



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) – 2015

August 2020

BCOME 1055 – Business & Industrial Law

No. of Questions: Eight (08)

Time : Three Hours (03)

You are required to answer five questions by selecting at least two questions from each part.

PART I

Question No. 01

a). Describe with suitable examples five essential elements of a valid contract.

(10 marks)

b). Roshini offered to sell her house to Ajith for Rs 15 Million. Ajith said that he would take the house for Rs.13 Million. Roshini refused to sell her house to Ajith at this price. A day later Ajith agreed to pay the original price for the house. But Roshini refused to sell it to Ajith. Now Ajith intends to take legal action against Roshini. Advice the parties by referring to decided cases.

(10 marks)

(Total 20 marks)

Question No. 02

a) Bandu purchased a car from Saman for Rs. 2 million. Both Bandu and Saman dealt in good faith. Six months later, it was discovered that the car was a stolen one and Bandu had to return it to the real owner. Bandu sued to recover the price paid to Saman. Advice Bandu whether he can recover money.

(10 marks)

- b) Describe five rules contained in the Sale of Goods Ordinance pertaining to transfer of the ownership of goods from seller to the buyer.

(10 marks)

(Total 20 marks)

Question No. 03

- a). Explain with decided cases the conditions that must be satisfied in order to constitute a valid agency by necessity

(10 marks)

- b) Describe five duties of an agent with suitable examples.

(10 marks)

(Total 20 marks)

Question No. 04

- a). What are the advantages and disadvantages of a partnership business?

(08 marks)

- b). A & Co. and B & Co. were two separate firms which were carrying on competing business. Andrew, a partner of A & Co. bribed Bertie, a clerk of B & Co. and induced him to give secret information about the price and customers of B & Co. Due to the supply of this information, B & Co. suffered a loss in the business. And B & Co. brought an action against A & Co. for the recovery of loss suffered by them. Advise B & Company.

(06 marks)

- c). What is the difference between “Not Negotiable Crossing” and “Account payee crossing”.

(06 marks)

(Total 20 marks)

PART II

Question No. 05

- a). Best Buy Co. Ltd. operates a sales outlet in Wattala. It employs 100 workers. In addition, cleaners also work at the company, but their employment status is not clear. They have worked for this company for the last three years and they were originally sent to the Company by ABC Man Power Agency. Assuming that you are a legal adviser to the trade union, you are expected to advise the union whether cleaners at the company are employees or independent contractors.

What are the additional information required for you to give an effective advice?

(10 marks)

- b). "Employer has the right to terminate the services of the probationer during the probationary period". Describe the nature of probationary employment according to Sri Lankan Employment law.

(10 marks)

(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). Working hours
- b). Public holidays
- c). Annual leave
- d). Casual leave
- e). Letter of appointment
- f). Maternity Benefits

(Total 20 marks)

Question No. 07

- a) According to the provisions contained in the Industrial Disputes Act what are the methods adopted for the settlement of industrial disputes?
(06 marks)
- b) Who is an employer? Explain with decided cases.
(06 marks)
- c) Discuss briefly the settlement of an industrial dispute by method of conciliation.
(08 marks)
- (Total 20 marks)**

Question No. 08

- a) Who are ineligible to obtain gratuity under the Payment of Gratuity Act.
(04 marks)
- b) State various methods laid down in the Payment of Gratuity Act pertaining to calculation of gratuity.
(06 marks)
- c) State five reasons on which employees are eligible to obtain monies in the provident fund.
(05 marks)
- d) Identify five dissimilarities between Employees Provident Fund and Employees Trust Fund.
(05 marks)
- (Total 20 marks)**