

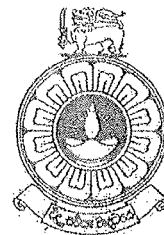
THE OPEN UNIVERSITY OF SRI LANKA
FACULTY OF HUMANITIES AND SOCIAL SCIENCES
DEPARTMENT OF LEGAL STUDIES

LLB DEGREE PROGRAMME- LEVEL 4

CONTINUOUS ASSESSMENT TEST I - 2022/2023

LLU4805/ LWU2311

DURATION- 1 HOUR



DATE: 27th September 2023

TIME: 9.30 a.m. – 10.30 a.m.

Answer ONE (01) question only.

Candidates will be penalized for illegible handwriting.

- 1.a. Anuradha had an old air conditioner which she wanted to sell. Since Uvini who was her good friend was searching for a secondhand air conditioner, Anuradha sent an email to Uvini, offering to sell her the air conditioner for Rs.90,000/=. Uvini replied stating that she was willing to buy the air conditioner for Rs.80,000/=. Anuradha responded stating that she was not willing to sell it for Rs. 80,000/=. Later, Uvini realized that the air conditioner was worth Rs. 90,000/= and emailed Anuradha stating that she was agreeable to buy it for 90,000/=. However, Anuradha had already sold the air conditioner to Dasuni.

Discuss the legal consequences of the above situation. Your answer must be supported with relevant case law.

(10 Marks)

- b. Explain the difference between postal acceptance and acceptance made using instantaneous communication. Support your answer with relevant case law.

(10 Marks)

- 2.a. Amal, Menaka and Sama inherited a house from their father. Subsequently, Amal and his wife Shanaya lived in that house and Shanaya made many improvements to it. The value of the house increased substantially because of the improvements. Therefore, Amal, Menaka and Sama decided to pay Shanaya for the improvements and signed a document addressed to Shanaya stating that 'in consideration of improvements and alterations made by you to the property, we hereby agree to pay Rs 100,000/= when the house is sold'. However, when they sold the house Amal, Menaka and Sama refused to pay Shanaya.

Using your knowledge on 'consideration' in contract law, discuss whether Shanaya can legally enforce the promise to pay. Support your answer with relevant case law.

(10 Marks)

- b. The doctrine of promissory estoppel was developed in *Central London Property Trust Ltd v. High Trees House Ltd* (1947) 1 KB 130 to mitigate the harshness of Pinnel's Rule. Do you agree with the above statement? Explain your answer using case law.

(10 Marks)