



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) – 2022

April 2024

BCOM E1055 – Business & Industrial Law

No. of questions: Eight (08)

Time: 03 hours

Answer five (05) questions selecting four (04) questions from Part 1 and one (01) question from Part II.

Part 1

Question No. 01.

- a) Explain with suitable examples four purposes of the law. (08 Marks)
- b) State five powers of the Court of Appeal of Sri Lanka. (05 Marks)
- c) Identify four fundamental rights available for citizens of Sri Lanka under the Constitution of 1978. (04 Marks)
- d) Name three crimes that can be committed against the body. (03 Marks)

(Total 20 Marks)

Question No. 02

- a) Describe the differences between 'domestic agreement' and 'commercial agreement' using decided cases. (10 Marks)
- b) A contract needs to encompass key elements to be recognized as a valid contract. Explain in detail four (04) of these elements. (10 Marks)

(Total 20 Marks)

Question No. 03

- a) Explain with examples the different types of “Valuable Consideration” in the Law of Contracts. (10 Marks)
- b) David was seeking a horse to train and race and decided to buy a horse from Peter. David chose from an auction catalog a horse called Fondu whose pedigree, as stated in the catalog, made it likely to succeed on the racecourse. David bought Fondu in September 2022 for Rs.1 million. Fondu did not do well in races. In June 2023 David discovered that the horse he had was not the one whose pedigree was described in the catalogue. Fondu was descended from a line of dirt track racehorses. Although in 2022 David would not have bought Fondu if he knew its true pedigree. Now David wants to take legal action against Peter to cancel the contract. Advise David with the support of decided cases.

(10 Marks)

(Total 20 Marks)

Question No. 04

- a) “The law of Agency imposes certain duties both on the Agent and the Principal”. Discuss the duties of the Agent and Principal separately. (10 Marks)
- b) ABC Cargo Co is engaged in the services of a carrier. Silva wanted to send 100,000 bottles of fresh milk to his buyer in Singapore via ABC Cargo Company. On reaching, Singapore harbor, ABC Cargo company’s ship was not allowed to enter as there is a ban imposed by the Singaporean Authorities on dairy products due to an outbreak of mouth disease. Meanwhile ABC Cargo Company was approached by Charles who offered to buy milk at half price. ABC Cargo Company sold the milk. Silva is unhappy with ABC Cargo’s action and plans to bring an action against ABC Cargo for his losses. Advise Silva whether he may succeed.

(10 Marks)

(Total 20 Marks)

Question No. 05

- a) Explain the requirements of a valid partnership business in Sri Lanka with reference to the definition of a partnership according to the Sec,1 (1) of the Partnership Act. (10 Marks)

b) Explain Five Duties of a partner

(10 Marks)

(Total 20 Marks)

Question No. 06

a) Describe five rules contained in the Sale of Goods Ordinance about the transfer of the ownership of goods from the seller to the buyer. (10 Marks)

b) Mihiri Mee Kiri, a curd dealer supplied Aruna with curd which Aruna and his family consumed. Although Mihiri Mee Kiri had taken all reasonable precautions to prevent contamination of the curd, it contained germs that infected Aruna's wife and she was taken seriously ill. Advise Aruna on his legal rights. (10 Marks)

(Total 20 Marks)

Part 11

Question No. 07

a) Critically evaluate the application of "The Control Test" to differentiate an independent contractor from an employee. (10 Marks)

b) Explain the nature of the casual employees in Sri Lanka with relevant examples. (10 Marks)

Question No. 08

a) Indicate five differences between the Employees Provident Fund and Employees Trust Fund (05 Marks)

b) Explain the different methods of calculation of the amount of gratuity in terms of provisions contained in the Payment of Gratuity Act No 12 of 1983 (12 Marks)

c) Describe the maternity benefits granted to a female employee under Shop and Office Employees (Regulation of Employment and Remuneration) (Amendment) Act, No. 14 of 2018] (03 Marks)

(Total 20 Marks)