



TECHNICAL UNIVERSITY

OF MOMBASA

SCHOOL OF BUSINESS
DEPARTMENT OF MANAGEMENT SCIENCE
UNIVERSITY EXAMINATION FOR:
BACHELOR OF COMMERCE - PROCUREMENT
UNIT: BPC 4303 PROCUREMENT LEGAL FRAMEWORK

END OF SEMESTER EXAMINATION

ORDINARY EXAMS

SERIES: APRIL 2022

TIME: 2 HOURS

DATE: Pick Date 2022

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **FIVE** questions. Attempt question ONE (Compulsory) and any other TWO questions.

Do not write on the question paper.

Question ONE (COMPULSORY) - 30 Marks

Use the case study below to answer question a, b and c

KC LTD and SMART PR CONSULTANT entered into a joint and registered KSC VENTURE LTD as the new trade name. Prior to registration and legalization of KSC VENTURES LTD by the company's act of Kenya, both the directors of KC LTD and SMART PR CONSULTANT formulated objectives of KSC VENTURE LTD to guide them on their operations. The key activity of KSC VENTURES LTD was to buy and develop a 10 hectares land in Kiembeni estate, Mombasa County. Mr Jacktone, the head of procurement at KSC VENTURE LTD while acting as an Agent of the latter, was responsible for negotiating and representing the company on contract formation.

- a. State and explain any **Five** advantages that KSC VENTURES LTD enjoys (10 marks).
- b. Supposing that the agreement between KC LTD and SMART PR CONSULTANT would have based on partnership agreements, explain **Five** difference that could have been in the case (10 Marks).
- c. State and explain **Five** duties of Mr Jacktone in this case (10 Marks)

SECTION B: CHOOSE ANY TWO QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS

Question TWO

- a. As the head of procurement function in an Organization, explain **Five** circumstance through which a legal procurement contract may be terminated (10 Marks).
- b. Discuss **Five** legal provisions for non-performance of the contract for provision of services (10 Marks).

Question THREE

- a. Briefly, discuss **Five** key aspects in the Public Procurement Regulation of 2020 (10 Marks)
- b. Highlight **Five** objectives of Procurement Legal and Regulatory Framework in Kenya (10 Marks).

Question FOUR

In the procurement legal contracting, the legal counsel provides an assurance that the contract conforms to applicable law and regulations thus minimizing any liability that may arise thereafter. Contract of bailment has been over-time attracted legal interpretations at the Court of Law.

- a. Discuss **Five** key aspects of Bailment in procurement contracting (10 Marks)
- b. Explain **Five** areas that should be addressed by the legal experts in any procurement contract (10 Marks)

Question FIVE

In the sale of goods contract, the transfer of title is very important. Transfer refers to active actions being taken by seller and buyer to transfer ownership from seller to buyer, through agreement where the seller agrees to transfer the ownership in property to the buyer.

- a. Explain **Five** duties of Supplier in such agreement (10 Marks)
- b. Highlight **Five** differences between Conditions and warranties in the sale of goods contract (10 Marks)