FEDERAL PUBLIC SERVICE COMMISSION

COMPETITIVE EXAMINATION-2024 FOR RECRUITMENT

TO POSTS IN BS-17 UNDER THE FEDERAL GOVERNMENT

Roll Number

MERCANTILE LAW

TIME ALLOWED: THREE HOURS **PART-I(MCQS): MAXIMUM 30 MINUTES**	**PART-I (MCQS) MAXIMUM MARKS = 20** **PART-II MAXIMUM MARKS = 80**

NOTE: (i) **Part-II** is to be attempted on the separate **Answer Book.**

(ii) Attempt **ONLY FOUR** questions from **PART-II. ALL** questions carry **EQUAL** marks.

(iii) All the parts (if any) of each Question must be attempted at one place instead of at different places.

(iv) Candidate must write Q. No. in the Answer Book in accordance with Q. No. in the Q. Paper.

(v) No Page/Space be left blank between the answers. All the blank pages of Answer Book must be crossed.

(vi) Extra attempt of any question or any part of the attempted question will not be considered.

ZICOSH

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TIME ALLOWED: THREE HOURS	**(PART-I MCQs) MAXIMUM MARKS: 20**
PART-I (MCQs) : MAXIMUM 30 MINUTES	**(PART-II) MAXIMUM MARKS: 80**

NOTE: (i) First attempt **PART-I (MCQs)** on separate **OMR Answer Sheet** which shall be taken back after **30 minutes.**
(ii) Overwriting/cutting of the options/answers will not be given credit.
(iii) There is **no negative** marking. All MCQs must be attempted.

PART-I (MCQs)(COMPULSORY)

Q.1. (i) Select the best option/answer and fill in the appropriate Box ■ on the **OMR Answer Sheet.(20x1=20)**
(ii) Answers given anywhere else, other than OMR Answer Sheet, will not be considered.

1. **A kind of resolution that is required to alter the capital clause of the memorandum of Association is known as:**
(A) Equity Resolution (B) Ordinary Resolution
(C) Special Resolution (D) Shareholders' Resolution with notice
2. **A minor partner is liable to the third party:**
(A) Personally (B) Up to his share (C) ¼ of the actual loss (D) For nothing
3. **Compensation granted for indirect and remote losses is known as:**
(A) Compensatory Damages (B) Punitive Damages (C) Special Damages (D) Vindictive Damages
4. **In the light of the Contract Act _____ is not a valid consideration.**
(A) Illusory Consideration (B) Past Consideration (C) Present Consideration (D) All of these
5. **An agreement carrying inadequate consideration is:**
(A) Valid (B) Void (C) Voidable (D) None of these
6. **A certificate of commencement of business is required for:**
(A) Unlisted public company (B) Listed public company (C) Registered public company (D) All of these
7. **In a limited company _____ stands in a fiduciary relationship.**
(A) Shareholders (B) Promoters (C) Creditors (D) None of these
8. **An equity capital might be:**
(A) Nominal capital (B) Unissued capital (C) Paid up capital (D) All of these
9. **Members holding not less than _____ percent of the issued share capital of a company can make an application to the court against oppression.**
(A) 10 (B) 20 (C) 33 (D) None of these
10. **A class action is an action by:**
(A) A plaintiff against multiple defendants (B) By multiple plaintiffs against a defendant
(C) By shareholder against company (D) All of these
11. **While conducting commercial legal research the initial step is to:**
(A) Determine the relevant jurisdiction (B) Find the relevant case law
(C) Identify the relevant legal issue (D) All of these
12. **_____ purchases shares of a public company and arranges for their sale to the general public.**
(A) Contributory (B) Underwriter (C) Promoter (D) None of these
13. **When the transfer of the property in the goods is to take place at a future time the contract is known as:**
(A) Sale (B) Provisional sale (C) Conditional sale (D) An agreement to sell
14. **A stipulation collateral to the main purpose of the contract of sale of goods is called:**
(A) Guarantee (B) Warranty (C) A condition (D) A stipulation
15. **In case of dishonor of a negotiable instrument notice is required to be given to:**
(A) Drawer (B) All endorsers (C) Both (A) & (B) (D) None of these
16. **Questions arising at the meeting of the competition commission shall be determined by the _____ of the members present.**
(A) Vote of majority (B) Vote of special majority (C) Consensus (D) None of these
17. **In Payment Systems and Electronic Fund Transfers Act, 2007 electronic fund transfer means any transfer of funds which is initiated through:**
(A) Electronic Terminal (B) Telephonic instrument (C) Both (A) & (B) (D) None of these
18. **A negotiable instrument is freely transferable by endorsement if it is _____ instrument.**
(A) Order (B) Bearer (C) Both (A) & (B) (D) None of these
19. **Doctrine that every person dealing with the company is presumed to have read and understood the Memorandum and Articles of Association is known as:**
(A) Caveat emptor (B) Indoor management (C) Constructive notice (D) None of these
20. **In a contract of guarantee the person for whom the guarantee is given is called:**
(A) Creditor (B) Principle debtor (C) Surety (D) None of these

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PART-II

Q1. Describe the relationship if any, between Separate Legal Personality and Limited Liability of corporate form of business.

Q2. What is meant by charge? Explain the legal nature and significance of floating charge in company law.

Q3. In the presence of majority rule how well the minority shareholders are protected in the Companies Act 2017?

Q4. In the light of Competition Act 2010 discuss six most common practices in Pakistani markets that prevent, restrict, reduce and distort competition through abuse of dominant position.

Q5. Discuss the basic legal features of partnership agreement and rights of partner by estoppel in the light of partnership Act.

Q6. Explain the meaning and legal function of negotiable instruments in the light of negotiable instruments act 1881.

Q7. Write notes on any two of the following:

Cumulative voting

Legal status of promotors

Doctrine of indoor management

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