

INSTITUTE OF COST AND MANAGEMENT ACCOUNTANTS OF PAKISTAN



Fall (Winter) 2008 Examinations

Wednesday, the 26th November 2008

BUSINESS LAWS – (S-103)

Stage- 1

Time Allowed – 2 Hours 45 Minutes

Maximum Marks – 80

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- (i) Attempt ALL questions.
 - (ii) Answers must be neat, relevant and brief.
 - (iii) In marking the question 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.
 - (vi) Question No.1 – “Multiple Choice Question” printed separately, is an integral part of this question paper.
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MARKS

SECTION “A”

Q. 2 Explain the following legal terms:

- (a) Plaintiff 2
- (b) *Ratio Decidendi* 2
- (c) Decree 2
- (d) *Prima Facie* evidence 2
- (e) Appeal 2

SECTION “B”

- Q. 3 (a)** Distinguish between ‘sale’ and ‘agreement to sell’. 5
- (b) What do you understand by ‘Implied authority of a partner’? 5
- (c) Cheque and bill of exchange are negotiable instruments. How do you differentiate ‘cheque’ from ‘bill of exchange’? 5
- (d) Define the following terms:
 - (i) Implied contract. 2
 - (ii) Express contract. 3

PTO

- Q.4 (a)** What is meant by exclusion clause in the Law of Contract? **5**
- (b)** Mr. 'X' went to a hotel and got a room booked in his name and paid some advance money at the counter of the hotel. After obtaining the key of the room, he entered the room, and left his belongings therein and afterwards he went out for a walk. On return, he found that his belongings were missing, which included precious articles besides some important business documents. Mr. 'X' immediately reported the matter to the management of the hotel. The employees of the hotel came with him to his room and pointed out to a notice behind the door of the room, which read as under:
- “The management of the hotel will not be responsible for any loss or theft of any article. Should there be any valuables of jewellery, cash in possession of the guest, it should be handed over to the management of the hotel at the counter for safe custody”.
- Required:**
- Can Mr. 'X' claim or recover the missing articles from the management of the hotel or not? Present your arguments. **5**
- (c)** Mr. Saleem offers to sell his car to Mr. Barkat for Rs.10,000/- Mr. Tariq standing nearby says, “I will take it if Barkat does not take it”. Barkat is not interested in the car.
- Required:**
- (i)** Does a contract arise between Saleem and Tariq? **2**
- (ii)** What will be the legal status if Tariq says to Saleem, “Here is the money, I take the car”? **3**
- (d)** Distinguish between “Bailment” and “Pledge” under the Contract Act, 1872. **5**

SECTION “C”

- Q. 5** Describe the provisions of the followings under the Factories Act, 1934, and the Workmen’s Compensation Act, 1923 respectively.
- (a)** Cleanliness **9**
- (b)** Over crowding **3**
- (c)** Total disablement **3**
- Q.6 (a)** Under what conditions an employer has the authority, as per the Industrial and Commercial Employment (Standing Orders) Ordinance, 1968 to impose fine on an employee due to his wrongful acts or negligence? **8**
- (b)** Write short notes on the following under the Factories Act, 1934:
- (i)** Inspector of Factories **4**
- (ii)** Certifying Surgeons **3**