

**Eastern University, Sri Lanka**  
**Faculty of Commerce and Management**  
**Final Year First Semester Examination in Bachelor of Commerce (B. Com)/B. Com**  
**Specialization in Accounting and Finance - 2017/2018 (January, 2020)**  
**Proper /Repeat**

**COM 4043 Corporate Law**

**Answer All Questions**

**Time: 03 Hours**

**Question -1**

**Briefly explain the main provisions of the Company Act No-07 of 2007 with regard to the following:**

1. The concept of corporate veil and the instances of lifting the corporate veil with case law (08 Marks)
2. Five (05) general characteristics of a company? (07 Marks)
3. Disadvantages of incorporating a company? (05 Marks)

**(Total Marks-20)**

**Question -2**

**Write a brief note on the following with the appropriate examples.**

1. Court structure in Sri Lanka (05 Marks)
2. Legal system of Sri Lanka (05 Marks)
3. Common classification of laws (05 Marks)
4. Sources of law (05 Marks)

**(Total Marks-20)**

**Question-3**

**Explain the main provisions of the Industrial Disputes Act with regard to the following:**

1. Mechanisms for settlement of industrial disputes. (10 Marks)
2. Define what is meant by 'industrial dispute' (05Marks)
3. Collective agreement under the Industrial Disputes Act. (05 Marks)

**(Total Marks-20)**

#### Question - 4

Write a note on the following with the appropriate case law.

1. What are the benefits available to the members who are registered under the ETF (07 M)
2. Powers and functions of a Labour Tribunal (06 M)
3. Explain the main provisions relating to safety under the Factories Ordinance. (07 M)

(Total Mark

#### Question - 5

Mala is from a rural village in Batticaloa. She worked as a machine operator on casual basis in a garment factory in Colombo. She joined the company first as a helper in the packing division, later she was promoted as a machine operator. She was engaged to marry a boy Kamal who was also working in the same factory. Kamal suddenly died due to some unknown illness. Mala was devastated by this incident and was suffering from depression after Kamal's death. During this time Mala got to know that she was pregnant because of her relationship with Kamal. As she was not married to Kamal, she kept this as a secret in her work place. Luckily Mala's family agreed to look after the baby after the baby was born.

When Mala was into her fifth month of pregnancy, her supervisor got to know Mala's pregnancy. The supervisor reported the matter to the Human Resource Department of the factory. One day, Mala was called by the HR Manager and was requested to reveal the real story. Tearfully Mala told him that she was pregnant and was expecting her baby in about four months' time. She also pleaded with the Manager not to terminate her employment.

Mala did not hear from the HR Department after that and reported to work as usual. She did not inform the company in writing about her expected confinement as she didn't know the correct procedure in taking maternity leave. Mala reported to work till the day she gave birth to a girl. Her parents took her to their village from the hospital. She asked her friend to deliver a certificate of birth of her child to the HR Department of the Factory within one week of delivery. However, about two weeks after the delivery, Mala got a letter from the factory that her service was terminated due to disciplinary reasons. The misconducts that were stated in the letter were:

- a) Delivering an illegitimate baby
- b) Not informing the company about the pregnancy
- c) Not writing to the company one month before the expected confinement
- d) Absence without approval

#### Questions

1. Can the company take disciplinary action against Mala for the four misconducts above mentioned? Explain. (05 M)
2. Can Mala demand the rights given to women under the Maternity Benefits Ordinance in these circumstances? (05 M)
3. Can Mala be deprived of EPF and ETF payment as she was a casual employee? (05 M)
4. What are the rights of Mala under the Maternity Benefits Ordinance? (05 M)

(Total Mark