



UNIVERSITY OF KELANIYA – SRI LANKA

Centre for Open and Distance Learning

Faculty of Commerce & Management Studies

Bachelor of Commerce (Special) Degree Examination (External) – 2011

Year I

BCOME 1054 – Business Law

No. of questions: Seven (07)

Time: 03 hours

Answer five (05) questions only.

(01)

a). Define ‘an offer’.

(04 marks)

b). Explain with decided cases the methods of termination of an offer.

(16 marks)

(Total 20 marks)

(02)

a). Define the term “valuable consideration” including its main characteristics.

(10 marks)

b). Describe the remedies available to an injured party in case of breach of the contract.

(10 marks)

(Total 20 marks)

(03)

a). State the conditions that should be fulfilled in order to establish Agency by Necessity.

(10 marks)

b). State the various modes of termination of Agency.

(10 marks)

(Total 20 marks)

(04)

a). What are the differences between conditions and warranty of a sale of goods contract.

(08 marks)

b). Rasika bought a computer from the Computer World (Pvt.) Ltd. At the time of purchasing the computer Rasika explained to the sales boy of the company that for his work he required a computer with minimum capacity of 4GB. But later on Rasika realized the actual speed of the computer was only 2GB. Now Rasika wants to take legal action against the company on the ground that computer does not fit for the purpose as well as not of merchantable quality.

Explain the legal position of the parties.

(12 marks)

(Total 20 marks)

(05)

a). Explain the various kinds of partners in a partnership firm.

(08 marks)

b). What is an implied authority of a partner.

(04 marks)

c). Describe the restrictions on the implied authority of a partner.

(08 marks)

(Total 20 marks)

(06)

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

(08 marks)

b). Explain the meaning and effects of the endorsements mentioned below.

i) Endorsement in blank.

ii) Special endorsement.

iii) Restrictive endorsement.

(12 marks)

(Total 20 marks)

(07) Write short notes on any two of the following.

a). Jurisdiction of the Supreme Court of Sri Lanka

b). Purposes of law

c). Sources of Law in Sri Lanka

d). Fundamental Rights.

(10 marks x 2)

(Total 20 marks)