

EXAMINER'S REPORT
AA2 EXAMINATION - JANUARY 2016
(AA25) BUSINESS LAW AND ETHICS

Part A

Question No. 01

This question consisted of 10 OTQs. for 20 marks.

This question has been attempted by most of the candidates. Most of the candidates have scored about 60% of the total marks allocated to this question. On the whole the performance of the candidates on this question is satisfactory.

It was noted that only a fewer number of candidates have misunderstood the question No. 1.8 and 1.9, hence have given type of laws for question No.1.9 and sources of law for question No.1.8. Further, majority of the candidates have made mistakes in answering the question No.1.10. For that question, they were unable to give the correct approaches for ethics.

Part B

Question No. 02

This question has been attempted by most of the candidates. Most of the candidates have scored about 60% of the total marks allotted to this question. This question was on Law of Contract, relating to mistakes as to the identity of the subject matter. Those who have scored less marks did so due to the fact that they have mentioned several points and given irrelevant facts. But on the whole, the performance for this question is satisfactory.

Question No. 03

Most of the candidates have attempted this question. This question was on the Bills of Exchange. This question was to state the differences between a cheque and a bill of exchange. Some of the candidates have scored full marks but some of the candidates have scored less marks. This was due to the fact that they have mentioned several points and have given irrelevant answers. On the whole, they have scored about 60% of the total marks allotted to the question. The performance for this question is satisfactory.

Question No. 04

This question required to state 5 methods of creating Principal Agent Relationship.

The common mistake that was seen from the answers is that mentioning only the oral and written forms of creating principal agent relationship.

Most of the candidates have attempted this question. Some have scored full marks, but some have scored less marks. This was due to the fact they have mentioned several irrelevant points. They have scored about 60% of the total marks allotted to this question. On the whole, the performance for this question is satisfactory.

Question No. 05

This question was on CIF contract which is used in International Trade. Some of the candidates have scored well. But some of the candidates have scored less marks. Because, most of the candidates were not familiar on this area. On the whole, the performance for this question is not satisfactory. They have scored about 40% to 50% of the total marks allocated to this question.

Question No. 06

This question was to explain the reasons whether “Matilda De Silva” can register her name “Matilda De Silva” as a trade mark under the Intellectual Property Act. It was noted from the answers that majority of the candidates were not familiar with the area of this question. They have just given general answers, without referring to the Act.

Most of the candidates have not answered this question. They have not understood the question and have scored less marks. On the whole, the performance for this question is very unsatisfactory.

Part C

Question No. 07

This question was to state 4 authorized deductions from employee’s salary according to the Shop & Office Employees’ Act and to explain leave entitlements applicable to an employee under each of the given instances. It was noted from the answers that considerable number of candidates have mentioned contribution to ETF as an authorized deduction from the remuneration. However, it is not deducted from the remuneration and it is to be borne by the employer. Further, some candidates have mistakenly mentioned after getting approval from the Head of Division / Immediate Supervisor, employee is permitted to get whatever the leave she wanted.

The expectation of this question is to test candidates’ knowledge on type of leave, i.e. casual, annual & maternity, etc., whereas candidates without the knowledge of those have given irrelevant facts.

However, most of the candidates have answered well. They have scored about 70% of total marks allotted to this question. On the whole, the performance of this question is satisfactory.

Question No. 08

This question was to test the knowledge of candidates regarding the Sale of Goods Ordinance and the Concepts of Insurance.

It was noted from the answers that candidates were not that familiar with the Sale of Goods Ordinance. Because, majority of the candidates were unable to identify the difference between a hire purchase agreement and a sale agreement to answer this question correctly.

However, majority of the candidates have given perfect answers for the question on concepts of insurance. Only a few had made mistakes in answering this question. But there were few instances noted where candidates have only mentioned whether Mihiran’s wife is entitled to claim the compensation or not, without giving proper facts to justify the answer.

On the whole, the performance for this question is satisfactory.

Question No. 09

This question was to explain the advantages and disadvantages of a partnership compared to a private limited liability company. But it was noted from the answers that some candidates have misunderstood the question and given answers without comparing with a private limited liability company. Though, it was a very simple question, majority of the candidates could score only 60% of the total marks allocated to this question. Only a fewer number of candidates have scored full marks for this question.

On the whole, the performance is fair.

Part D

Question No. 10

This question comprised of 2 parts.

Part (a) of the question was to discuss whether the customer is entitled to get the refund, when the subject matter of the agreement is not suitable for the intended purpose. This was relating to Sale of Goods Ordinance. This part has been answered well by majority of the candidates. However, there were only a very fewer number of candidates who have just mentioned the facts given in the question itself as the answer, without referring to the Sale of Goods Ordinance. On the whole, the performance for this part of the question is highly satisfactory.

Part (b) of the question was to discuss whether "A" is legally entitled to claim such medical expenses from the management of "Rideethira Cinema", referring to the given scenario. This was to test candidates' knowledge on exemption clauses included in the Law of Contract. This question has been very poorly answered by majority of the candidates. Majority of the candidates have mentioned as the management of the Rideethira Cinema has shown a notice stating that "the management is not liable for any injury that may cause to any viewer in the audience" before the film was started, it is the fault of "A", and therefore the management of Rideethira Cinema is not liable to re-imbrues the medical expenses of "A".

However, they have forgotten the fact that the management of the Rideethira Cinema has shown this notice inside the film hall, i.e. after entering to the contract with the viewer. Because, the time the ticket is purchased, is considered as the time the contract is entered into and accordingly Rideethira Cinema has not disclosed these facts to the viewers before entering to the contract. Accordingly, candidates have not mentioned the correct answer, instead they have mentioned, "A" will not be able to claim damages from Rideethira Cinema. In most of the cases candidates have given irrelevant facts and in some other cases, the facts given in the question itself., and accordingly they have scored less marks or no marks at all for this part of the question.

On the whole, this was the question where majority of the candidates have gone wrong.

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General points to be considered in developing the level of understanding of candidates

1. When you get the question paper, read carefully the instructions given.
2. Read the question several times and answer only what is asked in the question. Do not write unnecessary things.
3. Manage your time efficiently at the examination.
4. Before handing over the answer script, check whether the question numbers and your index number have been written correctly.
5. By answering past question papers, you can improve the subject knowledge as well as the ability to write answers well.
6. You are required to strictly adhere to the Action Verb Check List, attached at the end of the question paper.
7. Sit for the examination with the main intention of passing.

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