



UNIVERSITY OF KELANIYA – SRI LANKA

Centre for Distance and Continuing Education

FACULTY OF COMMERCE & MANAGEMENT STUDIES

Bachelor of Commerce (Special) Degree First Year Examination (External) – 2014

June/ July 2019

BCOM E1055 – Business & Industrial Law

No. of questions: Eight (08)

Time: 03 hours

You are required to select at least two questions from each part. Answer five questions only.

Part I

Question No 01

- a). What are the essential elements of a valid contract? Explain with suitable examples.
(12 marks)
- b). Anura invites Bandara for dinner at a restaurant. Bandara accepts the invitation. One appointed day Bandara goes to the restaurant. Anura is present at the restaurant but refuses to entertain Bandara. Explain whether there is a valid contract between Anura and Bandara.
(08 marks)
(Total 20 marks)

Question No 02

- a). John advertised to sell a car and indicated it was manufactured in 2000. David came to inspect the car and decided to buy it. After buying the car he found that only the back half corresponded with the description. The other part had been welded to the front half which was part of another car. Now David wants to cancel the contract. Advise him.
(10 marks)
- b). Distinguish between condition and warranty in a sale of good contract by referring to decided cases.
(10 marks)
(Total 20 marks)

Question No 03

- a). "In a commercial agreement generally Agency relationship is created by way of a written agreement. But this is not the only way to create agency relationship between parties."

State four methods of creating agency relationship.

(12 marks)

- b). State four duties of an agent with suitable examples.

(08 marks)

(Total 20 marks)

Question No 04

- a). What are the main characteristics of a negotiable instrument?

(08 marks)

- b). Ann, her daughter Roshini and her son-in-law Gihan are partners of a successful garment business. They are in the process of considering converting their business into a company and seek your advice on the merits and demerits of forming a partnership into a private limited liability company. Advise them.

(12 marks)

(Total 20 marks)

Part II

Question No 05

“The legal basis of the contract of employment is the exchange of a promise to work in return for a promise to pay wages and there may be different types of employment contracts”. Explain with suitable examples the various employment types available in Sri Lanka.

(Total 20 marks)

Question No 06

Write an account on the Shop and Office Employees Act No 19 of 1954 referring to the following aspects;

- a) Persons covered under the Act
- b) Working hours
- c) Payment of overtime
- d) Public holidays.
- e) Annual leave
- f) Maternity benefits.

(Total 20 marks)

Question No 07

a). Name the different methods laid down in Industrial Disputes Act in resolving industrial disputes?

(06 marks)

b). “What is an industrial dispute?” Explain with suitable examples.

(08 marks)

c). Compare and contrast the compulsory arbitration with voluntary arbitration?

(06 marks)

(Total 20 marks)

Question No 08

a). What is the remedy available to an employee who has not satisfied with regard to the calculation and its deductions of the gratuity payment?

(02 marks)

b). Who are the employers covered by Payment of Gratuity Act No 12 of 1983 in relation to payment of gratuity?

(06 marks)

c). "The right to strike is generally recognized as legitimate trade union activity. This right, however, is subject certain restrictions". Describe those restrictions with examples.

(12 marks)

(Total 20 marks)