**Final**

 **Business and Labor Law**

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**FINAL TERM Assignment**

**TOTALMARKS 50**

**SUBJECT BUSINESS AND LABOR LAW**

**TIME DURATION 9:00 to 3:00**

 **(With the name of Allah the most merciful and the most beneficent, May Almighty Allah protects us all from the pandemic situation amen.)**

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| S.NO |  QUESTIONS | MARKS |
| Q1. | According to the Law what is negotiable instruments? And also define bill of exchange? | 10 |
| Q2. | What are the rights of unpaid seller? | 10 |
| Q3. | According to the law of contract act what is trust, how it is created? | 10 |
| Q4. | According to the labor law what are the rights of labors? | 10 |
| Q5. | Write short notes on the following1.Free Consent2.Offer and essentials of offer | 10 |

**Q.1 According to the Law what is negotiable instruments? And also define bill of exchange?**

**Negotiable Instruments:**

Negotiable Instrument is a document to ensure the payment of an amount of money, either on demand, or a set time, including the payer name on the document. It is a written document which can be transfer by delivery. It is like a contract, it is the document having with some rules to make sure that the payer pay the amount of money on a set time. Both the payer and the payee should decide the time together with in which the amount of money is to be paid. The name of the payer is also mentioned on this document.

Examples are promissory notes, bill of exchange, banknotes etc.

**Bills of Exchange:**

Bills of Exchange is a written order by one party to another party to pay a certain amount, either immediately or on a fixed date to pay for goods and services received. The name of the drawee(person who is to pay) is also mention on this document. It is the document with no-interest bearing.

**Q.2 What are the rights of unpaid seller?**

**Rights of Unpaid seller:**

According to Section 45 to 55 the rights of unpaid seller can be classified in to the following two categories.

* Rights of unpaid seller against Goods.
* Rights of Unpaid Seller against Buyers.

**Rights of unpaid seller against Goods**

1. **Right of Lien:** Here the unpaid seller has the right to retain goods till the recovery of the amount of money. There are certain conditions needs to be fulfill while exercising the right of lien which are given below.
	1. Unpaid Seller must have a right to retain the goods till the buyer payment of price.
	2. As it’s a possessory lien. Seller must have the original possession of goods.
	3. Unpaid Seller can also use right of lien in case of goods delivered in part. So they can use this right on the remaining goods.
	4. Right of lien can be exercised on the whole quantity in case the price is paid in part.
2. **Right of Stoppage in Transit:** Unpaid seller has the right to stop the goods in the transit. To use this right, the following conditions required.
	1. Seller must be half or fully unpaid.
	2. Buyer must become insolvent.
	3. Goods must be in the transit.
3. **Right to re-sale:** After using the right of lien and stopping of goods in the transit itself the buyer can then use the Right to re-sale. The following conditions need to fulfilled while exercising this:
	1. Where the goods are perishable then right of re-sale can be use.
	2. Where seller give notice to buyer for his intention and the buyer does not pay the price in reasonable time after the notice.
	3. Where seller has reserved his right of re-sale in case of default.

**Right of Unpaid Seller against Buyer:**

 The following are the right of Unpaid Seller against Buyer.

1. **Right to sue to Interest:** If the buyers delay for making payment without any good reason, then the seller has the right of claiming interest.
2. **Right to sue for Damages:** If the buyer refuses to accept the goods and don’t pay for it, the seller has the right to sue the buyer for non-acceptance. He can recover only damages and not full price.
3. **Right to sue for price:** If the goods has passed to buyer and the buyer wrongfully refuses to pay the amount for those goods then the seller may sue him for the price of that product.

 **Q.3 According to the law of contract act what is trust, how it is created?**

**Ans:** A trust is a structure where a trustee carries out the business on behalf of the trust’s members or beneficiaries. A trust is not a separate legal entity.

A trustee may be an individual or a company. The trustee is legally liable for the debts of the trust and may use its assets to meet those debts. However, if there is a shortfall the trustee is responsible for the difference.

**Creation of Trust:**

Trusts are created by settlers who decide how to transfer parts or all of their assets to trustees. These trustees hold on to the assets for the beneficiaries of the trust. The rules of a trust depend on the terms on which it was built. In some areas, it is possible for older beneficiaries to become trustees. For example: in some jurisdictions, the grantor can be a lifetime beneficiary and a trustee at the same time.

A trust can be used to determine how a person’s money should be managed and distributed while that person is alive, or after their death. A trust helps avoid taxes and probate. It can protect assets from creditors, and it can dictate the terms of an inheritance for beneficiaries. The disadvantages of trusts are that they require time and money to create, and they cannot be easily revoked.

A trust is the way to provide for a beneficiary who is underage or has a mental disability that may impair his ability to manage finances. Once the beneficiary is deemed capable of managing his assets, he will receive possession of the trust.

**Q.4 According to the labor law what are the rights of labors?**

**Ans:** According to the labor law following are the rights of labors.

1. **Health and Safety:** According to Sec13-13Q is that to provide and healthy and safe environment for the labor. And provide protection to the labor so they can concentrate on their work.
2. **Equal choice of Profession:** According to Sec 27. There must be no difference on gender basis. Both men and women have equal rights to choose their profession freely and can work in any sector
3. **Equal Pay:** According to Sec 15 the wages should be equal for the worker of same value. There is no difference on gender basis. If there are of the same value then their wage must be equal.
4. **No Discrimination:** According to article 27 of the constitution of Pakistan, their will be no discrimination on the basis of religion, gender, caste, ete. Everyone will be treated equally and on the basis of merit.
5. **Compensation:** According to the sec 47 that maximum time of work is 9hrs in a day and 48hrs in week. And if the labor work overtime then the company will pay extra amount for it.
6. **Annual Leave and Holidays:** According to Sec49-BThe labors who worked 12 months completely and on annual leave will be paid and also they will pay on public holidays as well. Workers have the right to rest one day in a week.

**Q.5 Write short notes on the following**

**1. Free Consent**

**2.Offer and essentials of offer**

1. **Free Consent:** it is one of the essential of a valid contract is the consent of parties, which should be free. “Two or more parties are said to consent, when they agree upon the same thing in the same sense.” Both the parties should be mutually agree.
2. **Offer and essentials of offer**

**Offer:** A presenting of something for acceptance or the act of giving someone the opportunity to accept something. When one person signifies to another his willingness to do or to abstain from doing anything, with a view to obtaining the assent of that other to such act or abstinence, he is said to make a proposal.

**Essentials of Offer:**

* **Offer may be Express or Implied:** The offeror can make an offer through words or even by his conduct. An offer which is made via words, whether such words are written or spoken (oral contract) we call it an express contract. And when an offer is made through the conduct and the actions of the offeror it is an implied contract
* **Offer must create legal relations:** The offer must be made in order to create legal relations otherwise there will be no agreement. It should be in written form.
* **It must be clear:** An offer must be definite and clear. If the terms of an offer are not definite and clear, it cannot be called a valid offer.
* **Offer is different from Invitation:** You should say it clear, not as invitation.
* **Offer can be Specific or General:** When an offer is made to a person or a group of persons and it can be accepted by a person or persons, it is called specific offer. A general offer, is one which is made to public in general is called general offer. Both are valid.
* **It may be subjected to any terms or condition:** An offeror may attach any terms and condition to the offer he makes. He may even prescribe the mode of acceptance. It should be clear that what should be the terms and conditions.
* **Offer cannot contain a Negative Condition:** The non-compliance of any terms of the offer cannot lead to automatic acceptance of the offer. Hence it cannot say that if acceptance is not communicated by a certain time it will be considered as accepted. Example: A offers to sell his cow to B for 5000/-. If the offer is not rejected by Monday it will be considered as accepted. This is not a valid offer.