



INSTITUTE OF HUMAN RESOURCE ADVANCEMENT
UNIVERSITY OF COLOMBO, SRI LANKA
Masters Degree in Business Management - Course No.03
1st Semester Examination
(Held in December, 2014)
MBM 04 – Management Environment and Business Law

Instructions to the Candidates

- (1) Total number of pages – Two (02)
- (2) Total number of questions - Six (06)
- (3) Answer any Five (05) questions. **Selecting at least two questions from each part**
- (4) If a page or a part of this question paper is not printed, please inform the Supervisor immediately.
- (5) Time allocated for the examination is three (03) hours.
- (6) Write your index number in all pages of answer script
- (7) Tie up all answer sheets at the end of the examination

Part I

- (01.) "Major causes of environmental problems created by businesses are wasteful and unsustainable resource use, excluding the environmental costs of resource use from the market prices of goods and services, and trying to manage nature with insufficient knowledge."

Elaborate this statement by stressing the operational practices of both public and private firms in Sri Lanka.

(20 marks)

- (02.) "Principles, policies and strategies of global and regional cooperation such as United Nations (UN), South Asian Association for Regional Cooperation (SAARC) and European Union (EU) affect Sri Lankan business significantly." Do you agree with this statement? Justify your answer.

(20 marks)

(03.)

- A. "Corporate Social Responsibility is an idea whereby companies integrate economic, social and environmental concerns in their business operations." Explain this statement by emphasizing the model named "The Pyramid of Corporate Social Responsibility" of B. Carroll's with appropriate examples.

(12 Marks)

- B. What are the characteristics of current business environment and explain why strategist should scan, monitor and evaluate it.

(08 Marks)

(Total 20 marks)

Part II

(04.)

- A. Why law of contracts is important in Commercial / Business Law
(05 Marks)
- B. Explain briefly the factors affecting contractual consent of a party to a contract.
(10 Marks)
- C. Describe deferent types of contractual remedies available for a suffered party.
(05 Marks)
- (Total 20 marks)**

(05.)

- A. What is "Nemo Dat" rule found in law relating to sale of goods. Explain exceptions to this rule.
(10 Marks)
- B. Explain different types by which an agency may be created.
(10 Marks)
- (Total 20 marks)**

(06.)

- A. Why do you think that there should be a supportive frame-work of law to wards business, in a country.
(05 Marks)
- B. Define (A) negotiable instrument and (B) cheque.
(08 Marks)
- C. Compare and contrast a cheque and a promissory note.
(06 Marks)
- (Total 20 marks)**
