

LEGAL STUDY ON QUASI-CONTRACT

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Abstract

The foundation of quasi-contracts is based on the principles of Equity, Justice and Good Conscience, which requires that nobody shall benefit himself unjustly, at the cost of others. This is known as the Principle of Unjust Enrichment. A contract is an agreement enforceable by law. Mere statement which cannot give rise to legal consequences, and there is no intention to be legally bound. Although the absence of an agreement between the parties the law creates the obligation. A quasi-contract is a contract which exists by order of a court not by agreement of the parties. Courts create quasi-contracts to avoid the unjust enrichment of a party in a dispute over payment for a good or service. In some cases a party who has suffered a loss in a business relationship may not be able to recover for the loss without evidence of a contract or some legally recognized agreement. To avoid this unjust result, courts create a fictitious agreement where no legally enforceable agreement exists. Courts also use the term *quantum merit* to describe the process of determining how much money the charging the party may recover in an implied contract. In short, the liability of the party who has enjoyed unjust benefits to the value of that benefit only.

Keywords: quasi-contract, unjust, principle, agreement, remedies

Introduction

Quasi-contract is an obligation invoked by law in the absence of an agreement. The express contracts are approved by parties as a matter of law both sharing equal interests with equal consequences though the conditions are stated expressly while in the case of quasi-contracts the law imposes obligations taking into view the conduct of the parties in order to prevent undue advantage to one party at the cost of another. The plaintiff must show not only that the benefit received by the defendant is legally sufficient but also that retention of the benefit by defendant at the expense of the plaintiff is unjust. For example, intimates that plaintiff's recovery in quasi-contract does not require a showing that plaintiff's loss corresponds precisely to defendant's gain.

Quasi-contracts or implied-contracts are based on equitable considerations that such obligations should be fairly compensated, in other words, a person receiving a benefit must compensate the person losing the benefit. The circumstances are such that although there is no actual contract between the parties the law implies a contract and imposes duties on the person receiving bound as if a contract had been made. Though no contract has been made by the parties, law makes out a contract for them, and such a contract is termed a contract implied by law.

Aims and Objectives

The purpose of this paper is to examine the differences between the contract and quasi-contract. It aims to understand the effectiveness of quasi-contract and to know the principle and doctrine applies in quasi-contract. This paper provides a fair outcome in a situation where one party has an advantage over another party. The other party must pay restitution that is suffered to cover the value of something to it. It deal with the issues of quasi-contract between the parties who

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have no previous obligations to one another, the court imposed to prevent unfairly benefiting at another party, even though no contract exists.

Methodology

It analyses the perspectives under the different meaning, legal provisions with example and elements of quasi-contract. Then, this paper discusses how actions grounded in quasi-contract serve as alternatives to proceedings in both tort and contract. This paper is categorized as a qualitative research paper using scholar's articles, laws, order and judgments of the courts.

Findings

According to the case study, most American courts have followed the English precedent and have allowed a quasi-contract action as an alternative to a tort action in conversion. The plaintiff's right to waive the tort remedy and sue in quasi contract has not been so obvious when the defendant converter has not resold the wrongfully acquired goods but instead has consumed or retained them. Most jurisdictions allow quasi-contractual recovery from a converter in the absence of resale. By definition, the situations are ones where there is no contract governing the relationship. This will generally be either ineffective contract, as a result of a mistake or illegality, or some other vitiating factor, while negotiating towards a contract between the parties. In respect of particular problems there are gaps and inconsistencies, in what the actions for recovery of money paid are much better than those for compensation for work done. It needs general principles to provide a framework for quasi judicial requirement. It depends on the nature and subject matter of the contract.

Nature of Contract

A contract is a legally binding agreement between two or more persons. In order to constitute a contract, two distinct parts is required. Firstly, there must be an agreement. Secondly, such agreement must be enforceable by law. Mere statement which cannot give rise to legal consequences, and there is no intention to be legally bound.

To be an enforceable contract, the following basic requirements must be met. However, "Nothing here in contained shall affect the provisions of any Statute, Act or Regulation not hereby expressly repealed, nor any usage or custom or trade, nor any incident of any contract, not inconsistent with the provisions of this Act".¹

One party makes an offer that is accepted by other party that is agreements between the parties. Proposal and acceptance may take place by words or without express words. A proposal when accepted becomes a promise. A promise without consideration is not enforceable by law. The agreement must have been made with free consent of the parties. The parties to a contract must either perform, or to offer to perform their respective promise, unless such performance is dispensed with or excused under the provisions of this Act or of any law. Thus, performance of contract means the carrying out of obligations, which arise out of the contract.

¹ Section 1 of the Contract Act, 1872.

In a contract, both terms and representations provide a remedy for the aggrieved party. It is allowed for a claim for damages if it can be proven that the statement was made fraudulently or negligently, an innocent representation will not result in a claim for damages. Damages will be based on an expectation measure – the claimant will be put into the position they would have been in had the contract been properly performed. Damages will be limited and will allow for a claim for all direct loss by the claimant, irrespective of foreseeability.

If the individual making the statement has some specialist skill/knowledge of the contractual subject matter, or claims to have such knowledge, the presumption is that the statement is more likely to be a term. Once a statement has been identified as a term of a contract, it is not the case that this will always be binding on the parties; the term must have been successfully incorporated into the contract. A term may be incorporated into the contract either expressly or impliedly. Express terms are those which have been explicitly communicated between the parties orally or in writing.

The general law of contract as opposed to the special law largely laid down in statutes, that applies to specific types of contract, such as contracts of sale, insurance contracts, contracts for the carriage of goods, contracts of employment, construction contracts, and arbitration agreements. Dealing with specific types of contract and which contained in the Myanmar Contract Act 1872 and the Specific Relief Act 1877. The Sale of Goods Act 1930 is scheduled on the English Sale of Goods Act 1893 (now superseded by Sale of Goods Act 1979).¹

Section 68 to 72 of the Contract Act, 1872 deals with certain transactions which could not strictly be called contracts but which created obligations which are known as Quasi-contract. There are five kinds of this situation recognized by contract Act. Under Section 68 to 72 namely-

- (1) Claim for necessities supplied to persons incapable of contracting, or on his account.
- (2) Reimbursement of person paying money due by another in payment of which he is interested.
- (3) Obligation of person enjoying benefit of non gratuitous act.
- (4) Rights and liabilities of finder of goods.
- (5) Liability of person to whom money is paid, or thing delivered, by mistake or coercion.

Definition of Quasi Contract

Salmond defines quasi-contracts: “there are certain obligations which are not in truth contractual in the sense of resting on an agreement, but which the law treats as if they were”.

Professor Woodward defines quasi-contracts as "legal obligations arising ... from the receipt of a benefit the retention of which is unjust, and requiring the obligor to make restitution."

A “quasi” or constructive contract is an implication of law. An “implied” contract is an implication of fact. In the former, the contract is a mere fiction, imposed in order to adapt the case to a given remedy. In the latter, the contract is a fact legitimately inferred. In one the intention is

¹ Burrows Andrew, *Understanding the Law of Contract in Myanmar*, University of Oxford, Fellow of All Souls College, pp-1-14.

disregarded; in the other, it is ascertained and enforced. In one, the duty defines the contract; in the other, the contract defines the duty.¹

Implied terms are those terms which fill the gaps in the contract. Terms can be implied in the following ways: custom, law and fact. If the term is not inconsistent with any of the express terms, both parties must be involved in the trade context in such a way that they would be expected to be aware of the term being custom in that context. Terms in law can be implied irrespective of the intentions of the parties, they relate to legal obligations imposed either by the courts or by statute. The basic requirements for a term to be implied by courts are: the term is implied in all contracts of that type, as a policy matter. Terms implied by statute, where it has been deemed necessary by the legislature, certain terms have been implied into contracts by statute. The most obvious example of this relates to the sale or supply of goods.²

Quasi-contracts sometimes are called implied-in-law contracts to distinguish them from implied-in-fact contracts. An implied-in-law contract is one that at least one of the parties did not intend to create but that should, in all fairness, be created by a court. An implied-in-fact contract is simply an unwritten, non explicit contract that courts treat as an express written contract because the words and actions of the parties reflect a consensual transaction. Even in the absence of an agreement which occurs when a person retain money or benefits that in all fairness belong to another, would exist without judicial relief. This type of contract is called quasi-contract or restitution.

Contractual Obligations

Contract obligations are those duties that each party is legally responsible for in a contract agreement. In a contract, each party exchanges something of value, whether it is a product, services, money, etc. On both sides of the agreement, each party has various obligations in connected with this exchange.

If either party fails to perform their contractual obligations according to the contract terms, it will usually result in a breach of contract. This may result in a damages award to reimburse the non-breaching party for their economic losses.

Any contract has two essential features i.e. agreement and obligation. Agreement arises when a party puts forwards a proposal and when that proposal is accepted by the other party. Obligation comes into the picture as law imposes it over the parties but is linked to the agreement between the parties. Therefore, a contract is a legally enforceable agreement.

Basically, contracts are express or implied by law. The former comes into the picture by the conduct or words or negotiations between the parties. The contract that implied by law is not a real contract. It would be unfair to term it a contract. It arises when law irrespective of agreement aims at meeting the ends of justice.

The express contracts are approved by parties as a matter of law both sharing equal interests with equal consequences though the conditions are stated expressly *while in the case of quasi*

¹ <https://legal-dictionary.thefreedictionary.com/Quasi+Contract>

² <https://www.lawteacher.net/modules/contract-law/construction/terms/lecture.php>

*contracts the law imposes obligations taking into view the conduct of the parties in order to prevent undue advantage to one party at the cost of another.*¹

“...There are many a situation in which law, as well as justice, requires that a certain person is required to confirm an obligation, although he has not broken any contract nor committed any tort. A person cannot entertain unjust benefits at the cost of some other person. Such kind of obligations is generally described, for the want of better or more appropriate name, as Quasi-Contractual Obligations. This would be better to explain it up that Quasi-contract consists of the Contractual Obligation which is entered upon not because the parties have consented to it but because the law does not allow a person to have an unjustified benefit at the cost of another party.”²

The liability exists in quasi-contracts on the basis of the doctrine of unjust enrichment. For example: a person in whose house certain goods have been left incidentally, so that person is bound to restore them. There will be an obligation on the house owner to restore the goods safely that is imposed by law rather than any agreement between the parties. Such type of contractual obligations is termed as quasi-contractual obligations.

In general, the quasi-contract doctrine is applied in disputes regarding payment of goods delivered or services rendered. If there is no valid contract between the parties, the main question that arises in such situations is the liability of the defendant.

Lord MANSFIELD who explained such obligations based upon the law as well as justice to prevent undue advantage to one person at the cost of another.

“Liability of this kind is hard to classify. Since it partly resembles liabilities under the law of tort and partly it resembles contract since it owed to only a party and not a person or individual generally. Therefore, it comes within the ambit of an implied contract or even natural justice and equity for the prevention of unjust enrichment.”

If a person, incapable of entering into a contract, or any one whom he is legally bound to support, is supplied by another person with necessities suited his condition in life, the person who furnished such supplies is entitled to reimbursed from the property of such incapable person.³ It was held in the case of *"Maung Ba Tha, Ma sein Yin vs. Daw Set"*⁴ that a buyer of the property from a person who has no power to sell is entitled to reimburse from the extent of the value of the benefit received by such owner.

The second kind of Quasi-contract applies only to payments made *bona fide* for the protection of one's own interest. Under Section 69 of the Contract Act 1872, if a man be interested in the payment of money and has proper ground for thinking that, another who is bound to pay the money either cannot pay or does not intend to pay, he himself is entitled to pay the money and should be allowed to recover it.

*Ma Ngwe Shin and one vs. Gaung Boke (a) Maung Laung Kyamar and one*⁵ Facts of the case were that the appellants leased out a place of land to the respondents at a monthly rent of K 30. Subsequently, the area was occupied by the K.N.D.O, and the appellants evacuated to

¹ Neerja Gurnani, Vikesh Kumar, Dr. Ram Manohar Lohiya National Law University, Lucknow, “Contracts and Quasi-Contracts”

² Ibid.

³ Section 68 of the Contract Act, 1872.

⁴ 1974 B.L.R.P.491

⁵ 1955 B. L.R (H.C) 283

Yangon. The appellants used the respondents for arrears of rent accrued due amounting to Ks.411 during their absence. The respondents pleaded that they had paid Ks. 360 to the K.N.D.O, authorities during their occupation and as such they were entitled to be reimbursed under Section 69 of the Contract Act.

Section 70 of the Contract Act, 1872 requires three conditions, that a thing must be done lawfully, that it must not be done gratuitously and the person sought to be charged must have enjoyed the benefit.

Consent of the Parties

In relation to formation of contracts, the intention to create legal obligations is important. A quite common in a contract, the intention and consideration is linked question. The consideration need not be adequate but must be sufficient in a valid contract.

There are two basic rules: if the contract is a 'domestic' agreement, then there is a presumption that there is no intention to create legal relations (*Balfour v Balfour*); and if the contract is 'commercial' in nature, then there is a presumption that it is intended to be legally binding (*Edwards v Skyways*).

In *Balfour v Balfour*¹, a husband and wife had to separate because the wife was not well enough to travel back to the husband's place of work (Ceylon). The husband promised to pay her £30 per month. When he failed to keep up the payments, she sued. The court held that she could not succeed because there had been no intention to create legal relations.

Lord Atkin said that, in the case of social and domestic arrangements, there was a presumption against there being an intention to create legal relations. This presumption could be rebutted but in this case there was no evidence to suggest that it should be, and the wife's action therefore failed.

In *Edwards v Skyways*², however, the presumption operated in the opposite way. An airline pilot who was made redundant was offered what was described as an *ex gratia* payment by way of compensation. When this was not paid, the pilot sued. It was held that in commercial relationships there was a strong presumption that there was an intention to create legal relations, which it would be difficult to overturn. In this case, the mere use of the phrase *ex gratia* was not sufficient to rebut the presumption, and the pilot's action succeeded.³

For past consideration in Myanmar, s 25 of the 1872 Act lays down that 'An agreement made without consideration is void unless... (2) it is a promise to compensate, wholly or in part, a person who has already voluntarily done something for the promisor or something which the promisor was legally compellable to do...' One of the requirements of consideration is sometimes said to be that it must be of some economic value. if it is decided that there is no consideration and, therefore, no binding.⁴

¹ [1919] 2 KB 571

² [1969] 1 WLR 349

³ Richard Stone, Contract Law, 5th Edition, Cavendish Q&A Series, 2003, pp- 225-235, www.cavendishpublishing.com

⁴ A Burrows, Understanding the Law of Contract in Myanmar, University of Oxford, Fellow of All Souls College, pp-1-14.

Ordinarily, the law will imply a promise to pay for services rendered and accepted. The rule is founded upon a presumption and may be rebutted by proof of a special agreement to pay either a particular amount or in a particular manner; or by proof that the services were intended to be gratuitous, either as an express gift or under circumstances from which the law will raise the counter presumption that the services were not intended to be a charge against the party who was benefited thereby.¹

In such cases the law will not imply a promise of compensation for certain services rendered; the reason being that there exists a domestic relationship, the incidents of which include an exchange of such gratuities.

The real question is whether the parties intended to contract or not. In the case of parent and minor child the court's statement may apply quite generally; but here there is the family or domestic relationship, as well as the obligation attached to the relation. No implied contract would ever be raised to pay in such a case in the face of the duties required by the relation.²

Thus far mentioned it may be said that there is truly a quasi-contractual relationship, in which the intention of the parties is entirely disregarded. If the circumstances in which the services are rendered are such as to show a reasonable and proper expectation that compensation is to be made, plaintiff will be entitled to recover even in the absence of an "express" contract.

Doctrine of Unjust Enrichment

Basically, the most fundamental principle to make quasi-contract come in existence is upon the principle of justice to ensure no one ought to have unjustly enrich himself at the expense of another.

The unjust principle came from the old maxim of Roman law '*Nemo debet locupletari ex aliena jactura*' that means no man must grow rich because of one's personal loss.

In *Mahabir Kishore v. State Of Madhya Pradesh*,³ the requirements of the principle of unjust enrichment were laid down by the Hon'ble Supreme Court as follows:

- The defendant has been 'enriched' by the receipt of a benefit.
- This enrichment is at the expense of the plaintiff
- And the retention of unjust of the enrichment is unjust.

The principle of unjust enrichment requires: first, that the defendant has been 'enriched' by the receipt of a "benefit"; secondly, that this enrichment is "at the expense of the plaintiff"; and thirdly, that the retention of the enrichment be unjust.

Essential elements of a quasi-contract are; it is imposed by law. It is not created by contract; *right in personam*. The person who incurs expenses is entitled to receive money (unjust enrichment); and rise by a legal fiction.

¹ Quasi-Contracts: Blood Relationship: The Presumption of Gratuitous Services by Relatives Author(s): M. H. V. G. Source: California Law Review, Jul., 1919, Vol. 7, No. 5 (Jul., 1919), pp. 357-360 Published by: California Law Review, Inc. Stable URL: <http://www.jstor.com/stable/3473879>

² M. H. V. G. Source: California Law Review, Jul., 1919, Vol. 7, No. 5 (Jul., 1919), pp. 357-360.

³ 1989 Law (SC)

The category of “unjust enrichment” (also called “restitution” and “quasi-contract”) can justify recovery for interactions that did not even involve a promise. Unjust enrichment is an equitable doctrine, or set of doctrines, that starts from a vague injunction: that someone who is unjustly enriched at the expense of another person must compensate that person. For example, there are special sets of rules for when someone can recover for emergency health care or the emergency saving of property. As with the cause of action of unjust enrichment as a recourse available in cases of extreme injustice, but one that courts will be reluctant to use in less extreme cases, for fear of upsetting reliance and predictability. Among the contract-like settings in which some courts have allowed unjust enrichment recovery are (1) subcontractors who have not been paid for their work (by their contracting partners, the general contractor), suing owners who have not paid the general contractor or anyone else for the work in question, and (2) contractors who had not been paid by the tenants who hired them, then suing the owners of the property – but even with these sorts of claims courts are far more likely to deny recovery than to grant it.¹

Restitution is also important as a basis of recovery for breaching parties or for parties in contracts that would have lost money.

The law of unjust enrichment is a newly recognised subject in English law. It covers, for example, the recovery of money paid, or the value of work done or the value of goods supplied, by mistake or under duress or under a contract that is void or voidable or anticipated or that has been discharged for breach or frustration. The bulk of the subject comprises that area of the common law that used to be called quasi-contract.²

English law, like Myanmar, traditionally did not recognise unjust enrichment. So on the traditional approach, the above areas were treated as having no relationship to each other; and spurious theories, like the fictional implied contract theory were put forward to explain much of the law. If C paid D £2000 under a mistake of fact, his legal remedy to recover the £2000 was said to rest on D’s implied promise to him to pay it back.

Professor A Burrows, who denoted that, “this is fictional in failing to explain why the promise should be implied or why there is liability because the relationship resembles contract. There precisely is no contract governing this situation. The best answer, accepted now in English law and in most common law and civil law jurisdictions, is that the defendant has been unjustly enriched at the expense of the claimant and restitution is concerned to reverse that unjust enrichment”.

Remedies or Compensation as to Avoid Unjust Enrichment or Unjust Benefit

Actions to Recovery of Money

In respect of the recovery of money paid, where the courts will allow recovery is where there is a contract, but there has been a total failure of consideration. This was the situation in *Fibrosa Spolka Akcyjna v Fairbairn Lawson Combe Barbour Ltd* (1943), Where in the case of the contract was frustrated. The House of Lords held that, because the plaintiffs had received no part

¹ Brain H. Bix, Contract Law, Rules, Theories and Context, Cambridge Introduction to Philosophy and Law, 2012, www.cambridge.org/9780521615532

² A Burrows, Understanding the Law of Contract in Myanmar, University of Oxford, Fellow of All Souls College, pp-1-14.

of what they had contracted for, they were entitled to reclaim all the money they had paid towards the contract.

In relation to sale of goods contracts where the seller has no title to the goods. In *Rowland v Divall* (1923), the plaintiff was a car dealer who bought a car from the defendant. Neither party knew that the car had previously been stolen. The plaintiff resold the car to X from whom, after some months, the true owner reclaimed it. The plaintiff repaid the purchase price to X and sued the defendant for the price he had paid to him. Despite the fact that the car was now valued at considerably less than the plaintiff had paid, he was allowed to recover the full amount, because there had been a total failure of consideration. The essence of the sale of goods contract was the transfer of legal title to the goods, and this is the defendant had failed to do.

The decision, which was to some extent understandable on the basis that the plaintiff, as a dealer, was primarily interested in rights of ownership which he could resell, was applied in a different situation

In *Butterworth v Kingsway Motors* (1954). In this case, the plaintiff was a private individual who had used the car for nearly a year before it was discovered that it had been sold in breach of a hire purchase agreement. The defendant, who was again innocent of the defect in title, was nevertheless compelled to repay the full purchase price to the plaintiff. The plaintiff had thus had the free use of the car for nearly a year. Money will also be recoverable where it is paid under a mistake of fact. The mistake must be as to a fact which, if true, would have obliged the claimant to pay the money:

“Where both parties to an agreement are under a mistake as to a matter of fact essential to the agreement, agreement is void. There is an explanation that – an erroneous opinion as to the value of the thing which forms the subject matter of the agreement is not to be deemed a mistake as to a matter of fact”.¹

A contract is not voidable because it was caused by a mistake as to any law in force in the Union of Myanmar, but a mistake as to a law not in force in the Union of Myanmar has the same effect as a mistake of fact. For example, A, and B, make a contract grounded on erroneous belief that a particular debt is barred by the law of limitation, the contract is voidable.² The effect of mistake of one party as to a matter of fact: “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.”³

This has changed as a result of the decision of the House of Lords in *Kleinwort Benson Ltd v Lincoln City Council* (1998). The House could see no reason why there should not be recovery where the recipient would otherwise be unjustly enriched. If the recipients of the money had changed their position in reliance on the payment, this might preclude recovery. On the other hand, the fact that the mistake was based on a view of the law, which appeared to be settled at the time, but which the courts later ruled was incorrect, would not prevent recovery.

A further situation where recovery of money may be possible is where the claimant has paid money to a third party for which the defendant is liable.

¹ Section 20 of the Contract Act, 1872.

² Section 21 of the Contract Act, 1872.

³ Section 22 of the Contract Act, 1872.

In *Exall v Partridge* (1799), for example, Exall paid the arrears of rent owed by Partridge, in order to prevent Exall's carriage, which he had left on Partridge's premises, being seized by bailiffs. The money must be paid under an obligation or constraint, rather than voluntarily, for this action to succeed. Moreover, the defendant must have been under a legal obligation to pay the money.

In *Metropolitan Police District Receiver v Croydon Corp* (1957),⁴ a police authority had paid the wages of an injured policeman, as it was obliged to do under statute. The policeman sued and recovered damages for negligence from the defendants. These damages did not include any element for lost wages, because these had been paid by the police authority. The police authority sought to recover the amount of the wages from the defendants. It was held that they could not succeed, because the defendants had no legal liability as regards the wages of the policeman, only as regards his losses. Since he had been paid his wages, he had suffered no loss in this respect.

Availability of Compensation

The situation where the claimant is trying to recover, not a particular sum of money paid, but compensation for some benefit conferred on the defendant. The claim will be for a *quantum meruit* payment, that is, a sum equivalent to the value of the benefit conferred. Such a claim may, of course, arise within a contract where no price has been fixed for work to be done. Generally, the defendant will be expected to pay a 'reasonable' price.

A good example is *Planché v Colburn* (1831). The plaintiff had agreed to write a book for the defendant. After the plaintiff had done a considerable amount of work, the defendant pulled out of the project. It was held that, independent of any contract,⁶ the plaintiff should be able to recover on a *quantum meruit* basis. There was no longer any contract in existence, and the plaintiff should not be deprived of the 'fruit of his labour'. A payment of 50 guineas was ordered. A further situation where such a sum may be recovered is where services have been performed under a void contract. It was noted above that money paid under such a contract is recoverable. It is, therefore, not surprising that an action for compensation for work done may also be successful.

An example of this is the case of *Craven-Ellis v Canons Ltd* (1936). The plaintiff had been appointed managing director of a company under a procedure which was invalid. He sought to recover either the money due under his contract with the company, or on a *quantum meruit* basis. It was held that he could not recover under the contract, since it was void, but he was allowed to recover reasonable remuneration for the work he had done.

In more recent cases that work done under an anticipated contract which never actually comes into existence may be compensated in a similar way. In *British Steel Corp v Cleveland Bridge and Engineering Co* (1984), Robert Goff J⁷ held that the plaintiffs were entitled to reasonable compensation for work done, at the defendants' request, in manufacturing items which were to be used in the construction of a building. Although there had been extensive negotiations, no contract had ever been finalised. The action succeeded as a restitutionary *quantum meruit* claim.

The above shows that in a number of areas English law has found sufficient flexibility to provide compensation so as to avoid unjust enrichment or unjust benefit. As a result, there are gaps and inconsistencies in what it provides. The actions for recovery of money paid, for example, are much better developed than those for compensation for work done. There is also only a very slow development of general principles to provide a framework for future development.

Conclusion

No single comprehensive definition of benefit in quasi-contract is possible. Unlike actions grounded in quasi-contract serve as alternatives to proceedings in both tort and contract. In the contract category alone, quasi-contract principles may be utilized in cases having their origin in express contract and also in actions where no explicit consensual agreement between the parties exists.

Childres and Garamella's analysis also addresses the question of whether an aggrieved party suing in quasi-contract after part performance can recover only according to the underlying contract rate. The question of when and to what extent recovery should be allowed in excess of the contract rate relates directly to the concept of benefit in quasi-contract, since courts implicitly must determine the extent of the defendant's benefit in deciding whether recovery should exceed the contract rate.

This states that if a promise is made after work has been done, or some other benefit conferred, that work or benefit is not consideration for the promise, which is therefore unenforceable. This is a result of the idea of contract involving a mutual exchange. Common law systems all accept that where the relationship between the parties resembles a contractual one, the rules of private international law which apply to it, and to the parties to it, and to the existence, content, and consequences of it, are the contractual ones.

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