

INSTITUTE OF COST AND MANAGEMENT ACCOUNTANTS
OF PAKISTAN

FOUNDATION-II EXAMINATION—SUMMER, 2003

Friday, the 23rd May, 2003

753

INDUSTRIAL AND COMMERCIAL LAWS

Time Allowed—3 Hours

Maximum Marks—100

- (i) Attempt SIX questions, selecting THREE from each section including compulsory Questions No.4 & 8 carrying 20 marks each. All other questions carry 15 marks each.
- (ii) Answer must be neat, relevant and brief.
- (iii) In marking paper the examiners take into account clarity of exposition, logic of arguments, presentation and language.
- (iv) Read the instructions printed on the top cover of answer script CAREFULLY before attempting the paper.
- (v) DO NOT write your Name, Reg. No. or Roll No. anywhere inside the answer script.

SECTION "A" INDUSTRIAL LAWS		Marks
(Marks : 50)		
Q. 1	Under Industrial and Commercial Employment (Standing Orders) Ordinance, 1968 explain the following:	15
	(a) Go-slow	
	(b) Probationer	
	(c) Publication of Working Time	
	Link the above with the concept of harmonious industrial relations in an industrial unit.	
Q. 2	You have joined an industrial enterprise. You are required to review the following in the light of Employers' Liability under Workmen's Compensation Act, 1923:	15
	(a) When an employer is not liable to pay compensation.	
	(b) Injuries which cause loss of 100% earning capacity.	
	(c) Occupational diseases under which compensation is payable.	
Q. 3	In the Industrial Relations Ordinance, 2002 unfair labour practices have been identified in respect of employer and workmen.	15
Required :		
First identify unfair labour practices on the part of workmen and later briefly explain it.		

P.T.O.

- Q. 4 Describe the concept underlying the following in the light of the Factories Act, 1934: Marks
20
- Factory
 - Worker
 - Occupier of Factory
 - Manufacturing Process.

SECTION "B" COMMERCIAL LAWS

(Marks : 50)

- Q. 5 (a) Commercial Laws play an important role in business operations. Identify some major Commercial Laws and present their brief highlights. 7
- (b) Differentiate between "Sale" and "Agreement to Sell". Preferably present a tabulated answer. 8
- Q. 6 (a) Define "Partnership". Explain significant elements of partnership. 8
- (b) Who can refer business disputes to Arbitration? Explain various aspects of Arbitration. 7
- Q. 7 Write down short notes on any THREE of the following:
- Acceptance for Honour 5
 - Special Crossing 5
 - Drawee in case of Need 5
 - Parties to a Cheque 5
- Q. 8 (a) What does an 'Unpaid Seller' mean? Discuss the rights of an unpaid seller. 12

Special instructions for Q. 8 (b) :

- An overwritten answer will carry no mark.
- Use following format to answer this question:

S. No.	Your choice	Rationale (Brief reason for your answer)
(i)		
and so on		

- (b) Read the following statements and mention whether these are TRUE or FALSE: 8
- Only competent persons with 18 years or above and having sound mind can enter into a contract. However a minor can also enter into a contract for providing him necessaries and benefits.
 - All agreements are not contract. Only those agreements which are enforceable by law, are known as contracts. Hence an agreement must fulfill certain criteria to be called contract.

- (iii) A "prospectus" issued by the company is an "offer" to public.
- (iv) An offer must be communicated to offeree to enable him to accept. An offer has no value if the other person does not know about it.
- (v) Consideration is something that a person receives for something he gives. It means at the desire of one person, the other person either does something or abstains from doing something. However, consideration must be lawful.
- (vi) Misrepresentation is a false statement. But misrepresentation also includes other methods by which one person is deceived to end up with loss.
- (vii) In true sense mere silence as to facts is not fraud. However, mere silence as to fact may affect the willingness of a person to enter into a contract. There are some contracts in which it becomes necessary for one party to disclose to the other party all the facts.
- (viii) Mistake of law shall make a contract void. Every person has to have the knowledge of law and is not supposed to be ignorant of law.

THE END
