acceptance
22. Section 62-Presentment of promissory note for sight
23. Section 63-Drawee's time for deliberation
24. Section 64-Presentment for payment
25. Section 65-Hours for presentment
26. Section 66-Presentment for payment of instrument payable after date or sight
27. Section 67-Presentment for payment of promissory note payable by instalments
28. Section 68-Presentment for payment of instrument payable at specified place and not elsewhere.
29. Section 69-Instrument payable at specified place
30. Section 70-Presentment where no exclusive place specified
31. Section 71-Presentment when maker, etc., has no known place of business or residence
32. Section 72-Presentment of cheque to charge drawer
33. Section 73-Presentment of cheque to charge any other person
34. Section 74-Presentment of instrument payable on demand
35. Section 75-Presentment by or to agent, representative of deceased, or assignee of insolvent
36. Section 75A-Excuse for delay in presentment for acceptance or payment
37. Section 76-When presentment unnecessary
38. Section 77-Liability of banker for negligently dealing with bill presented for payment
39. Section 117-Rules as to compensation