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Bengaluru

Mid Term Examinations - October 2026

Date: 09/10/2026 **Time:** 09:30 AM - 11:00 AM

Course Code: BBA2042 **Course Name:** Business Law

Semester: Fifth Semester **Max. Marks:** 50 **Weightage:** 50%

CO - Levels	CO1	CO2	CO3
Marks	24	44	22

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	List any two functions of law.	2	CO1	BT1
2	State the meaning of term morality.	2	CO1	BT1
3	Define termination of an offer	2	CO2	BT2
4	Define performance.	2	CO3	BT2
5	State the meaning of Unequivocal Agreement.	2	CO2	BT1

PART B : Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
6	Agreements differ in their legal effect, manner of formation, and enforceability. Explain the major kinds of agreements under the Indian Contract Act, 1872, and illustrate each type with a suitable example.	10	CO1	BT2
7	A contract becomes legally enforceable only when certain essential requirements are fulfilled. Explain the process of formation of a valid contract and discuss the essential elements that must be present for an agreement to become a legally enforceable contract. Support your answer with suitable examples.	10	CO1	BT2

PART C: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
8	An offer is the foundation of a contract and must satisfy certain legal requirements to create a valid agreement. Define an offer under the Indian Contract Act, 1872. Explain the essential elements of a valid offer and discuss its different kinds with suitable examples.	10	CO2	BT2

9	Rahul offered to sell his car to Sameer for ₹6,00,000 and gave him three days to decide. On the second day, Sameer sent Rahul a message saying, “I agree to buy your car for ₹5,50,000. I can pay the amount immediately.” Rahul did not reply. The next morning, Sameer sent another message stating, “I accept your original offer of ₹6,00,000.” However, before Rahul received this second message, he had sold the car to another person. Questions – 1. Was Sameer's first message a valid acceptance of Rahul's offer? Give reasons. 2. What is meant by absolute and unqualified acceptance? 3. Did Sameer's first message amount to a counter-offer? 4. Was a valid contract formed when Sameer later accepted the original offer? 5. Explain the rules relating to acceptance and communication of acceptance applicable to this case.	10	CO2	BT2

PART D: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
10	What is meant by breach of contract? Explain the different types of breach of contract and the remedies available to the aggrieved party under the Indian Contract Act, 1872, with suitable examples.	10	CO3	BT2
11	A university accidentally transferred ₹50,000 into Rohan’s bank account instead of transferring it to another employee with a similar name. Rohan noticed the credit but assumed it was a payment due to him and used ₹30,000 of the amount to purchase a laptop. A week later, the university discovered the mistake and asked Rohan to return the entire ₹50,000. Rohan refused, arguing that there was no contract between him and the university and that he had already spent part of the money. Questions – 1. Is Rohan legally required to return the money? 2. Which principle of quasi-contract applies to this case? Explain the relevance of the principle according to the Indian Contract Act, 1872. 3. Does the absence of an actual contract allow Rohan to retain the money? 4. Give a reasoned conclusion.	10	CO3	BT2

PART E: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
12	Distinguish between void, voidable, and unlawful agreements under the Indian Contract Act, 1872. Explain their legal effects and illustrate each with suitable examples.	10	CO2	BT2
13	Mr. Sharma, an elderly businessman, owned a valuable piece of land. His nephew, Rohan, knew that Sharma was facing financial difficulties. Rohan repeatedly threatened Sharma that he would create serious problems for him and his family unless Sharma sold the land to him for ₹15 lakh, although its market value was around ₹30 lakh. Feeling threatened and afraid of the consequences, Sharma signed the sale agreement and accepted the payment. A few weeks later, Sharma approached the court and sought to cancel the agreement, stating that he had signed it because of the threats. **Questions –** 1. Was Sharma's consent free consent? 2. Which factor affected Sharma's consent? 3. Is the agreement valid or voidable? Give reasons. 4. Can Sharma seek cancellation of the agreement? 5. Explain the principle of free consent applicable to the case.	10	CO2	BT2