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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
THIRD YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

Date: 11th December, 2024
Time: 2.30pm –4.30pm

KBA 2301 - BUSINESS LAW

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

Mrs. Darius and Mr Maneno are alumni and old friends, from the University of Kanairo. Mr. Maneno invited Mrs Darius for a drink. Mr. Maneno told her that the drink, allegedly was the latest in the market, and they needed to celebrate Valentine's day. On arrival at Karumaindo their old Joint, the two noted the Joint had really changed in that the number of customers buying were quite less, for a time like that of enjoying Valentine's Day. However, the two did not want anything to interfere with their evening. Mrs Darius ordered for the 'bubbles' wine that is manufactured by Keno Breweries. The content of the drink is thick and brownish in colour, while the bottle is opaque. Mr Maneno enjoyed his usual Tusker lager, while Mrs. Darius enjoyed the Bubbles drink as they continued catching up on their old days at the University of Kanairo, Faculty of Business Administration. Mrs Maneno threw her eyes through the window to enjoy the usual green scenery that they used to enjoy at the Old Karumaindo Joint in their university days. To her surprise she saw, the cleaners of Karumaindo Joint dispose of waste water through the widow. She also noted that right outside the window where she sat, there was a swam of flies feasting on dirty decomposing left overs from the Joint.

At the counter another customer was heard complaining about prices being exorbitant in relation to other similar businesses in the area. Mr Mambo excused himself and went to the washrooms. While in the washroom, Mr. Maneno overheard a heated argument, between the Manager of the Karumaindo Joint and a supplier of goods and services known as 'Chafua cleaner, clearing and forwarding, and security services'. The manager said "...at this rate we will be forced to close our business". The supplier of goods and services told the manager of Karumaindo Joint, to relax, and that he had a strategy to jump start the business. The manager eagerly listened and waited for the strategy. The supplier said all similar businesses around Karumaindo Joint will be forced to close by his 'Boys'. He explained that they will attack customers going to those Joints and force them to come to Karumaindo Joint... While digesting what he had overheard from the manager of Karumaindo Joint, and the goods and service provider, Mr. Maneno, yet overheard the financial officer Karumaindo also saying "we have lost so many customers due to the inept goods and services supplied to our business. The government departments are following the Karumaindo Joint concerning several issues, such as the Joint's inability, to pay taxes..." The financial officer retorted.

To add insults to injuries, some workers left the Karumaindo Joint and opened similar business right opposite the area and all the customers have relocated to those new joints. Mr Maneno, went back to their table and asked Mrs Darius to hurry up they needed to leave the Joint. It was at this point that Mrs Darius emptied the remaining wine out of the bottle into her glass, to, their shock, she saw a decomposing snail drop into her glass together with the remaining wine. She was nauseated, became sick and was rushed to Waponyaji Hospital facility where she got admitted for several days. Mrs. Darius has heard that you are, an expert in Business Law , she comes to your office seeking your advice on the following issues:

- a) In relation to the above case study, define term tort. (3 marks)
- b) While citing relevant case law, and relying on the above case study, distinguish between 'Damnum sine injuria and injuria sine damnum. (8 marks)
- c) In reference to the above case study, explain to Mrs Darius what elements she needs to proof to Court to succeed in her claim, use case law given in class. (8 marks)
- d) Explain to Mrs Darius who she will sue and why? (3 marks)
- e) Based on the above case study, describe the various laws that you learned in your Business law class that have been violated by Karumaindo joint. (8 marks)

QUESTION TWO (20 MARKS)

- a) Analyze the available rights and duties of an employee (8 marks)
- b) With aid of case law and illustrations discuss the process of formulating laws in Kenya. (8 marks)
- c) Examine the ethical issues surrounding law making process in Kenya. (4marks)

QUESTION THREE (20 MARKS)

- a) Distinguish between Ownership and Possession (6 marks)
- b) Differentiate Hire purchase sale from sale of goods. (6 marks)
- c) Citing relevant examples describe the intellectual property law (8 marks)

QUESTION FOUR (20 MARKS)

- a) Explain the legal rules that govern the relationship between a principal and a third party, under an agent and principal relationship, in relation to the law of agency. (8 marks)
- b) Describe the various classification of laws (8 marks)
- c) Discuss the various challenges faced in Kenya during law making process. (4 marks)

QUESTION FIVE(20 MARKS)

- a) Discuss the legal rules governing the delivery of goods in a contract of sale. (6 marks)
- b) Discuss the sources of law in Kenya (8 marks)
- c) Examine the different international law contracts (6 marks)