

KIBABII UNIVERSITY



**UNIVERSITY EXAMINATIONS
SPECIAL/SUPPLEMENTARY EXAMINATION**

2019/2020 ACADEMIC YEAR

FOURTH YEAR FIRST SEMESTER

**FOR THE DEGREE OF BACHELOR OF BUSINESS
MANAGEMENT**

COURSE CODE: BBL 413

COURSE TITLE: LEGAL ASPECTS IN PROCUREMENT

DATE: 02/02/2021

TIME: 2.00 – 4.00PM

INSTRUCTIONS TO CANDIDATES

Answer Question ONE (compulsory) and ANY OTHER TWO questions

Q1. Ushindi Ltd is a food supplier to a large retail supermarket in Mbakalo. Ushindi was approached by the supermarket who requested that it should add an extra 25% volume to some produce to assist the supermarket with a special promotion. However, the price Ushindi would charge to the supermarket would remain the same. Ushindi was reluctant to enter into this agreement but felt compelled to agree when the supermarket suggested that it might affect future business if it did not cooperate.

a) Assess whether there are any grounds for Ushindi to have the agreement set aside since it no longer wishes to provide the extra volume without some kind of compensation (15 marks)

b) Evaluate the circumstances when the law of mistake would render a contract void (15 marks)

Q2.a) Describe terms under which an offer may be terminated (10 marks)

b) Identify and explain domestic laws that affect procurement of goods and services in Kenya (10 marks)

Q3.a) Describe how procurement law has developed in Kenya (8 marks)

b) Explain any five alternative procurement methods and indicate the circumstances where each may be preferred over other forms. (12 marks)

Q4 For a contract to be enforceable, it must meet certain stipulated standards set out. Discuss Five of those ingredients. (10 marks)

b) Define the following terms as used in Procurement Law

i) Express terms

ii) Implied terms (10 marks)