

PAPER: MERCANTILE LAW (150 MARKS)

I. Law of Contract, 1872

Definitions

Essentials of a valid contract (Proposal, Acceptance, Consideration, Free consent, Capacity of Parties, Not hereby declared to be Void)

Kinds of Contracts (Valid, Void, Voidable, Not Voidable)

Variety of Contracts (Contingent, Quasi, Bailment, Pledge, Indemnity, Agency)

Performance of Contract, contracts need not to be performed.

Breach of contract, consequences of breach, damages for breach of contract.

II. Sales of Goods Act, 1930

Definitions

Differences: Sale & agreement to sell, conditions and warranties, express & implied conditions.

Doctrines: Caveat emptor, Nemo dat

Right and duties of seller & buyer, rights of unpaid seller.

III. Partnership Act, 1932

Definitions

Essentials of partnership

Kinds of partnership (partnership at will, particular partnership, limited partnership)

Rights and duties of Partners

Relation of partners to third persons (implied authority of partner, doctrine of holding out)

Incoming and outgoing partners (minor)

Dissolution of firms (compulsory, by agreement, by court, by notice on happening of contingencies)

IV. Negotiable Instrument Act, 1881

Definitions

Types of negotiable instruments (Cheque, bill of exchange, promissory note)

Parties to instruments, holder & holder in due course

Rules (as to negotiation, presentment, payment & interest, discharge, noting and protest, compensation, acceptance, payment for honour)

Special rules of evidence

Special provisions relating to cheques & bills of exchange (dishonor, duties of banker)

Provisions as to foreign instruments

V. Competition Act, 2010

Definitions

Prohibition and abuse of (dominant position, certain agreements, discipline, marketing practices)

Approval of mergers

Competition commission of Pakistan (established, composition, term)

Functions and powers of commission

Provisions as to penalty and appeals.

VI. Electronic Transaction Ordinance, 2002

Definitions

Recognition and presumption of electronic transactions (writing, signature, stamp duty, attestation etc.)

Electronic documents (attribution, acknowledgement, time and place of dispatch)

Certification of service providers

Application to acts done outside Pakistan

Offences & Nature (false information, false certificates, damage to information system etc)

VII. The Arbitration Law in Pakistan

Definitions

Appointment, number and removal of arbitrator

Award by arbitrator

Powers of court upon award (remittance, modification and setting aside of award)

Types of arbitration (with or without intervention of court)

Stay of legal proceedings in presence of arbitration agreement

VIII. Consumer's Protection Act, 2006

Definitions

Consumer Commission (establishment, powers and functions, complaints before commission and disposal)

Provisions as to compulsory recall of goods

Duties and liabilities of provider of goods (return and refund of goods)

Offences and penalties

Contract between consumer and provider

IX. Companies Ordinance, 1984

Definitions

Types of Companies

Fundamental papers of company (Memorandum of association, articles of association, prospectus)

Transfer of shares and debentures

Management and administration (promoters, share holders, directors, chief executive, auditors)

Meeting's and proceedings (statutory, general, annual general meeting)

Winding up (voluntary, by court)

X. Electronic Fund Transfer Act, 2007

Definitions

Payment system and their operation (designation of payment system & revocation, real time gross settlement system, governance & operation arrangement)

Payment instruments (designation, issuing and prohibition of instruments)

Clearing and other obligations

Supervisory Control of state bank

Documentation of transfers

Notification of error and liabilities of parties

Law relating to action before court.

SUGGESTED READINGS

S. No.	Title	Author
1.	Law of Contract	Agarwala, M. Mehmood
2.	Sales of Goods Act	Pollock & Mulla
3.	Bare Acts:	Government of Pakistan
i)	Contract Act, 1872	
ii)	Negotiable Instrument Act, 1881	
iii)	Sale of Goods Act, 1930	
iv)	Companies Ordinance, 1984	
v)	Arbitration Act, 1947	
vi)	Competition Act, 2010	
vii)	Electronic Transactions Ordinance, 2002	
viii)	Consumer's Protection Act, 2006	
ix)	Electronic Fund Transfer Act, 2007	

S. No.	Title	Author
4.	Case Law Reading	
i)	Carlil vs. Carbolic Smoke Ball Co. (1893) 1 QB 256	
ii)	Pharmaceutical Society of Great Britain vs. Boots Cash Chemicals Ltd. (1952) 2 QB 795	
iii)	Curie vs. Misa (1875) LR 10 Ex 153	
iv)	Byrne & Co. vs. Van Tienhaven & Co. (1880) 5 CPD 344	
v)	Mohri Bibi vs. Dharmodas Ghose (1903) 30 IA 114	
vi)	Derry vs. Peeks (1889) 14 App. Cas 337	
vii)	Mannu Singh vs. Umadat Panday (1890) 12 ALL 523	
viii)	Coggs vs. Bernard (1703) 2Ld Raym 909	
ix)	Lumley vs. Wanger (1852) EW HC (Ch)J 96	
x)	Manni Devi vs. Ramayan Singh AIR 1985 Pat. 35	
xi)	Lachhman Joharimal vs. Bapu Khandu (1869) 6 Bombay High Court Reports 241	
xii)	Mischeff vs. Springett (1942) 2 KB 331	
xiii)	Watson vs. Coupland (1945) 1 all er 217	
xiv)	Ashbury Railway Carriage & Iron Co. Ltd. Vs. Riche (1875) LR 7HL 653	
xv)	Lee vs. Lee's Air Farming (1960) 3 All ER420	
xvi)	Salomon vs. A. Salomon & Co. Ltd. (1897) AC 22	
xvii)	Royal British Bank vs. Turqnand (1856) 6 E&B 327	
xviii)	Ram Raja Ram vs. Dhirba Charan Jen AIR 1982 Ori 264	
xix)	Badridas Kothari vs. Megraj Kothari AIR 1967 Cal 25	
xx)	Hitachi Ltd. & others vs. Rupali Polyester & others (1998 SCMR 1618)	
xxi)	Marflower Theatre Trust Ltd. Vs. HMRC (2007) STC 880	
xxii)	Pickering vs. Bux (1812) 15 East 38	
xxiii)	Liaqat Islam vs. State (2011 YLR 2280)	
xiv)	Alamgir Khalid Chughtai vs. State (PLD 2009 Lahore 259)	
xv)	United States vs. Forty Barrels and Twenty Kegs of Coca Cola, 241 U.S. 265 (1916)	
xvi)	Hedley Byrne & Co. Ltd. Vs. Hella & Partners Ltd. (1964) AC 465	