

### KEY CONCEPTS

■ Commercial Contracts ■ Injunction ■ Contract Management ■ Liquidated damage ■ Quantum *meruit* compensation

### Learning Objectives

#### To understand:

- Strategies for making best commercial and operational Negotiation terms with vendor
- Generation, examination and implementation of contracts
- Documents and communications relating to the Contract
- Preservation of Contract documents
- Compliance with compulsory provisions
- Contract Tracking for Renewals, Extension and Closure
- Keeping and building healthy relationships with vendors, clients
- Controlling Contract modification over any charges for services out of the scope of the contract
- Actions for violation of contracts

### Lesson Outline

- Introduction
- Business/Commercial Contracts: A brief
- Negotiation of best commercial and operational terms with Vendor
- Create, Analyse and Execute Contracts
- Contract related Documents and Correspondence
- Maintenance of Contract Documents
- Compliance with Laws
- Tracking of Contracts and extend, renew and close
- Build and maintain relationship with Vendors, Clients
- Control over any charges for services out of the scope of the Contract
- Action in case of Breach of Contract
- Lesson Round-Up
- Glossary
- Test Yourself
- List of Further Readings
- Other References (including websites/video links)

## INTRODUCTION

*“Until the contract is signed, nothing is real. -- Glenn Danzig”*

Contracts are an essential deep rooted in civilized society and have gradually become an indispensable part of our lives. Right from buying milk and bread in the morning till ordering online food for dinner, all are one or other forms of contract. Though in personal life, we instinctively enter into various contract and/or agreement, yet in commercial world, these contracts are quite significant and forms an integral part for the success of the business. Considering the significance of contract and necessity of its enforcement, law of contract is well established in the jurisdiction. In India, *inter-alia*, there is Indian Contract Act, 1872 and other legal provisions, which substantiate contracts and its enforceability more specifically for the growth of business. Moreover, it is important to note that only those agreements which qualify as contracts under the Indian Contract Act, 1872 are enforceable, therefore, it becomes imperative to understand the conditions for enforceability of a contract and what general and special conditions a commercial contract can carry. Accordingly, this lesson *inter-alia* aims to understand the criteria of valid contract along with the general and special conditions surrounding its enforceability.

### Nature of Contract Law

The Law of Contract confines itself to enforcement of voluntarily created civil obligations. The essence of the nature of law of contract has been summarized perfectly by Anson in the following words, **“Law of contract is that branch of law which determines the circumstances in which a promise shall be legally binding on the person making it”**.

To state succinctly, it can be said in simple words that law of contract ensures that whatever has been agreed upon between the parties, that contract must be executed. For example, A says, ‘I want to sell my watch for Rs. 10,000/-’. B says, ‘Okay, I will buy your watch for Rs.10,000’/-’. The moment B agrees to buy the watch at the quoted price, a contract arises. Now, if any party refuses to perform the contract, it results into a breach of contract and here, the law of contract comes into picture and provides what can be done by the aggrieved party. Therefore, it can be understood that the Indian Contract Act, 1872 looks into the enforcement part of the contract and does not specify the terms and conditions that should be agreed upon. The parties enjoy the freedom to choose terms and conditions advantageous to their interests while entering into the contract. This is called ‘freedom of contract’. The law of contract merely lays down the circumstances in which a promise made by a person is legally binding.

### Meaning and Definition of Contract

As per Britannica dictionary, a contract, in the simplest definition, a promise enforceable by law. The promise may be to do something or to refrain from doing something. The making of a contract requires the mutual assent of two or more persons, one of them ordinarily making an offer and another accepting. If one of the parties fails to keep the promise, the other is entitled to legal redress. The law of contracts considers such questions as whether a contract exists, what the meaning of it is, whether a contract has been broken, and what compensation is due to the injured party.

As per Merriam Webster, a contract is a binding agreement between two or more persons or parties.

As per section 2 (h) of Indian Contract Act, 1872 – a contract is “an agreement enforceable by law”. In other words, we can say that a contract is anything that is an agreement and enforceable by the law of the land. This definition has two major elements in it viz – “agreement” and “enforceable by law”. So, in order to understand a contract in the light of The Indian Contract Act, 1872 we need to define and explain these two pivots in the definition of a contract.

In section 2 (e), the Act defines the term agreement as “every promise and every set of promises, forming the consideration for each other”.

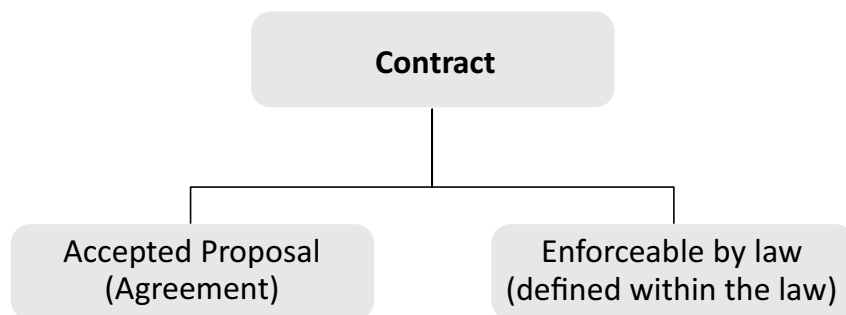
The Act in its section 2(b) defines the term “promise” as: “when the person to whom the proposal is made signifies his assent thereto, the proposal is said to be accepted. A proposal when accepted, becomes a promise”. In other words, an agreement is an accepted promise, accepted by all the parties involved in the agreement or affected by it. This definition says that in order to establish or draft a contract, we need to initiate some steps:

The person (parties) in step one must be in a position to fully understand all the aspects of a proposal.

*“signifies his assent thereto”* – means that the person in point one accepts or agrees with the proposal after having fully understood it.

Once the “person” accepts the proposal, the status of the “proposal” changes to “accepted proposal”.

*“accepted proposal”* becomes a promise. *Note that the proposal is not a promise. For the proposal to become a promise, it has to be accepted.*



*Under the above backdrop, we can summarize as below:*

### **Purpose of Contract**

The main purpose of a contract is to formalize new relationships and outline various legal obligations each party owes to the other. Presently, most contracts are agreed between businesses as well as individuals. Whilst individuals will sign basic contracts occasionally - to sell a house, or accept a job offer - businesses sign legal agreements in the masses, with partners, customers, and suppliers. The truth is, contractual agreements form the backbone of every commercial relationship.

There is immense significance of contracts both in professional as well as personal sphere. Some key points highlighting the significance of contracts are enumerated below:

#### **Avoids Misunderstanding and legal disputes (Impact on business)**

Misunderstanding is a common problem confronted in any business due to several reasons. To avoid such cases, drafting a contract is important and it is required for both parties to read the consented rules and abide by them. It has a large impact on the business as breaching the clauses of the contract can lead to conflicts between the parties and thereby affect the business overall. Therefore, contracts in business are important.

#### **Acts as a Record of the Business (Impact on business)**

A written contract acts as a record of the terms and conditions agreed upon between the parties and listed in the agreement. It can be used for future reference and, comprises information regarding the stipulated delivery timeline of any work assigned as per contract. The tenure of the contract is also highlighted in the agreement, which provides more clarity regarding the termination details. However, the contract may be terminated in the worst case if the other party is not willing to comply with the terms mentioned in the contract or attempts to bypass the terms of the contract.

### **Evidence in Court of Law**

The contract can act as legal evidence if a party files a case against the other in the event of breach of contract.

### **Increases Operational Efficiency**

Contracts are essentially binding agreements that state the obligations of each party, for example, that one side will deliver goods and services for a certain consideration by the other side. A contract in which all relevant terms like delivery time, duration of contract, terms of payment, dispute resolution, quality standards etc. are sufficiently laid down, will help businesses to operate efficiently and leaves out any scope for grey areas.

It is important to understand that a blockade in a contract is equivalent to a blockade in revenue. Conversely, a well-drafted contract leads to a smooth flow of operation and hence easily helps to generate revenue. In addition to this, contracts are easier to manage and are comprehensive. This helps the business operation to save up a lot of revenue that can be diverted to more productive means.

### **Proof of Details (Impact on business)**

The prime purpose of creating a contract is related to the recording of details, which both parties have agreed with mutual consent. It provides a precise knowledge of the services provided by the third party or monetary expectations to be met by the person. These details then serve as reference points which are adhered to by the parties in all circumstances, so as to avoid breach of contract. It also eliminates discussion on different aspects of a project, as all details are encapsulated in the contract in the beginning itself.

### **Provides Security (Impact on business)**

A contract plays a pivotal role in making the parties secure as it clearly specifies the tenure of the contract and set of responsibilities. Here, an employer is lawfully responsible to pay the committed salary on time and the employee is responsible to perform his duties as designated. Any deviation is considered contract breaching and, either of them has the sole rights to take appropriate action. Therefore, it is pivotal to understand the importance of law of contracts.

### **Provides Confidentiality**

Most commercial contracts include an NDA (Non-disclosure Agreement), clause, which protects confidential information and prevents parties from disclosing confidential information to outsiders. For example, most business organizations require their employees to sign a NDA to protect employer's confidential business information. According to this agreement, concerned parties are not entitled to reveal the business and monetary transactions between them with any third person. In case of disclosure, either of them will be subjected to penalty as per the terms of contract, enforced by the law legally.

### **Prevents Conflicts and Minimizes Risk**

Contracts detail down each party's responsibility. This leads to clarity between the parties and better understanding so as to serve the purpose of the contract better. Conflicts in a business are undesirable as they exploit resources that could have otherwise been used to increase productivity.

### **Record of Commitment**

Contracts represent the relationship one party enters with the other. Each party has certain responsibilities and enjoys certain rights towards the other. A contract is a visual record of this relationship.

In addition to this, contracts also minimize the risk involved by detailing out the extent of one's liability in case of failure to perform/adhere to the contractual obligations. For example- a contract may limit one's liability and save his/her personal property from being liquidated to pay off the debt in case of dissolution of business.

## BUSINESS/COMMERCIAL CONTRACTS: A BRIEF

A commercial contract forms an integral and critical part of any business venture, as such arrangements detail the rights and obligations, commercial terms discussed and agreed upon between the parties including recourse in case of any dispute. Additionally, commercial contracts are documents that cover a combination of legal and commercial factors. To be concise, commercial contracts define and regulate business relationships, be it a standard employment agreement or more complex agreements like merger and acquisition contracts. In its simplest form, a commercial contract is a legally binding agreement between two or more parties. Commercial contracts are most often written documents. Commercial contracts spell out exactly what each party must do for the contract to remain legitimate, as well as the consequences in case any of the terms and conditions are not followed. It's for the companies and organizations, and one of its main requirements is that legal agreements enable the contract's maximum benefits to be realized. Therefore, it is extremely crucial to ensure that the terms mentioned in the contract are drafted in a proper manner that protects the interests of the parties to the contract. Commercial contracts are primarily governed by the Indian Contract Act, 1872 and; the Specific Relief Act, 1963 ("SRA").

The Indian Contract Act, 1872 lays down the foundational principles and grounds which are necessary to claim damages and indemnity from a defaulting party in case of breach or violation of any provisions or obligations under the contract. On the other hand, the SRA provides for remedies to persons whose contractual rights have been violated such as the recovery of possession of the property, specific performance of the contracts, rescission of contracts, rectification of instruments etc.

## NEGOTIATION OF BEST COMMERCIAL AND OPERATIONAL TERMS WITH VENDOR

Negotiation is a skill that can benefit entrepreneurs every single day, whether they're dealing with vendors or landlords, employees or clients. Negotiating with vendors is vital for overall improving vendor contract. The negotiation process can help you understand the needs of each party and determine a contract that benefits both sides of the transaction. From interest to length of contract to payment terms, a vendor contract is made of many facets that can be negotiated. One can negotiate with potential suppliers as well as existing vendor contracts, provided one follows the effective and result driven negotiation. The steps involved in negotiation of best Commercial and Operational terms with Vendor include:

- 1. Prepare a Plan:** It is always beneficial to prepare a plan before starting the negotiation process. A plan inter alia should include Services or products that can be offered or to be purchases or availed, Payment Terms, Time required for finalization, Cancellation clauses, Penalties including late penalties etc.
- 2. Finalise the communication system:** Frequent communication can be said to be starting point of the trust in negotiations. Every effort should be made to observe and fulfil whatever has been committed. The response is one another important area that can enhance the trust of other party. Timely response is also beneficial. Single point of contact is one other aspect that gives an added advantage. Further, vendors sending personal communication are generally open to negotiations as against Bulk Messages.
- 3. Offer competitive Prices:** Proper research should be done before finalizing the prices of products or services. The prices of similar or competitive products should be studied before offering a price to the customers.
- 4. Respect the experience of the other Party and help them:** Treat the other party as an expert in their area. Try to learn from them. It can prove to be beneficial if you express that you are looking for long associations and you are also interested in the growth of their businesses. Further, it should be demonstrated that how you can help them in growing their businesses.
- 5. Be open for the competition:** You may be sure which vendor you prefer but it is better to obtain the

quotes from various vendors also. This activity can keep the prices in control. When you are taking the quotes, try to take the quotations for different quantities for the purpose of evaluation and finalization of quantities to be ordered. So that you will be able to purchase the quantity which is most beneficial to you.

6. **Different aspects may be explored:** In certain situation, you may find a vendor who is not ready to negotiate the prices of the product or services. It does not mean that there is no scope of negotiation. Other aspects such as Payment terms, Interest, discounts etc. may still be negotiated.
7. **Deposits:** Vendors are providing their product and services to you in anticipation of the payments within time. However, there may be doubt about the timely payments in their minds. Therefore, deposits can build trust and confidence for you amongst the Vendors.
8. **Win-Win solution:** While negotiating try to suggest the option which is beneficial for both the parties. Working on a Win-Win situation can make you a preferred party.

## CREATE, ANALYSE AND EXECUTE CONTRACTS

### Creations of the Contracts: Essentials of a Valid Contract

Indian Contract Act, 1872 stipulates the conditions that are essential to ensure the validity of a contract which includes,

- offer and acceptance;
- intent of the parties;
- lawful consideration;
- parties competent to contract, and
- free consent.



### Good Contract: Analysis

Contracts gain such vital importance in our lives because they legally bind the parties in a legal relationship. Any breach of a contract can be redressed, and the damages can be liquidated. Besides the basic feature, the contract also contains other vital legal aspects that boost the relationship between parties.

In general, a good contract is understandable and unambiguous. Contracts that clearly state their terms and conditions are preferred over contracts that are vague. All relationships require clear communication for healthy continuation and so do business relations. Contracts serve as an efficient communication tool that ensures that the relationship is a healthy one.

Contracts are by nature collaborative and relational. By clearly stating the important clauses for the parties they lead to transparency which enhances communication. A contract with convoluted language and imprecise terms is likely to cause a great deal of confusion between the parties. Further, well drafted contracts clearly capture the obligations of the parties. If a party tries to back out of its obligations, it can cause problems in the relationship. Hence, a good contract cuts down the likelihood of a breach.

A well-drafted contract is likely to state every detail and the extent to which the parties are bound to each other. A contract defines the relationship between the parties. If a party breaches the obligation to which it is committed, the other party can approach the court.

A contract states the:

- The goal or objectives that the parties intend to achieve through the transaction.
- The scope of work to be performed by the contracting parties.
- In case of a specific purpose, the description of specific purpose to be achieved.
- The consideration agreed to be paid and terms of payment.
- The indemnities which each party would give the other as applicable.
- The limit of the liability of each person *vis-a-vis* the other party or a third party.
- Grounds of termination of the contract.

In addition to well drafted and unambiguous contracts, a good contract also captures the legal essentials like jurisdiction, governing law, arbitration, etc. to make them enforceable in accordance with the object and intent of the contract.

### General and Special Conditions of a Contract

The general terms of the contract refer to the basic contractual stipulations such as duration of contract, indemnity, penalty clause, etc. which are found in all types of contracts whereas the special conditions/terms of the contract refer to those stipulations which are specific to the parties or the business being transacted between them and cater to their individual and collective requirements, for example, specific obligations of each party under the contract, assignment etc. It is always imperative that general and specific terms are captured clearly in contract. This does not only makes the agreement effectively enforceable but also minimizes the risk of dispute between the parties.

#### General Conditions

The general terms and conditions of the contract include but not limit to the following:

##### 1. Legal Status of the Parties

This clause deals with the legal status and nomenclature of the parties entering into the contract.

**2. Definitions**

Definition clause is an important clause in a contract. It defines all the important and capitalized terms in a contract. It majorly aims to capture the intent of a capitalized term used in a contract.

**3. Interpretation Clause**

A good contract always captures a general interpretation clause, which clarifies the intention of some general terms used in the agreement. For example, 'he' includes she and alike.

**4. Object/ Scope of Work and/or Services**

This is one of the important clauses in a contract. It captures the scope of work/object for which the contract is being entered upon between the parties.

**5. Representations and Warranties**

In this clause, parties represent and warrants certain factual details, which forms the integral part of the contract and basis which parties are acting upon the contract.

**6. Contractual Period**

This clause defines the term of the contract. A good contract also captures the renewal of term and the conditions of such renewal.

**7. Fees and Taxes**

Consideration is a valid essential of the contract. Hence this clause captures the fees and taxes mutually decided for the scope of work of that contract.

**8. Payment Method**

Apart from consideration for a contract, it is also vital to clearly capture the method vide which the fees and commercials of the contract shall be paid.

**9. Commencement Date**

This clause identifies the effective date of the contract on which the rights and obligations of the parties shall take effect.

**10. Rights and Obligations of the Contractual Parties**

This clause specifies the rights and obligations of the contractual parties.

**11. Termination of Contract**

This clause describes the process of termination of contract, in case any party wishes to terminate the contract before it expires. It also identifies the events which will cause the contract to terminate by either of the parties.

**12. The Right of Withdrawal from the Contract**

This clause covers a situation of withdrawals by any party to the contract; in case they wish to withdraw from few obligations of the contract.

**13. Disclaimer of Warranty**

Vide this clause, parties disclaim certain warranties.

**14. Indemnification**

This clause states the obligations of the parties to indemnify other party, hold and save harmless, and defend, at its own expense, from and against all suits, claims, demands, and liability of any nature or kind, arising out of acts of omission of the indemnifying party.

**15. Limitation of Liability**

This clause limits the liabilities of the parties, i.e. limits the amount of money or damages that a party will have to pay in case of breach of contract or performance failure.

**16. Confidentiality**

When two or more parties enter into a contract, there will almost certainly be a considerable number of details exchanged for all parties to fulfil their contractual obligations. Given the necessity of providing some details about each party's financial and business practices, the contract must have a strict confidentiality clause. This provision should prohibit all parties from disclosing any and all information exchanged during the transaction. Of course, where valuable intellectual property is at stake, this clause especially important.

**17. Force majeure/Mitigating Factors**

The term "Force Majeure" simply means "greater factor". This clause should be included in all commercial contracts because it can shield parties from events that are beyond their control. For example a shipping schedule could be unavoidably interrupted in the event of a natural disaster such as an earthquake or hurricane. In general, the term "force majeure" is very broad, and many contracts have clauses that cover items like terrorist attacks and even acts of God. This provision is necessary to ensure that any failure to perform as a result of an unforeseen interruption is not considered as breach of contract and thus, a defaulting party which is unable to perform the contract due to unforeseen circumstances is saved from potential liability.

**18. Jurisdiction**

Cross-border transactions are quite common these days, both domestically and internationally. When the parties to a contract are from different states, or even different countries, it can be difficult to determine which state's laws apply to the contract. As a result, commercial contracts should always state which the laws of which country will have authority to deal with the subject matter of contract in case of dispute, so that the relevant laws are clear.

**19. Dispute Resolution**

Even the most carefully written contracts cannot prevent possibility of dispute. As a consequence, it's important to understand the parties' strategies for resolving disputes in the event that one occurs. Parties are increasingly using a provision for arbitration in their contracts, forcing the parties to agree to arbitration before or in lieu of finding a settlement through litigation. While some contracts do allow for conventional legal redress, arbitration is a quicker way to resolve contract-related issues. It is important to note that arbitration is an alternate dispute resolution mechanism whereby a neutral third person, who is qualified to be appointed as an arbitrator, decides the dispute and passes a legally binding award in a time bound manner.

**20. Damages**

Due to high level of contract violations and the need to prevent them, it is also common practice for

commercial contracts to include clauses covering damages. Liquidated damages clause, which provides a fixed sum which a party is liable to pay on failure to perform, is used in most contracts. Depending on the extent and effect of the violation, a court can award other forms of damages in addition to that amount.

## 21. Entire Contract and Precedence in case of inconsistency clause

### Special Conditions

As the name suggests, special conditions are special as per the nature of the contract. These conditions cannot be common for all the contracts. Few instances of special conditions are as follows.

- Sub-Contracting
- Assignment
- Additional Scope of Work
- Alternative Dispute Resolution
- Data Deletion and/or Data Purging Clause
- Privilege and Immunities
- Tax Exemption
- *Choice of Law.*

### Execution of Contracts

The process of contract execution involves a process whereby the parties to the contract sign the agreement, after which it becomes a legally binding contract. Unfinalized contracts turn out to be ineffective. The agreement cannot be enforced in court if this is the case. If the contract isn't properly executed, all the hard work will be for nothing. Costly litigation can result in severe financial losses, lost value, and lost resources. After a contract is executed, no changes can be made to the contract language.

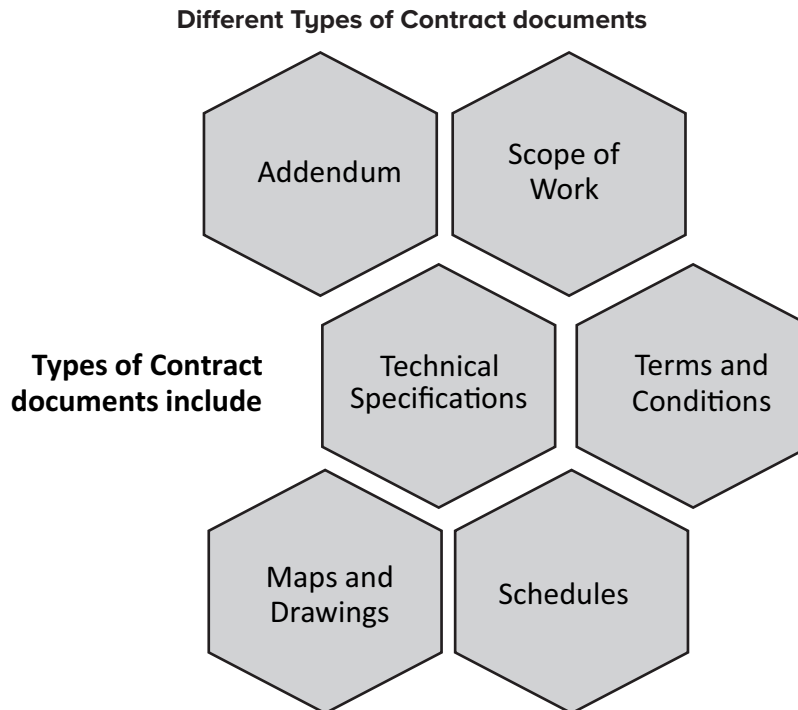
### CONTRACT RELATED DOCUMENTS AND CORRESPONDENCE

Almost all the well drafted contracts keep the following clause in the contract:

“Documentation and Correspondence. All documentation and correspondence to be delivered between the Parties pursuant to this Agreement shall be in the English language.”

The clause itself confirms that there are plenty of correspondence and documents in a contract and each and every such documents and correspondence are vital to the contract. Hence this section deals with the common documents and correspondence related to a contract.

“Contract documents” are the documents which constitutes the whole of the Agreement. The contract document includes terms and conditions agreed between the parties as well as Right and Duties of the Parties.



### MAINTENANCE OF CONTRACT DOCUMENTS

Many people who have wasted their time in search of specific document can only understand the value of documents management. Document Management in itself is important but when it comes to Contracts, it becomes much more important as the Contracts are the evidences of Rights and Obligations of the parties. Sometimes, the amount involved is huge. Therefore, Contract Management should be carefully taken care of. It also involves organizing and tracking documents.

Maintenance of contract documents means creating and maintaining accurate records of all communications and correspondence with contracting parties. It may or may not involve monitoring compliance with contract terms and keeping track of any changes or amendments that need to be made.

Document Management simply means organize and Store a particular document in such a manner that it can be made available as and when required by use of minimum efforts and with convenience.

### Types of Maintaining Contract Documents

Document management is the process of sourcing, organizing, storing, and analyzing documents. When it comes to document management, there are two main types of systems: (a) manual and (b) electronic.

- (a) A manual document management system (DMS) is controlled by humans. This could involve a physical filing system where employees manually file documents or an online system where employees enter data into a database.
- (b) An electronic document management system (EDMS), on the other hand, is a system that is controlled by computers. This could involve an online system where employees access files remotely or an offline system where employees download files to their computers.

## COMPLIANCE WITH LAWS

It is a well settled principle of law that no contract between the parties can oust the application of law. In short, every contract is subject to applicable laws and parties to the contract are bound to comply with the laws applicable on them as well as on transaction. In almost all the contracts, there is a clause confirming compliance with laws.

The laws which are generally required to be complied includes the following:

1. Indian Contract Act, 1872
2. Indian Stamp Act, 1899
3. Registration Act, 1908

However, in specific case the following laws *inter alia* are also required to be complied with:

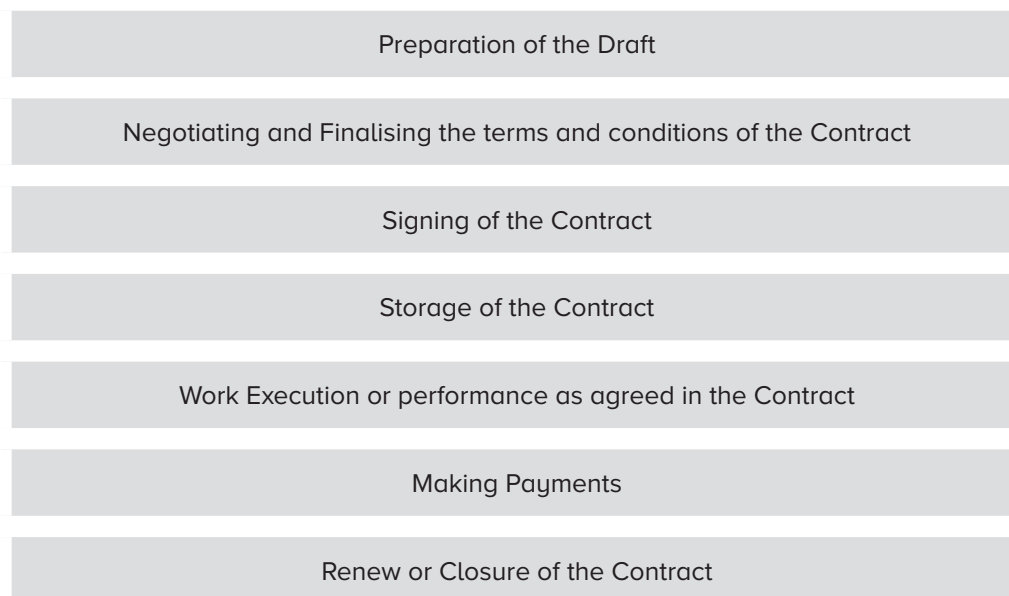
1. Powers-of Attorney Act, 1882
2. Sale of Goods Act, 1930
3. Transfer of Property Act, 1882
4. Arbitration and Conciliation Act, 1996
5. Specific Relief Act, 1973

However, this list is not exhaustive. Many other laws may also be applicable along with the Law of Contracts.

## TRACKING OF CONTRACTS AND EXTEND, RENEW AND CLOSE

Contract tracking is the process whereby stakeholders in the contract lifecycle (particularly in legal or compliance) are able to know where a contract is alive or not, without having to investigate across multiple systems.

There are various stages of the Contract. These stages starts from preparing the draft documents to Performance, renewal, termination and closure of the Contract. The stages of the contacts can be summarized as below:



Each stage requires different actions therefore it is necessary to keep a track of the contract documents. For example: Stamp duty should be paid before signing and registration after the signing of the contract, Awarding of Purchase Order during active life of the Contract, Renewal (if required), etc. Therefore, tracking at every stage is required. This tracking can be done manually or with the help of Contract Management Software. All what is required to keep the track and take necessary action within the timelines. If necessary action has not been taken in time, a contract can give rise to a huge burden on a party. For example: Working under an expired contract can hinder and create difficulty while enforcing the payment terms against the other party.

### Rules for tracking of Contracts for Renewal, Extension and Closure

- 1. Storage of Contract:** The storage of contract should be in a place where they are kept in safe custody and try to keep a copy of the Contract document readily available. In case, the number of contracts are on a higher side, online systems can be of great help.
- 2. Arrange for the systems of reminders:** Systems should be made in such a manner that ensuing activity is notified to the user well in advance in order to take necessary action.
- 3. Classifications:** Classifications of documents be made for the purpose of taking special care of the contracts whose stake are high and margin of error is very low. This will ensure timely action in case of important contracts.
- 4. Inform Stakeholders in advance:** Every organization have their own processes, long or short. Many a times, the authorities of various executives are also derived from their senior authority. For example: The Board Directors may authorize Company Secretary to execute contract on behalf of the company or Managing Director authorizing the Finance head for signing and executing the contract on behalf of the Company. Therefore, it is advisable, to give enough time to the other party for taking necessary approvals from their appropriate authority also to keep sufficient time for taking necessary approvals in your company.

### BUILD AND MAINTAIN RELATIONSHIPS WITH VENDORS, CLIENTS

The following is the inclusive list of actions that can prove to be beneficial for building and maintaining good relations with vendors and clients:

- 1. Maintain Proper Communication:** Various communications are required to be made to vendors and clients during a project. It is advisable to communicate with the client or vendor and inform him/her the required course of actions in advance. However, special care must be taken to ensure that an individual client should not intrude on your personal time or negatively affect your productivity.
- 2. Effective Communications:** Clear and regular communication with the client or vendor can prove to be beneficial for maintaining good relationship. It will positively impact your relationship with the vendors and clients and their trust on you can be enhanced.
- 3. Individuals Communications:** It is advisable to address the vendor/client as an individual. Bulk messages are generally not liked or preferred by individuals. Sometimes personal greetings and wishes can also be beneficial for maintaining good relationship with the Vendors and Clients.
- 4. Opinion Sharing:** You can share your opinions about the businesses of your clients or vendors and also suggest improvements. However, it must be noted that the client or vendor may or may not accept your opinion.
- 5. Do more than expected:** The clients or vendors appreciate when they are delivered more than what they have expected. An extra step from you can increase your trust amongst clients and vendors.
- 6. Be ready for the Change and adjust your work processes:** If a particular clients and vendors is

important for your business, you have to be ready for the changes that are acceptable. However, cost-benefit analysis should be done before accepting any change request from vendors or clients. The cost should not too excessive for your business processes.

7. **Ask for Feedback:** Asking for the feedback from your vendors and clients can have positive impact on you businesses. Feedbacks systems are good tool to increase trust in business relationships. Constructive feedbacks can also prove to be a beneficial factor for professional growth.

### CONTROL OVER ANY CHARGES FOR SERVICES OUT OF THE SCOPE OF THE CONTRACT

The goods or services which are subject matter of a Contract are to be supplied or provided according to the terms of Contract. However, due to the circumstances (Bonafied or Malafied), some goods or services are provided that are out of the Scope of the Contract. In these circumstances, the parties may agree these out of scope transactions. But, the parties should evaluate the change to the transaction and its financial impact on them.

The parties should also assess relevant facts and situation and decide whether to approve or reject the transactions that are out of scope of Contract. If the parties approve these transactions, no further liability arises but, if these transactions are rejected or challenged, the circumstances can give rise to individual liability for those who were at fault.

In another situation, there may arise circumstances which were unseen at the time of signing of Contract. In this situation, parties should agree to circumstances which have arisen later in front of the parties. However, if it is not possible to obtain the consent of the other party, the matter can be dealt according to the Principle of **Quantum Meruit**.

#### Charges/Payment of Services – Outside the Scope of the Contract: Indian Legal Perspective

“**Quantum Meruit**” loosely translates to ‘as much as one deserves’. It means something that has been earned. A **quantum meruit** claim arises, where work is done or services rendered by one party for the other, in circumstances which entitle the party doing the work or rendering the services to receive a reasonable additional remuneration, the situation being one where either there is no contract or there is a contract but the particular situation is not covered under that contract.

The compensation under the principle of *Quantum Meruit* is allowed in the courts under Section 70 of the Indian Contract Act, 1872. A claim for compensation by one against another under Section 70 of the Indian Contract Act, 1872 is not based on any subsisting contract between the parties. Rather, its basis is that something has been done by one party for the other, non-gratuitously, which the other party had accepted voluntarily. It covers a situation where there is no agreement at all.

However, three conditions need to be fulfilled before the benefit of this section can be invoked by a person. The three conditions under section 70 of Indian Contract Act, 1872 are as follows:

- **Lawful:** The first condition is that the claimant should either lawfully do something for another person or deliver something to him.
- **Non-Gratuitous Transaction:** The second condition is that while doing or delivering something, the claimant must not be acting gratuitously and
- **Enjoyment by the second party:** Thirdly, the person for whom something is done or to whom something is delivered must enjoy the thing done for or delivered to him as the case may be.

The basis of quantum meruit equitable considerations. This is often described as “restitution for quasi-contract”. However, the facts necessary for exercising this jurisdiction must be proved by the claimant.

In **Matheson v. Smiley (1932, Canada)**, a surgeon who intended to charge his fees made an attempt to save life

of a person who committed suicide but was not successful in saving him, was held entitled to remuneration for his professional services.

The case of ***Alopi Parshad and Sons Ltd. v. Union of India*** decided by the Hon'ble Supreme Court may be referred for better understanding and applicability of the Principle of Quantum Meruit. In this case the Supreme Court held that:

“Compensation under quantum meruit is awarded for work done or services rendered, when the price thereof is not fixed by a contract. For work done or services rendered pursuant to the terms of a contract, compensation quantum meruit cannot be awarded where the contract provides for the consideration payable on that behalf. Quantum meruit is but reasonable compensation awarded on implication of a contract to remunerate, and an express stipulation governing the relations between the parties under a contract, cannot be displaced by assuming that the stipulation is not reasonable.”

In the case of *Mulamchand v. State of M.P.*, the Supreme Court held that, if a claim for compensation is made by one person against another person under Section 70 of the Indian Contract Act, 1872, it cannot be on the basis of any existing construction contract between the parties but on the basis different kinds of obligations.

### ACTION IN CASE OF BREACH OF CONTRACT

Breach of contract occurs when a party renounces from his liability under the contract without any legal justification. Chapter VI (Section 73 to 75) of the Indian Contract Act, 1872 deals with the consequences of breach of the contract.

#### Section 73 – deals with compensation for loss or damage caused by breach of contract

When a contract has been broken, the party who suffers by such breach is entitled to receive, from the party who has broken the contract, compensation for any loss or damage caused to him, which naturally arose in the natural course of things from such breach, or which the parties knew, when they made the contract, to be likely to result from the breach of it.

Damage is a disadvantage suffered by a person as a result of the act or default of another. Damages are the pecuniary recompense given by process of law to a person for the actionable wrong.

No compensation shall be given to any remote and indirect loss or damage sustained by reason of breach.

**Compensation for failure to discharge obligation resembling those created by contract.** – When an obligation resembling those created by contract has been incurred and has not been discharged, any person injured by the failure to discharge it is entitled to receive the same compensation from the party in default, as if such person had contracted to discharge it and had broken his contract.

*Explanation.* – In estimating the loss or damage arising from a breach of contract, the means which existed of remedying the inconvenience caused by the non-performance of the contract must be taken into account.

An uncommonly known fact is that Section 73 is based on a case law, i.e., *Hadley v. Baxendale (1854) 9 Ex. 354*. In ***Hadley v. Baxendale***, the mill of the Plaintiff (aggrieved) came to a standstill due to the delay on part of Defendant to send the repaired crankshaft back to the mill. In ordinary circumstances, a mill will not stop functioning in absence of one crankshaft. This was a special circumstance which was required to be communicated to the Defendant. Hence, the Defendant was held not liable for the loss suffered by the Plaintiff.

As per the abovementioned case, special damages can be awarded only when such circumstances were in the “contemplation of parties”. The well-known rule in this case was stated by the Court as follows:

“Where two parties have made a contract which one of them has broken, the damages which the other party ought to receive in respect of such breach of contract should be either such as may reasonably and fairly be

*considered as arising naturally, i.e., according to usual course of things, from such breach of contract itself, or such as may reasonably be supposed to have been in the contemplation of both parties at the time they made the contract as the probable result of the breach of it."*

### Illustration to section 73

- (a) A contracts to sell and deliver 50 maunds of saltpetre to B, at a certain price to be paid on delivery. A breaks his promise. B is entitled to receive from A, by way of compensation, the sum, if any, by which the contract price falls short of the price for which B might have obtained 50 maunds of saltpetre of like quality at the time when the saltpetre ought to have been delivered.
- (b) A hires B's ship to go to Bombay, and there take on board, on the first of January, a cargo, which A is to provide, and to bring it to Calcutta, the freight to be paid when earned. B's ship does not go to Bombay, but A has opportunities of procuring suitable conveyance for the cargo upon terms as advantageous as those on which he had chartered the ship. A avails himself of those opportunities, but is put to trouble and expense in doing so. A is entitled to receive compensation from B in respect of such trouble and expense.
- (c) A contracts to buy of B, at a stated price, 50 maunds of rice, no time being fixed for delivery. A afterwards informs B that he will not accept the rice if tendered to him. B is entitled to receive from A, by way of compensation, the amount, if any, by which the contract price exceeds that which B can obtain for the rice at the time when A informs B that he will not accept it.
- (d) A contracts to buy B's ship for 60,000 rupees, but breaks his promise. A must pay to B, by way of compensation, the excess, if any, of the contract price over the price which B can obtain for the ship at the time of the breach of promise.
- (e) A, the owner of a boat, contracts with B to take a cargo of jute to Mirzapur, for sale at that place, starting on a specified day. The boat, owing to some avoidable cause, does not start at the time appointed, whereby the arrival of the cargo at Mirzapur is delayed beyond the time when it would have arrived if the boat had sailed according to the contract. After that date, and before the arrival of the cargo, the price of jute falls. The measure of the compensation payable to B by A is the difference between the price which B could have obtained for the cargo at Mirzapur at the time when it would have arrived if forwarded in due course, and its market price at the time when it actually arrived.
- (f) A contracts to repair B's house in a certain manner, and receives payment in advance. A repairs the house, but not according to contract. B is entitled to recover from A the cost of making the repairs conform to the contract.
- (g) A contracts to let his ship to B for a year, from the first of January, for a certain price. Freights rise, and, on the first of January, the hire obtainable for the ship is higher than the contract price. A breaks his promise. He must pay to B, by way of compensation, a sum equal to the difference between the contract price and the price for which B could hire a similar ship for a year on and from the first of January.
- (h) A contracts to supply B with a certain quantity of iron at a fixed price, being a higher price than that for which A could procure and deliver the iron. B wrongfully refuses to receive the iron. B must pay to A, by way of compensation, the difference between the contract price of the iron and the sum for which A could have obtained and delivered it.
- (i) A delivers to B, a common carrier, a machine, to be conveyed, without delay, to A's mill informing B that his mill is stopped for want of the machine. B unreasonably delays the delivery of the machine, and A, in consequence, loses a profitable contract with the Government. A is entitled to receive from B, by way of compensation, the average amount of profit which would have been made by the working of

the mill during the time that delivery of it was delayed, but not the loss sustained through the loss of the Government contract.

- (j) A, having contracted with B to supply B with 1,000 tons of iron at 100 rupees a ton, to be delivered at a stated time, contracts with C for the purchase of 1,000 tons of iron at 80 rupees a ton, telling C that he does so for the purpose of performing his contract with B. C fails to perform his contract with A, who cannot procure other iron, and B, in consequence, rescinds the contract. C must pay to A 20,000 rupees, being the profit which A would have made by the performance of his contract with B.
- (k) A contracts with B to make and deliver to B, by a fixed day, for a specified price, a certain piece of machinery. A does not deliver the piece of machinery at the time specified, and in consequence of this, B is obliged to procure another at a higher price than that which he was to have paid to A, and is prevented from performing a contract which B had made with a third person at the time of his contract with A (but which had not been then communicated to A), and is compelled to make compensation for breach of that contract. A must pay to B, by way of compensation, the difference between the contract price of the piece of machinery and the sum paid by B for another, but not the sum paid by B to the third person by way of compensation.
- (l) A, a builder, contracts to erect and finish a house by the first of January, in order that B may give possession of it at that time to C, to whom B has contracted to let it. A is informed of the contract between B and C. A builds the house so badly that, before the first of January, it falls down and has to be re-built by B, who, in consequence, loses the rent which he was to have received from C, and is obliged to make compensation to C for the breach of his contract. A must make compensation to B for the cost of rebuilding the house, for the rent lost, and for the compensation made to C.
- (m) A sells certain merchandise to B, warranting it to be of a particular quality, and B, in reliance upon this warranty, sells it to C with a similar warranty. The goods prove to be not according to the warranty, and B becomes liable to pay C a sum of money by way of compensation. B is entitled to be reimbursed this sum by A.
- (n) A contracts to pay a sum of money to B on a day specified. A does not pay the money on that day, B, in consequence of not receiving the money on that day, is unable to pay his debts, and is totally ruined. A is not liable to make good to B anything except the principal sum he contracted to pay, together with interest up to the day of payment.
- (o) A contracts to deliver 50 maunds of saltpetre to B on the first of January, at a certain price. B afterwards, before the first of January, contracts to sell the saltpetre to C at a price higher than the market price of the first of January. A breaks his promise. In estimating the compensation payable by A to B, the market price of the first of January, and not the profit which would have arisen to B from the sale to C, is to be taken into account.
- (p) A contracts to sell and deliver 500 bales of cotton to B on a fixed day. A knows nothing of B's mode of conducting his business. A breaks his promise, and B, having no cotton, is obliged to close his mill. A is not responsible to B for the loss caused to B by the closing of the mill.
- (q) A contracts to sell and deliver to B, on the first of January, certain cloth which B intends to manufacture into caps of a particular kind, for which there is no demand, except at that season. The cloth is not delivered till after the appointed time, and too late to be used that year in making caps. B is entitled to receive from A, by way of compensation, the difference between the contract price of the cloth and its market price at the time of delivery, but not the profits which he expected to obtain by making caps, nor the expenses which he has been put to in making preparation for the manufacture.
- (r) A, a ship-owner, contracts with B to convey him from Calcutta to Sydney in A's ship, sailing on the first of

January, and B pays to A, by way of deposit, one-half of his passage-money. The ship does not sail on the first of January, and B, after being in consequence detained in Calcutta for some time and thereby put to some expense, proceeds to Sydney in another vessel, and, in consequence, arriving too late in Sydney, loses a sum of money. A is liable to repay to B his deposit, with interest, and the expense to which he is put by his detention in Calcutta, and the excess, if any, of the passage-money paid for the second ship over that agreed upon for the first, but not the sum of money which B lost by arriving in Sydney too late.

### Section 74: Compensation for breach of contract where penalty stipulated for

When a contract has been broken, if a sum is named in the contract as the amount to be paid in case of such breach, or if the contract contains any other stipulation by way of penalty, the party complaining of the breach is entitled, whether or not actual damage or loss is proved to have been caused thereby, to receive from the party who has broken the contract reasonable compensation not exceeding the amount so named or, as the case may be, the penalty stipulated for.

*Explanation.* – A stipulation for increased interest from the date of default may be a stipulation by way of penalty.

*Exception.* – When any person enters into any bail-bond, recognizance or other instrument of the same nature, or, under the provisions of any law, or under the orders of the Central Government or of any State Government, gives any bond for the performance of any public duty or act in which the public are interested, he shall be liable, upon breach of the condition of any such instrument, to pay the whole sum mentioned therein.

*Explanation.* – A person who enters into a contract with Government does not necessarily thereby undertake any public duty, or promise to do an act in which the public are interested.

#### Illustrations to section 74

- (a) A contracts with B to pay B Rs. 1,000, if he fails to pay B Rs. 500 on a given day. A fails to pay B Rs. 500 on that day. B is entitled to recover from A such compensation, not exceeding Rs. 1,000, as the Court considers reasonable.
- (b) A contracts with B that, if A practises as a surgeon within Calcutta, he will pay B Rs. 5,000. A practises as a surgeon in Calcutta. B is entitled to such compensation; not exceeding Rs. 5,000, as the Court considers reasonable.
- (c) A gives a recognizance binding him in a penalty of Rs. 500 to appear in Court on a certain day. He forfeits his recognizance. He is liable to pay the whole penalty.
- (d) A gives B a bond for the repayment of Rs. 1,000 with interest at 12 per cent. at the end of six months, with a stipulation that, in case of default, interest shall be payable at the rate of 75 per cent. from the date of default. This is a stipulation by way of penalty, and B is only entitled to recover from A such compensation as the Court considers reasonable.
- (e) A, who owes money to B a money-lender, undertakes to repay him by delivering to him 10 maunds of grain on a certain date, and stipulates that, in the event of his not delivering the stipulated amount by the stipulated date, he shall be liable to deliver 20 maunds. This is a stipulation by way of penalty, and B is only entitled to reasonable compensation in case of breach.
- (f) A undertakes to repay B a loan of Rs. 1,000 by five equal monthly instalments, with a stipulation that in default of payment of any instalment, the whole shall become due. This stipulation is not by way of penalty, and the contract may be enforced according to its terms.
- (g) A borrows Rs. 100 from B and gives him a bond for Rs. 200 payable by five yearly instalments of Rs.

40, with a stipulation that, in default of payment of any instalment, the whole shall become due. This is a stipulation by way of penalty.

### Section 75: Party rightfully rescinding contract, entitled to compensation

A person who rightfully rescinds a contract is entitled to compensation for any damage which he has sustained through the non-fulfilment of the contract.

*Illustration to section 75:* A, a singer, contracts with B, the manager of a theatre, to sing at his theatre for two nights in every week during the next two months, and B engages to pay her 100 rupees for each night's performance. On the sixth night, A wilfully absents herself from the theatre, and B, in consequence, rescinds the contract. B is entitled to claim compensation for the damage which he has sustained through the non-fulfilment of the contract.

### A Decree for Specific Performance

According to section 10 of Specific Relief Act, 1963, the specific performance of a contract shall be enforced by the court subject to the provisions contained in section 11(2) relating to contract made by a trustee in excess of his powers or in breach of trust, section 14 relating to Contracts not specifically enforceable and section 16 relating to Personal bars to relief.

Section 12 bars the courts to grant relief of Specific performance of part of contract, other than on the grounds mentioned in this section. The Grounds are as under:

1. Where a party to a contract is unable to perform the whole of his part of it, but the part which must be left unperformed be a only a small proportion to the whole in value and admits of compensation in money, the court may, at the suit of either party, direct the specific performance of so much of the contract as can be performed, and award compensation in money for the deficiency.
2. Where a party to a contract is unable to perform the whole of his part of it, and the part which must be left unperformed either –
  - (a) forms a considerable part of the whole, though admitting of compensation in money; or
  - (b) does not admit of compensation in money;

he is not entitled to obtain a decree for specific performance; but the court may, at the suit of the other party, direct the party in default to perform specifically so much of his part of the contract as he can perform, if the other party –

- (i) in a case falling under clause (a), pays or has paid the agreed consideration for the whole of the contract reduced by the consideration for the part which must be left unperformed and in a case falling under clause (b) pays or has paid the consideration for the whole of the contract without any abatement; and
  - (ii) in either case, relinquishes all claims to the performance of the remaining part of the contract and all right to compensation, either for the deficiency or for the loss or damage sustained by him through the default of the defendant.
3. When a part of a contract which, taken by itself, can and ought to be specifically performed, stands on a separate and independent footing from another part of the same contract which cannot or ought not to be specifically performed, the court may direct specific performance of the former part.

*Explanation.* – For the purposes of this section, a party to a contract shall be deemed to be unable to perform the whole of his part of it if a portion of its subject-matter existing at the date of the contract has ceased to exist at the time of its performance.

## An Injunction

Injunction (or “stay order” in common parlance) is a preventive relief under the Specific Relief Act, 1963 whereby a court issues a direction to do or not to do a certain act. The law relating to injunctions in civil matters is dealt with under Section 36-42 of the Specific Relief Act, 1963 and Order XXXIX of the Code of Civil Procedure, 1908. An injunction is defined as an order of a competent court, which:

- (i) Forbids the commission of a threatened wrong,
- (ii) Forbids the continuation of a wrong already begun, or
- (iii) Commands the restoration of the *status quo* (the former course of things).

Clauses (i) and (ii) deal with preventive relief, whereas clause (iii) deals with an injunction called mandatory injunction, which aims at rectifying, rather than preventing the defendant’s misconduct.

According to section 36, Preventive relief is granted at the discretion of the court by injunction, temporary or perpetual. However, section 39 further provides for the provision relating to Mandatory Injunctions. These injunctions are explained as under:

- 1. Temporary Injunctions:** Temporary injunctions are such as are to continue until a specific time, or until the further order of the court, and they may be granted at any stage of a suit, and are regulated by the Code of Civil Procedure, 1908.
- 2. Perpetual Injunction:** A perpetual injunction can only be granted by the decree made at the hearing and upon the merits of the suit; the defendant is thereby perpetually enjoined from the assertion of a right, or from the commission of an act, which would be contrary to the rights of the plaintiff.
- 3. Mandatory Injunction:** When, to prevent the breach of an obligation, it is necessary to compel the performance of certain acts which the court is capable of enforcing, the court may in its discretion grant an injunction to prevent the breach complained of, and also to compel performance of the requisite acts.

### LESSON ROUND-UP

- Contracts are an essential deep rooted in civilized society and have gradually become an indispensable part of our lives. Right from buying milk and bread in the morning till ordering online food for dinner, all are one or other forms of contract.
- The main purpose of a contract is to formalize new relationships and outline various legal obligations each party owes to the other.
- A commercial contract forms an integral and critical part of any business venture, as such arrangements detail the rights and obligations, commercial terms discussed and agreed upon between the parties including recourse in case of any dispute.
- Negotiation is a skill that can benefit entrepreneurs every single day, whether they’re dealing with vendors or landlords, employees or clients. Negotiating with vendors is vital for overall improving vendor contract. The negotiation process can help you understand the needs of each party and determine a contract that benefits both sides of the transaction. From interest to length of contract to payment terms, a vendor contract is made of many facets that can be negotiated.

- Contracts gain such vital importance in our lives because they legally bind the parties in a legal relationship. Any breach of a contract can be redressed, and the damages can be liquidated. Besides the basic feature, the contract also contains other vital legal aspects that boost the relationship between parties.
- Many people who have wasted their time in search of specific document can only understand the value of documents management. Document Management in itself is important but when it comes to Contracts, it becomes much more important as the Contracts are the evidences of Rights and Obligations of the parties. Sometimes, the amount involved is huge. Therefore, Contract Management should be carefully taken care of.
- Document management is the process of sourcing, organizing, storing, and analyzing documents. When it comes to document management, there are two main types of systems: (a) manual and (b) electronic.
- It is a well settled principle of law that no contract between the parties can oust the application of law. In short, every contract is subject to applicable laws and parties to the contract are bound to comply with the laws applicable on them as well as on transaction. In almost all the contracts, there is a clause confirming compliance with laws.
- Contract tracking is the process whereby stakeholders in the contract lifecycle (particularly in legal or compliance) are able to know where a contract is alive or not, without having to investigate across multiple systems.
- The goods or services which are subject matter of a Contract are to be supplied or provided according to the terms of Contract. However, due to the circumstances (Bonafied or Malafied), some goods or services are provided which are out of the Scope of the Contract.
- Breach of contract occurs when a party renounces from his liability under the contract without any legal justification. Chapter VI (Section 73 to 75) of the Indian Contract Act, 1872 deals with the consequences of breach of the contract.
- According to section 10 of Specific Relief Act, 1963, the specific performance of a contract shall be enforced by the court subject to the provisions contained in section 11(2) relating to contract made by a trustee in excess of his powers or in breach of trust, section 14 relating to Contracts not specifically enforceable and section 16 relating to Personal bars to relief.
- Injunction (or “stay order” in common parlance) is a preventive relief under the Specific Relief Act, 1963 whereby a court issues a direction to do or not to do a certain act. The law relating to injunctions in civil matters is dealt with under Section 36-42 of the Specific Relief Act, 1963 and Order XXXIX of the Code of Civil Procedure, 1908.

#### GLOSSARY

**Commercial Contract:** A commercial contract is a legally binding agreement between two or more parties. Commercial contracts are most often written documents. Commercial contracts spell out exactly what each party must do for the contract to remain legitimate, as well as the consequences of any of the terms and conditions are not followed.

**Quantum meruit compensation:** Quantum Meruit loosely translates to ‘as much as one deserves’. It means something that has been earned. A quantum meruit claim arises, where work is done or services rendered by the one party for the other, in circumstances which entitle the party doing the work or rendering the services to receive a reasonable additional remuneration, the situation being one where either there is no contract or there is a contract but the particular situation is not covered under that contract.

**Contract Documents:** A contract document is a legally binding agreement between two or more parties. It captures (i) the terms and conditions of the relationship between the parties of the contract, and (ii) sets forth the rights and obligations of each party.

**Contract Agreement:** A contract agreement defines the agreement in which the parties are specified and their responsibilities are defined in relation to the subject matter of the agreement.

**Liquidated damages:** It means it shall be taken as the sum which the parties have by the contract assessed as damages to be paid whatever may be the actual damage.

### TEST YOURSELF

*(These are meant for recapitulation only. Answer to these questions are not to be submitted for evaluation.)*

1. Define Contract. What is the Significance and purpose of Contract?
2. How does a Negotiation plays a vital role in the success of the business? Explain some major guidelines for creating best commercial and operational terms with the vendor.
3. What are the Essentials of a Valid Contract?
4. What are the General and Special Conditions of a Contract?
5. Differentiate between Document Management and Contract Management.

### LIST OF FURTHER READINGS

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**PART II**

**PLEADINGS AND  
APPEARANCES**



