

**W1-2-60-1-6**

## JOMO KENYATTA UNIVERSITY

**OF**

**AGRICULTURE AND TECHNOLOGY**

# University Examinations 2016/2017

**SECOND YEAR FIRST SEMESTER EXAMINATION FOR THE DIPLOMA IN SUPPLY CHAIN MANAGEMENT**

**HEP 0104 : LEGAL ISSUES IN PURCHASING AND SUPPLY CHAIN MANAGEMENT**

**DATE: JULY 2017 TIME: 2 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER**

**TWO QUESTIONS.**

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**QUESTION ONE (30 MARKS)**

(a) Discuss any three mechanisms of dispute resolution you know of in procurement.

[6 marks]

(b) Explain characteristics of a good procurement system. [8 marks]

(c) Explain the following terms as used in this unit:

(i) Offer. [2 marks]

(ii) Offeree. [2 marks]

(iii) Invitee [2 marks]

(iv) Consideration. [2 marks]

(v) Battle of forms. [2 marks]

(d) State three legal and three institutional frameworks that have been put in place by the constitution to oversee and provide direction on matters of procurement.

[6 marks]

**QUESTION TWO (15 MARKS)**

Jomo Kenyatta University has awarded Mwambu and Sons Ltd. a tender to supply office furniture. To formalize the agreement, a contract has to be developed for binding reasons between the two parties. As a procurement officer, you are asked to develop the contract. [15 marks]

**QUESTION THREE (15 MARKS)**

(a) Briefly describe how procurement law has developed in Kenya. [10 marks]

(b) State five documents used in international business. [5 marks]

**QUESTION FOUR (15 MARKS)**

(a) Identify and explain any five procurement methods used in awarding of tenders.

[10 marks]

(b) Explain briefly the domestic laws affecting procurement. [5 marks]