



**UNIVERSITY OF RUHUNA**  
**FACULTY OF MANAGEMENT AND FINANCE**  
**BACHELOR OF BUSINESS ADMINISTRATION DEGREE PROGRAM**  
**3000 LEVEL 1<sup>ST</sup> SEMESTER END EXAMINATION**  
**(NOVEMBER/ DECEMBER 2021)**  
**ACADEMIC YEAR 2020/2021**

**ENT 31203 - LEGAL ASPECTS OF ENTREPRENEURSHIP**

**DURATION: THREE HOURS**

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The Question Paper contains 05 questions.

**Answer all (05) questions.**

1. Ethics has increasingly been an important issue for the long-term success of any entrepreneurial firm in Sri Lanka as elsewhere in the world. The failure to recognize and respect ethical aspects would effectively affect the lifecycle of the business.

Examine the validity of the above statement by discussing ethical aspects of entrepreneurship in Sri Lanka.

(Marks 14)

2. Briefly explain whether the following statements reflect the correct legal position. Your answer should be supported with relevant legislation and decided cases, if any.
  - (a) Establishing a business, whether a sole proprietorship, a partnership, or a company, has the same procedure.
  - (b) An entrepreneur is free to start any business anywhere in this country.
  - (c) Naming a product or service has many legal concerns.
  - (d) It is prohibited to employ deaf women under labour law in Sri Lanka.
  - (e) It is not easy to obtain a trade license from a local authority such as Pradeshiya Sabha.
  - (f) Entering or moving from the digital presence of a business is simple.
  - (g) There are restrictions on the export and imports of certain goods.

(02 marks each)

(Total Marks 14)

3. Suppose you are an expert on Legal Aspects of Entrepreneurship in Sri Lanka and have been invited for a poster competition on “*Legal Aspects of an entrepreneurship in Sri Lanka: A journey from the beginning to closure*”. One of the main objectives of this competition is to educate the public on legal aspects of entrepreneurship.

You are required to prepare a diagrammatic poster including all legal aspects from starting to the closing of entrepreneurship.

Use only two facing pages of your answer book.

(Marks 14)

4. One of your friends wants to know about the legal aspects of the following. You are expected to explain in detail the main legal aspects. Your answers should be supported with relevant legislation and decided cases, if any.

- (a) Advertising and marketing of a product or a service.
- (b) Buying an existing business.
- (c) Recruitment and termination of an employee.
- (d) Dealing with cutometers electronically.

(03.5 marks each)

(Total Marks 14)

5. Write short notes on **any four** (04) of the following.

- (a) Settlement of industrial disputes.
- (b) Legal aspects of business finance including raising and dealing.
- (c) Amended Food Act No. 26 of 1980.
- (d) Delictual aspects of a business.
- (e) Business liabilities at the closure of the business.
- (f) A contract of sale of goods and a Hire purchase Agreements.

(03.5 marks each)

(Total Marks 14)

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