

INSTITUTE OF COST AND MANAGEMENT ACCOUNTANTS OF PAKISTAN



Summer (May) 2011 Examinations

Thursday, the 26th May 2011

BUSINESS LAWS – (S-103) **STAGE – 1**

Time Allowed: 02 Hours 45 Minutes

Maximum Marks: 80

Roll No.:

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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, effective presentation, language and use of clear diagram / chart, where appropriate.
 - (iv) Read the instructions printed inside 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.
 - (vii) **Question Paper must be returned to invigilator after finishing/ writing the exam.**
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Marks

SECTION – “A”

- Q.2 (a)** Legislature, precedent, customs and agreement are the four (04) legal sources of law. Elaborate any three (03) of them. **06**
- (b)** What are the purposes of act of parliament? (any four) **04**

SECTION – “B”

- Q.3 (a) (i)** In accordance with the Contract Act, 1872, Express, Implied and Quasi Contracts are the three types of contract as per formation. Explain them. **06**
- (ii)** Sajid supplied necessities of life to Hilal, a minor. Can Sajid be allowed by law to recover the value from Hilal's property? Elaborate. **01**
- (iii)** Define bailment, bailor and bailee. **02**
- (iv)** Naveed delivers a piece of raw silk to Javaid (a tailor) to make a suit. Is there any contract of bailment between them? Discuss. **01**
- (b) (i)** What are the advantages of partnership? Define any six (06) of them. **06**
- (ii)** Mr. Ali, a sole proprietor of a business dies, leaving six heirs, who inherit said business and carry on the same. Are these heirs partners? Explain. **02**
- (iii)** Kamran appointed a firm, having Ghufraan and Furqan as partners, to buy and sell sugar on commission. Kamran kept money with the firm for this propose. Ghufraan, the active partner, rendered false accounts of purchase and sale to Kamran and misappropriated the money. Is the firm of Ghufraan and Furqan held liable? Explain. **02**
- Q.4 (a) (i)** As per the Sale of Goods Act, 1930, distinguish between condition and warranty. (any two) **04**
- (ii)** As per the Sale of Goods Act, 1930, elaborate essential elements of contract of sale. **05**

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	Marks
(iii) Zafar sold a cargo of grapes to Bilal. The grapes were contaminated with sea water so as to be unsuitable as grapes, though they could be used for making spirit. What was the status of the contract i.e., either valid or void? Discuss.	01
(b) (i) Define promissory note. What are its essential elements? (any five)	06
(ii) Differentiate between bill of exchange and cheque. (any two)	04

SECTION – “C”

Q.5	(a) Discuss the following in terms of the Industrial and Commercial Employment (Standing Order) Ordinance, 1968:	
	(i) Commercial establishment	04
	(ii) Construction industry	04
	(iii) Workman	02
	(b) Briefly state the provisions related to health and safety of employees provided by the Factories Act, 1934. (any five)	10
Q.6	(a) Define the following under the Workmen’s Compensation Act, 1923:	
	(i) Minor	01
	(ii) Commissioner	01
	(iii) Employer	03
	(b) Discuss the following terms under the Social Security Ordinance, 1965:	
	(i) Contribution	01
	(ii) Disablement	03
	(iii) Industry	01

THE END