

**ALLAMA IQBAL OPEN UNIVERSITY**

Level: Bachelor

Paper: **Mercantile Law (460)**

Time Allowed: 3 hrs

Semester: Spring 2009

Maximum Marks: 100

Pass Marks: 40

Note: - **ATTEMPT FIVE QUESTIONS. ALL CARRY EQUAL MARKS.**  
**QUESTION NO (8) IS COMPULSORY.**

Q.NO.1	When does the communication of proposal, an acceptance, & a revaluation become complete? When may proposal and acceptance be revoked?
Q.NO.2	Does a mere non-disclosure of facts amount to fraud? Distinguish between Fraud and Misrepresentation.
Q.NO.3	Briefly State the various agreements that are expressly declared by law to be void. Give example in each case.
Q.NO.4	What are the rights and obligations of person, who rescind contract, which is voidable at his option?
Q.NO.5	"The Liability of a surety is co- existensive with that of the principal debtor." Discuss & illustrate the Statement.
Q.NO.6	In what cases can an agent himself sue or be sued by the party he entered into contract, on behalf of the principal.
Q.NO.7	Discuss the formula "Delivery to a Carrier is a delivery to the buyer." Is a correct and complete statement of sales of Goods Act?"
Q.NO.8	<p>(A) Following statements are True or False.</p> <p>i. Partners of the firm are mutual agents of each others. <span style="float: right;">T/F</span></p> <p>ii. In absence of agreement, profit &amp; losses are shared in capitals ratios. <span style="float: right;">T/F</span></p> <p>iii. Interest on loan shall be paid to partner even if there is loss. <span style="float: right;">T/F</span></p> <p>iv. Interest on drawings by partners is calculated for six months only. <span style="float: right;">T/F</span></p> <p>v. Current Accounts of partners are maintained under fluctuating methods. <span style="float: right;">T/F</span></p> <p>(B) Fill in the Blanks.</p> <p>i. A newly admitted partner in the partnership business acquires _____ rights.</p> <p>ii. Re- valuation Account is a _____ account.</p> <p>iii. The balance of Re- valuation account is transferred to _____ partner's capital accounts.</p> <p>iv. Good- will is an _____ asset.</p> <p>v. In the absence of an agreement, partners shall _____ be paid salaries.</p>

