

FEDERAL PUBLIC SERVICE COMMISSION



COMPETITIVE EXAMINATION FOR RECRUITMENT TO POSTS IN BS-17 UNDER THE FEDERAL GOVERNMENT, 2012

Roll Number

MERCANTILE LAW

TIME ALLOWED:	(PART-I MCQs)	30 MINUTES	MAXIMUM MARKS: 20
THREE HOURS	(PART-II)	2 HOURS & 30 MINUTES	MAXIMUM MARKS: 80
NOTE: (i) Candidate must write Q.No. in the Answer Book in accordance with Q.No. in the Q.Paper. (ii) Attempt ONLY FOUR questions from PART-II. All questions carry EQUAL marks. (iii) Extra attempt of any question or any part of the attempted question will not be considered.			

PART-II

- Q.2 Section 10 of the Contract Act says that 'all agreements are contracts if they are made by the free consent of the parties competent to contract, for a lawful consideration and with a lawful object, and or not expressly declared to be void'. Explain fully what is intended by the wording '*not expressly declared to be void*'. Be brief and to the point. (20)
- Q.3. Discuss the circumstances under which a contract is discharged. (20)
- Q.4. What rights are conferred on an unpaid seller? Explain an unpaid seller's lien. Under what circumstances an unpaid seller loses his lien? (20)
- Q.5. Explain 'Sale by Auction'. When does title of goods passes from the seller to a buyer in an auction sale? (20)
- Q.6. How would a court determine the existence of a partnership? Explain the principle laid down in *Cox v. Hickman*. (20)
- Q.7. Discuss the significance of 'Resolutions' in regulating the affairs of a company. Explain what is meant by the doctrine of *ultra vires* a company? (20)
- Q.8. Who may be appointed as an arbitrator? Describe the powers of an arbitrator under the Arbitration Act, 1940. (20)
