

تمام کلاسز کی حل شدہ مشقیں MrPakistani ویب سائٹ سے فری ڈاؤن لوڈ کریں۔

Allama Iqbal Open University Solved Assignments Spring 2026

Course Code:	460 Code
Course Name:	Mercantile Law
Class:	BA/ADA/AD
Total Credit Hours	3
Total Assignments	2

گھر بیٹھے حل شدہ مشقیں، گیس پیپرز، کتابیں اور خلاصے حاصل کرنے کے لیے رابطہ کریں واٹس ایپ نمبر: 03036940016

نوٹ: ہم طلبہ کے لیے جامع اور معیاری تعلیمی خدمات فراہم کرتے ہیں۔ ہماری خدمات میں علامہ اقبال اوپن یونیورسٹی کے حل شدہ اسائنمنٹس، گیس پیپرز، سابقہ پرچے، تازہ ملازمتوں کی معلومات، آن لائن سی وی تیار کرنا، ملازمت کے لیے درخواست دینا، یونیورسٹی داخلوں میں رہنمائی اور درخواست جمع کروانا شامل ہیں۔ اس کے علاوہ یونیورسٹی سے متعلق طلبہ کے ہر قسم کے تعلیمی اور رہنمائی کے کام میں مکمل تعاون فراہم کیا جاتا ہے تاکہ طلبہ کو ایک ہی جگہ پر تمام ضروری سہولیات میسر آسکیں۔



واٹس ایپ گروپ جوائن کرنے کے لیے سامنے دیے گئے لنک پر کلک کریں۔



واٹس ایپ چینل جوائن کرنے کے لیے سامنے دیے گئے لنک پر کلک کریں۔



یونیورسٹی کی تمام معلومات حاصل کرنے کے لیے ہمارا واٹس ایپ گروپ جوائن کریں۔

Assignment 2

Q.1. What is a partnership deed? Explain in detail the duties of partners in a partnership agreement under the Partnership Act 1932.

Partnership Deed – Meaning

A partnership deed (also called partnership agreement) is a written document containing the terms and conditions agreed upon by all partners regarding the conduct of the partnership business. It is not mandatory to have a written agreement (oral partnerships are allowed under Section 5), but a written deed avoids disputes.

Contents of a typical partnership deed:

- Name and address of the firm
- Names and addresses of partners
- Nature of business
- Capital contribution by each partner
- Profit/loss sharing ratio
- Interest on capital and drawings
- Salaries, commission to partners
- Powers and duties of partners
- Admission, retirement, expulsion of partners
- Dissolution and settlement of accounts
- Method of dispute resolution (arbitration)

Duties of partners (Sections 9-17 of Partnership Act 1932)

Duty	Explanation	Section
1. Carry on business to the greatest common advantage	Partners must act for the joint benefit and not for personal gain at the firm's expense.	Section 9
2. Just and faithful conduct	Each partner must be honest, transparent, and not engage in fraud.	Section 9



3. Render true accounts and full information	Every partner must provide access to books and accounts to any partner or legal representative.	Section 9
4. Indemnify for fraud or willful neglect (Section 10)	If a partner suffers loss due to fraud or willful neglect of another partner, the guilty partner must indemnify.	Section 10
5. Use firm property exclusively for firm	A partner must not use firm property for personal purposes. If he does, he must pay profits or compensate.	Section 15
6. Account for personal profits	If a partner, without consent, uses firm property or business connections for personal gain, he must account for that profit.	Section 16
7. Not to carry on competing business	A partner must not carry on a business that competes with the firm. If he does, he must account for profits from that business (unless partnership deed permits).	Section 16(b)
8. Not to assign his interest so as to introduce a stranger	A partner may assign his share, but the assignee does not become a partner; only entitled to share of profits.	Section 29
9. Indemnify for losses caused by willful neglect (Section 13(f))	A partner is liable to indemnify the firm for any loss caused by his willful neglect or misconduct.	Section 13(f)
10. Contribute to losses	Partners must share losses in the profit-sharing ratio (if no agreement, equally).	Sections 13(b), 16
11. Attend diligently to business	Every partner is expected to devote time and skill to the firm's business (implied).	–

Example: X and Y are partners in a cloth business. X secretly starts another cloth shop using the firm's customer list. X must account for the profits from that shop to the firm (duty under Section 16).

Q.2. Explain in detail the admission and retirement of a partner in the partnership under the Partnership Act 1932. Also, list down the rights of partners.

Admission of a partner (Section 31)



تمام کلاسز کی حل شدہ مشقیں [MrPakistani](http://MrPakistani.com) ویب سائٹ سے فری ڈاؤن لوڈ کریں۔

- A new partner can be admitted only with the consent of **all existing partners** (unless the partnership deed provides otherwise).
- Upon admission, the new partner is liable for all acts of the firm done **after** his admission. He is **not** liable for pre-admission debts (unless he agrees by contract).
- The new partner brings in capital and shares profits as per the new agreement.

Procedure: Deed should be amended or a new partnership deed executed. The incoming partner's name and capital contribution, profit share, etc., are recorded.

Retirement of a partner (Sections 32-33)

A partner may retire in any of the following ways:

Mode	Explanation
With consent of all other partners	Retirement by mutual agreement.
In accordance with the partnership deed	If the deed specifies terms (e.g., retirement after 60 years, or by giving notice), that is binding.
By giving notice in case of partnership at will	In a partnership at will (no fixed period), a partner may retire by giving written notice to all other partners.
By expulsion (Section 33)	A partner may be expelled by majority consent if the power of expulsion exists in the deed and is exercised in good faith.

Consequences of retirement:

- The retiring partner ceases to be liable for acts done **after** retirement, provided public notice is given (otherwise, he may be liable to third parties who deal with the firm without knowledge).
- The retiring partner remains liable for debts incurred **before** retirement.
- He has the right to receive his share of the firm's assets after accounts are settled (including goodwill, reserves, etc.).

Rights of partners (Sections 12-18)

Right	Explanation
1. Right to take part in business (Section 12(a))	Every partner has the right to actively participate in the conduct of the business.



[یونیورسٹی کی تمام معلومات حاصل کرنے کے لیے ہمارا واٹس ایپ گروپ جوائن کریں۔](http://MrPakistani.com)

تمام کلاسز کی حل شدہ مشقیں [MrPakistani](http://MrPakistani.com) ویب سائٹ سے فری ڈاؤن لوڈ کریں۔

- He must give notice of dishonour to prior parties (to preserve his right of recourse).
- He must present the cheque for payment within a reasonable time (for cheques, within 30 days of issue – subject to banking practice).

ii. Banker-customer relationship

The relationship between a banker and a customer is primarily contractual, based on the opening of an account. The Negotiable Instruments Act 1881, along with common law, defines certain rights and duties.

Definition of customer: A person who maintains an account with the banker (any type – savings, current, fixed deposit) and uses the bank's services.

Key aspects of banker-customer relationship:

Aspect	Explanation
Debtor-creditor (primary relationship)	When a customer deposits money, the banker becomes a debtor (not a trustee). The money becomes the bank's property, and the bank promises to repay on demand.
Creditor-debtor (reverse)	When the bank lends money to the customer, the customer becomes the debtor.
Agent-principal	Bank acts as agent for collecting cheques, making payments, buying/selling securities, etc.
Bailee-bailor	For safe deposit lockers, the bank is a bailee (custodian).
Trustee-beneficiary	For certain items (e.g., securities deposited for safe custody), the bank is a trustee.
Obligation of secrecy	The banker must not disclose customer's account details except under legal compulsion or public duty.
Duty to honour cheques	If the customer has sufficient funds, the bank must honour cheques. Wrongful dishonour gives rise to damages.
Right of set-off	The bank can combine accounts (in the same name and same capacity) and set off a debit balance against credit balance.
Right to charge interest and fees	As per agreement or published schedule.
Obligation to maintain proper records	Under banking laws and negotiable instruments law.



یونیورسٹی کی تمام معلومات حاصل کرنے کے لیے ہمارا واٹس ایپ گروپ جوائن کریں۔

Statutory protection (Section 10 of NI Act)	"Banker" is defined. Section 85: Banker is protected if it pays a cheque in good faith and without negligence.
--	--

Examples: When a customer issues a cheque, the banker must pay if funds are available. If the banker wrongfully dishonours (e.g., due to clerical error), the customer can sue for damages to reputation.

Q.4. Discuss in detail the rules regarding the delivery of goods under the Sale of Goods Act 1930. Also, discuss the concept of 'let the buyer be aware'?

Rules regarding delivery of goods (Sections 33-45, Sale of Goods Act 1930)

Definition of delivery (Section 2(2)): Voluntary transfer of possession of goods from one person to another.

Modes of delivery (Section 33):

1. **Actual delivery** – physical handing over of goods.
2. **Symbolic delivery** – delivery of something that represents the goods (e.g., key of a godown, bill of lading).
3. **Constructive delivery** – delivery by attornment (e.g., third person holding goods agrees to hold for buyer).

Key rules:

Rule	Section	Explanation
1. Delivery and payment are concurrent conditions	32	Unless otherwise agreed, delivery and payment are to take place at the same time.
2. Buyer may refuse to accept installment deliveries	34	Unless agreed, buyer is not bound to accept delivery in installments.
3. Place of delivery	36(1)	If no place is agreed, goods are to be delivered at the seller's place of business (or residence).
4. Time of delivery	36(2)	If no time is fixed, delivery must be within a reasonable time.



تمام کلاسز کی حل شدہ مشقیں [MrPakistani](http://MrPakistani.com) ویب سائٹ سے فری ڈاؤن لوڈ کریں۔

6. Right to full medical treatment	Reasonable medical expenses are recoverable.
7. Right to compensation for permanent disablement	Percentage of loss of earning capacity is assessed; worker gets a lump sum.
8. Right to claim even if employer at fault?	Compensation is payable even if the employer was not negligent (no-fault liability). However, if injury is due to worker's own serious willful misconduct or intoxication, compensation is not payable (Section 3(3)).
9. Right to appear before Commissioner (Section 20)	The workman can file application before the Workmen's Compensation Commissioner for adjudication.
10. Right against employer's default	If employer fails to pay, the Commissioner can order penalty (up to 50% of compensation) and interest.

Amount of compensation (as per Schedule IV):

- For death: 50% of monthly wages × relevant factor (based on age) or Rs. 120,000 minimum (figures to be updated with current rates).
- For permanent total disablement: 60% of monthly wages × relevant factor.

Example: A factory worker loses an arm due to machine accident. He is entitled to compensation for permanent disablement based on loss of earning capacity (e.g., 80%). The employer must pay within one month of accident.



یونیورسٹی کی تمام معلومات حاصل کرنے کے لیے ہمارا واٹس ایپ گروپ جوائن کریں۔