

THE OPEN UNIVERSITY OF SRI LANKA
FACULTY OF HUMANITIES AND SOCIAL SCIENCES
DEPARTMENT OF LEGAL STUDIES
LLB DEGREE PROGRAMME – LEVEL IV
CONTINUOUS ASSIGNMENT TEST 1 2023/2024
LAW OF CONTRACT –LLU4805
DURATION – 01 HOUR



Date: 2024.11.08

Time: 09.30 a.m.-10.30 a.m.

Total number of questions – 02

Answer one (1) question only.

Candidates will be penalized for illegible handwriting.

1. (i). Explain how the doctrine of promissory estoppel, developed in English law, enables promises to be enforced even without consideration. Use case law to illustrate your answer.

(08 Marks)

(ii) Rohan offered to sell his entire crop of rice to Mira at Rupees 60 000 per ton, through a letter dated 17th October 2023. Mira received the letter on 19th October 2023. She accepted the offer and sent the letter of acceptance to Rohan at 10.30 a.m. the same day. However, the letter was lost in the post and did not reach Rohan.

Rohan revoked the offer by a letter which he posted on 20th October 2023. Mira received the letter of revocation on 22nd October 2023. On 21st October 2023, Rohan sold 300 tons of his crop of rice to Arun.

Discuss the legal consequences of the above incidents. Support your answer with relevant case law.

(12 Marks)

2. (i). Define an invitation to treat and discuss the different types of invitation to treat.

(08 Marks)

(ii). Nimal entered into a contract with Ravi to sell his second-hand car for Rs.1200,000/- Later, Nimal discovered that Ravi had helped Nimal's father when he had been ill in 2023 and reduced the sale price by Rs.600,000/-. Ravi then took possession of the car after paying Rs.600,000/-. Now, Nimal seeks to recover the remaining Rs.600,000/- from Ravi, arguing that the original contract should stand and that the subsequent price reduction is not binding since it was not supported by consideration.

(a). Discuss the validity of Nimal's claim under English law supporting your answer with relevant case law.

(08 Marks)

(b). Would the legal position be different under Roman Dutch law? Explain the reasons for your answer.

(04 Marks)

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