



**FEDERAL PUBLIC SERVICE COMMISSION**  
**COMPETITIVE EXAMINATION-2019**  
**FOR RECRUITMENT TO POSTS IN BS-17**  
**UNDER THE FEDERAL GOVERNMENT**

Roll Number

**MERCANTILE LAW**

<b>TIME ALLOWED: THREE HOURS</b>	<b>PART-I (MCQS)</b>	<b>MAXIMUM MARKS = 20</b>
<b>PART-I(MCQS): MAXIMUM 30 MINUTES</b>	<b>PART-II</b>	<b>MAXIMUM MARKS = 80</b>
<b>NOTE: (i) Part-II is to be attempted on the separate Answer Book.</b> <b>(ii) Attempt ONLY FOUR questions from PART-II. ALL questions carry EQUAL marks.</b> <b>(iii) All the parts (if any) of each Question must be attempted at one place instead of at different places.</b> <b>(iv) Write Q. No. in the Answer Book in accordance with Q. No. in the Q.Paper.</b> <b>(v) No Page/Space be left blank between the answers. All the blank pages of Answer Book must be crossed.</b> <b>(vi) Extra attempt of any question or any part of the question will not be considered.</b>		

**PART – II**

- Q. No. 2.** Explain the term consideration and state the exceptions to the rule: “No consideration, no contract”? (20)
- Q. No. 3.** What do you understand by the rule “caveat emptor”? Are there any exceptions to this rule? Does this rule apply in Pakistan today? (20)
- Q. No. 4.** What do you mean by implied authority of partner? What are the limitations on authority of partner? (20)
- Q. No. 5.** Why does the State Bank of Pakistan Act, 1956 maintain that only State Bank can lawfully issue bearer notes and bills of exchange payable on demand? What does this tell you about the nature of the paper currency that we use? (20)
- Q. No. 6.** What do you understand by fixed and floating charges with reference to company law? Draw a distinction between the two types. (20)
- Q. No. 7.** What changes have been brought about in the rules of the memorandum of association of a company by the new law of 2017? (20)
- Q. No. 8.** What is the meaning of “services for consideration” in the consumer law and does it include the services of a doctor or a lawyer? (20)

\*\*\*\*\*