

Business Law - Semester I

Exam Paper (According to NEP 2022 Syllabus – Graduation Level)

Time: 3 Hours Max Marks: 75

Section A: Conceptual & Theoretical Questions (5 Marks Each)

(Answer in 150-200 words with case law references and legal principles)

1. **"An agreement enforceable by law is a contract."** Explain the essential elements of a valid contract under the Indian Contract Act, 1872. How does Section 10 distinguish between agreements and contracts?
(Refer: DU 2021, Q1 - Balfour v. Balfour case discussion)
2. Critically analyze the doctrine of 'Privity of Contract' with exceptions. Refer to relevant case laws like Dunlop v. Selfridge and exceptions under the Consumer Protection Act, 2019.
(Refer: DU 2020, Q3 - Third-party rights evolution)
3. **"Free consent is the backbone of a valid contract."** Discuss the effects of coercion, undue influence, and misrepresentation on contract validity, citing Indian case laws.
(Refer: DU 2019, Q2 - Ranganayakamma v. Alwar Setty case study)
4. Explain the concept of 'Quantum Meruit' under quasi-contracts. Illustrate with examples from landmark judgments like State of West Bengal v. B.K. Mondal.
(Refer: DU 2018, Q4 - Unjust enrichment principle)
5. Compare bailment and pledge under the Indian Contract Act, 1872. How does Section 172 define pledge, and what are the rights of a pawnee?
(Refer: DU 2022, Q5 - Bank of India v. Yogeshwar Kant case)

Section B: Case-Based & Problem-Solving Questions (10 Marks Each)

(Apply legal provisions with judicial interpretations)

6. Problem - Contract Formation (Similar to DU 2021, Q7):

A offers to sell his car to B for 5 lakhs via email. B replies, "I accept if you reduce the price to 4.5 lakhs." A does not respond. B later agrees to pay 5 lakhs, but A sells the car to C. Can B sue A?

Tasks:

- a) Analyze validity of offer/counteroffer under Sections 2(a) & 2(b).
- b) Discuss communication of acceptance (Section 4) and revocation (Section 5).

7. Case Study - Fraud & Misrepresentation (DU 2022, Q6 Pattern):

X purchases a painting from Y, claiming it is an original Raja Ravi Varma. Later, X discovers it is a replica. Y knew the truth but remained silent.

Tasks:

- a) Determine remedies available to X under Section 17 (fraud) and Section 18 (misrepresentation).
- b) Refer to Derry v. Peek for 'intent to deceive' standards.

8. Legal Problem - Capacity to Contract (DU 2020, Q9):

A 17-year-old genius develops a mobile app and enters a 10 lakh contract with a tech firm. Later, he wishes to void the contract.

Tasks:

- a) Apply Section 11 (minor's contract) and Mohori Bibee v. Dharmodas Ghose.
- b) Can the firm claim restitution under Section 65?

9. Case Analysis - Quasi-Contracts (Based on DU 2019, Q10):

A hospital mistakenly provides emergency treatment to an unconscious patient, assuming he had insurance. Later, the patient refuses payment.

Tasks:

- a) Evaluate under Section 70 (obligation for non-gratuitous acts).
- b) Cite CT. Muniappa v. Thimmegowda (necessity doctrine).

10. Ethical Dilemma - E-Contracts (NEP 2022 Focus):

An app's Terms of Service (hidden in hyperlinks) state arbitration for disputes. A user unaware of this clause files a consumer complaint.

Tasks:

- a) Analyze enforceability under IT Act, 2000 (Section 10A) and Shreya Singhal v. UoI (consent standards).
- b) Suggest reforms for digital contract transparency.