



Institute of Human Resource Advancement (IHRA)

University of Colombo, Sri Lanka

**Masters Degree in Business Management
Course No 01**

1st Semester Examination

(Held on November/December - 2012)

Management Environment & Business Law (MBM – 04)

Instructions to the Candidates

1. You must answer only five (05) questions selecting at least two questions from each part.
2. Use separate answer books for each part. (Part 1 & 11)
3. Total number of questions is Nine (09)
4. Time allocated for the examination is three (03) hours.
5. Total number of pages three (03)
6. At the end of the examination attach all answer sheets together.
7. Enter your index number on all pages of the answer sheets.
8. If a page or a part of this question paper is not printed properly, please inform the Supervisor immediately.

Part I

1. i. "All agreements are not contracts but all contracts are agreements". Comment. (05 Marks)
- ii. Describe the factors by which contractual consent of the parties may be affected. (10 Marks)
- iii. What is specific performance in law of contracts? (05 Marks)

(Total 20 Marks)

2. i. Describe the different ways by which an agency is created. (06 Marks)
- ii. "An agent never enters into a contract with a third party, as far as his agency is concerned". Comment. (06 Marks)
- iii. What are the different ways by which an agency may be terminated? (08 Marks)

(Total 20 Marks)

3. i. Define a Partnership as found in the Partnership Act. (05 Marks)
- ii. What do you mean by the phrase "partners' liability is unlimited"? (05 Marks)
- iii. Compare a partnership with an agency in legal and commercial perspectives. (10 Marks)

(Total 20 Marks)

4. i. Define a contract of sale of goods as found in the Sale of Goods Ordinance. (05 Marks)
- ii. What do you mean by specific, unascertained, and ascertained goods defined in the Sale of Goods Ordinance? Support your answer with an example. (05 Marks)
- iii. Briefly explain the rules relating to passing the ownership of a good from seller to buyer as stipulated in the Sale of Goods Ordinance. (10 Marks)

(Total 20 Marks)

5. i. Define the term Negotiable Instrument. (05 Marks)
- ii. Why bills of exchange are important and useful in commercial practice? (05 Marks)
- iii. Compare a cheque with a promissory note. (10 Marks)

(Total 20 Marks)

Part II

6. "Sri Lanka's landscape presents a rich mosaic of resources whose character and distribution are conditioned by the wide range of climate, topography, and soil types found in the island". Identify different industrial resources available in different regions of Sri Lanka, and discuss the present situation indicating different business opportunities available with those resources.

(20 Marks)

7. In 1st October 2012, addressing the General Assembly at United Nations (UN) Headquarters in New York, Sri Lanka's Foreign Minister, G. L. Peiris, stressed the need for assistance to help developing countries by mitigating the adverse consequences from too rigid application of green economic principles to combat climate change, and called on the UN system and other development cooperation mechanisms to provide aid for middle-income countries to achieve sustainable development.

Describe the business and environmental related policies of UN and evaluate the impact of UN contributions on social, cultural, economic, and environmental development in Sri Lanka.

(20 Marks)

8. Describe major environmental issues faced by Sri Lanka today with the identification of causes behind those issues. Give relevant facts for your answer.

(20 Marks)

9. i. Distinguish the legal characteristics of different forms of business organizations.

(12 Marks)

- ii. It is better to prepare a "for" and "against" list in marking the decision of having a business partner. Discuss this giving suitable example from the Sri Lankan context.

(08 Marks)**(Total 20 Marks)**
