



# UNIVERSITY OF THE PUNJAB

B.S. 4 Years Program / Fourth Semester – 2020

Roll No. in Fig. ....

Roll No. in Words. ....

Paper: Mercantile Law

Course Code: BBA-206 / BUS-22353 Part – I (Compulsory) Time: 15 Min. Marks: 10

**ATTEMPT THIS PAPER ON THIS QUESTION SHEET ONLY.**

**Division of marks is given in front of each question.**

**This Paper will be collected back after expiry of time limit mentioned above.**

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Signature of Supdt.:

**Q.1. Encircle the right answer cutting and overwriting is not allowed. (10x1=10)**

1. Partnership property must be used for \_\_\_\_\_
  - A. the Partner of the Firm
  - B. the Firm
  - C. the continuing Partners of the Firm
  - D. the retiring Partners of the Firm
2. In the absence of any agreement, the interest to partners on the amount of loan advanced to the firm, is allowed at \_\_\_\_\_
  - A. 4% per annum
  - B. 6% per annum
  - C. 8% per annum
  - D. Market rate.
3. Presentment of negotiable instrument for payment is to be made \_\_\_\_\_.
  - A. At any time
  - B. During usual hours of business and, if at a banker's, within banking hours.
  - C. No time is specific for presentment
  - D. None of the above.
4. The Negotiable Instrument may be dishonored either by ...
  - A. Non Acceptance of Negotiable Instrument
  - B. Non Payment of mentioned value
  - C. Both A & B
  - D. None of the above
5. When the negotiable instrument is presented by the payee to the drawer for the purpose of payment or acceptance, it is called \_\_\_\_\_.
  - A. Encashing
  - B. Demand
  - C. Presentment
  - D. Withdrawal
6. \_\_\_\_\_ is the concept of "Let the Buyer Beware".
  - A. Information center
  - B. Caveat emptor
  - C. Unfair trade practices
  - D. None of the above

**7. The voluntary transfer of possession from one person to another is called:**

- A. Transfer
- B. Change of possession
- C. Delivery
- D. None of these

**8. In the contract of sale there is an implied warranty that:**

- A. Seller has a right to sell the goods
- B. The buyer has the right to have and enjoy the quite possession only
- C. The goods shall be free from any charge or encumbrance
- D. The buyer has the right to have and enjoy the quite possession and that the goods shall be free from any charge or encumbrance.

**9. A contract to sell the property by a minor through guardian is**

- (A) Void
- (B) Voidable
- (C) Valid
- (D) None of these

**10. The party to contract aggrieved or wronged by misrepresentation can:**

- a) Avoid the performance of the contract
- b) Avoid the contract and sue for damages
- c) Neither avoid the contract, nor can he sue for damages
- d) None of the given option is correct



**ATTEMPT THIS (SUBJECTIVE) ON THE SEPARATE ANSWER SHEET PROVIDED**

**Q.2. Give short answers of the following: (10x2=20)**

- i. What do you understand by the rule “caveat emptor”?
- ii. What do you mean by implied authority of partner?
- iii. Define unilateral contract.
- iv. Breach of contract
- v. Negotiable instruments
- vi. Define Bailment
- vii. Define contract of sale of goods
- viii. Who is unpaid seller
- ix. Dissolution of partnership
- x. Define common carrier

**Q.3. Give brief answers of the following. (3x10=30)**

- i. Briefly explains the exceptions of the term: “No Consideration No Contract.”
- ii. Define contract and various methods of discharge of contract.
- iii. Short note on Essentials and rights of Common Carrier.