



**THE OPEN UNIVERSITY OF SRI LANKA
MASTER OF TECHNOLOGY IN INDUSTRIAL
ENGINEERING PROGRAMME**

THE LAW AND INDUSTRY - LWJ7101

FINAL EXAMINATION 2014/2015

DURATION: THREE (03) HOURS

DATE : 06TH SEPTEMBER 2015

TIME: 9.30 A.M. 12.30 P.M.

Answer FIVE (05) questions only with at least ONE from each section.

Student will be penalized for illegible handwriting.

SECTION – A

01. Discuss the scope and application of the ‘Tesawalamai Law’ in Sri Lanka.
(20 marks)
02. Discuss the sources of law, illustrating the use of each source with reference to decided cases.
(20 marks)

SECTION – B

03. Modern Computer Company, by letter dated 07th November offered to sell a computer system together with software necessary to calculate the taxes of the Municipal Council to the Sunset Beach Municipal Council (Sunset Beach M C). Sunset Beach M C received the letter on the 09th of November and posted the letter of acceptance on the 10th. However the letter was not received by Modern Computer Company till the 20th of November due to a postal strike. Meanwhile, Modern Computer Company wrote a letter revoking the offer on the 14th and sold the computer system to Silver Moon Municipal Council on the 15th of November.

Sunset Beach M C was compelled to calculate the taxes manually due to the non-availability of the expected software. There were serious errors in calculating the amounts due and the Municipal Council lost approximately 25% of the taxes due to them.

Discuss the legal remedies, if any, available to Sunset Beach M.C.

(20 marks)

04. Explain the following statements.

i. An Exemption clause can only be used to limit a person's liability arising from a contract, if the clause satisfies certain requirements.

(10 marks)

ii. Many situations could lead to a contract becoming invalid due to illegality.

(10 marks)

SECTION – C

05. X & Y Company is a chemical plant situated in the industrial city of Ja-ela. The company provides employment opportunities to nearby villagers. One day, when the workers were carrying out welding work on the waste water storage tank, it exploded. Five workers were found dead at the scene and around ten workers were severely injured. The injured were taken to Ragama teaching hospital by the company management. Due to a medical officers' strike the injured persons were not admitted to hospital. Later they were taken to a private hospital and the hospital authorities refused to admit the patients because of their serious condition.

In the meanwhile, the preliminary investigation revealed that gas from the waste water which had accumulated inside the tank was apparently ignited by the welding torch.

Discuss the legal position involved in this incident. Your answer should be supported with relevant case law.

(20 marks)

06. “The simple point in this case is that if wrongful conduct is outside the course of employment, a failure to prevent or report that wrong conduct cannot be within the scope of employment so as to make the employer vicariously liable for that failure when the employer was not vicariously liable for the wrongful conduct itself”.

Lister and other v Hesley Hall Limited (2001) UKHL 22 available at <http://www.publications.parliament.uk/pa/ld200001/ldjudgmt/jd010503/lister-1.htm>

In light of the above statement discuss the law on vicarious liability in Sri Lanka. Your answer should be supported with relevant case law.

(20 marks)

SECTION – D

07. “Though both categories are ‘workmen’ in the sphere of Industrial Law, the ‘confirmed’ and ‘probationary’ employees are obviously not similarly circumstanced”.

Comment on the above statement citing suitable examples and relevant cases.

(20 marks)

08. Write a comprehensive note on ONE of the following.
- i. Difference between an employee and an independent contractor.
 - ii. Mechanisms provided in the Industrial Disputes Act. No. 43 of 1950 (as amended) for settlement of Industrial Disputes.

(20 marks)

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