

**DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD**

**Advanced Diploma in Drafting, Negotiation and Enforcement of Contracts
P.G. Diploma in Drafting, Negotiation and Enforcement of Contracts**

Academic Year: 2022-2023

Annual Examination (June, 2023)

Paper III – 1.3. Drafting and Negotiating Contracts

Duration of the Examination : 3 hours

TOTAL MARKS: 100

INSTRUCTIONS TO CANDIDATES

- a) Read the instructions carefully and adhere to the same.
 - b) Please mention your DDE ID No., date of the exam, name of the programme & subject on the Answer Sheet and the Additional Answer Sheets, if any.
 - c) The questions to be interpreted as given and no clarification can be sought from the Invigilator.
 - d) Clearly indicate the question numbers while answering them. Answers without question numbers / wrong question numbers will not be evaluated.
 - e) Write the answers clearly and neatly. Answers in illegible handwriting will not be taken into consideration.
 - f) Candidates are prohibited to carry phones or any other electronic devices, books, material etc. in the Examination Hall.
 - g) Copying is strictly prohibited and is considered as a serious academic mis-conduct and the University will take action as it deems fit.
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Q.1. Answer the following questions:

- a. Elucidate the following with the help of illustrations (examples):
[5 marks X 3=15 marks]
 - i. Representations and Warranties
 - ii. Indemnity Clause
 - iii. Definitions and defined terms
- b. Elucidate (with the help of illustrations) the concepts of BATNA, WATNA and MLATNA in a negotiation.
[10 marks]

Q.2. Answer the following questions.

- a. Rewrite the correct version of the following clauses, keeping in mind the drafting principles and language:
[15 marks]
 - 2. TERM AND TERMINATION
 - 2.1. This Agreement shall remain in force for as long as the Parties mutually decide.
 - 2.2. The Parties may extend this Agreement after its expiry by a prior written agreement.
 - 2.3. This Agreement may be terminated in the following ways:
 - 2.3.1. When both Parties agree together
 - 2.3.2. When Parties give a thirty days notice.

- b.** Rewrite the correct version of the following clause, keeping in mind the drafting principles and language: **[10 marks]**

Limitation of Liability: In no event shall the Service Provider or its affiliates be liable to the Client or any third party for any general or direct damages for anything arising out of or in relation to this Agreement or relating to the services provided by the Service Provider, and this limitation applies even in cases of negligence by Service Provider.

Q.3. Ms. Anita Chase is a famous global singer with her office at 19, Phoenix Centre, Worli, Mumbai. Ms. Chase gives live performances at several sold out shows in India and abroad. Ms. Chase's manager, Mr. Xavier has been approached Gachi University, Gachibowli in Hyderabad for arranging a live performance by the singer at the university for their cultural fest.

You are on the legal team of the singer and are required to draft an agreement with the university for a live performance by the singer based on the following notes:

[25 marks]

1. The live performance will be of 90 minutes on 09.08.2023.
2. The university will pay a sum of Indian Rupees Ten lakhs in two equal installments (plus taxes). The entire payment must be completed atleast two weeks before the live performance.
3. The university is not permitted to sell any tickets to any persons as it will be a non-ticketed event.
4. The university is also responsible for arranging adequate travel, accommodation and security facilities.
5. All disputes should be resolved amicably or through arbitration.

Q.4. Mr. Madan owns a beautiful property called 'Vanaspathi' overlooking the Ganga river at Rishikesh, Uttarakhand. The multinational hospitality company, the Carl Group, with Mr. Khanna as head of operations, has shown interest in leasing and operating Vanapathi as a boutique hotel under their brand on a revenue sharing basis with Mr. Madan. The parties have been negotiating the terms and conditions of the agreement and Mr. Khanna has agreed that the first draft of the agreement will be prepared by you, Mr. Madan's legal advisor.

You are required to draft a lease and operate agreement with the Carl Group based on the following notes: **[25 marks]**

1. The term of the agreement will be 5 years initially, subject to extension by the parties.
2. The Carl Group will pay a fixed monthly rent of INR 5,00,000 for the term.
3. The Carl Group will pay 10% of the net revenue to Mr. Madan annually at the end of each financial year.
4. All operations and functioning will be handled by the Carl Group. There will be no involvement of Mr. Madan in the functioning of the hotel.
5. Mr. Madan will undertake all repairs within reasonable time as requested by the Carl Group.
6. All disputes are to be resolved through mutual negotiations and arbitration.