



MACHAKOS UNIVERSITY

University Examinations for 2019/2020 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR FIRST SEMESTER EXAMINATION FOR

BACHELOR OF COMMERCE

BBA 101: BUSINESS LAW 1

DATE:

TIME:

INSTRUCTIONS:

Answer Question one and any other two Questions.

Law is important because of the unequal relationship between the government and the public. The government is the only body that can make decisions on the rights of individuals and they must act within the law. A citizen can ask for judicial review if they are unhappy with a decision of an authoritative body. Law governs relationships between individuals and the government, and those relationships between individuals which are of direct concern to society

Administration of law means the enforcement of laws by the courts of law. It is the duty of the state to pass necessary laws and administer them fairly and effectively by an adequate court system. *Law* is a system of rules created and enforced through social or governmental organs. Adjudication of the *law* is generally divided into *main* classes

A contract is a promise made between two or more parties, which allow the courts to make judgment. In the case of *Jones vs Lipmann* (1962), Lip agreed to sell a certain land to Jones. He subsequently changed his mind and to avoid the specific performance he sold it to a company formed for that purpose. Jones brought an action for specific performance against Lip and the company. The court looked to the reality of the situation, ignored the transfer, and ordered that the company should convey the land to Jones. The principle of constitutional supremacy states that the Constitution shall be the supreme law of the land and that the Judges bound there, by anything in the Constitution.

QUESTION ONE (30 MARKS)

- a) Describe the main classes of law (10 marks)
- b) Explain essential element of a valid contract. (10 marks)

- c) Supremacy of the constitution is set out in section two of the constitution. Explain why the constitution is regarded as supreme in Kenya. (5 marks)
- d) A tort is an act, which causes harm to a determinate person. Identify the functions of the law of tort (5 marks)

QUESTION TWO (20 MARKS)

- a) Explain the importance of stare decisis in case law (10 marks)
- b) Using a diagram describe the written and unwritten sources of law in Kenya. (10 marks)

QUESTION THREE (20 MARKS)

- a) African customary law is relied upon by court in civil cases only. Determine the various types of disputes that are based on African customary law. (10 marks)
- b) Explain the importance of stare decisis in case law (10 marks)

QUESTION FOUR (20 MARKS)

- a) Explain the jurisdiction of district magistrate court. (10 marks)
- b) Describe the general defenses in tort (10 marks)

QUESTION FIVE (20 MARKS)

- a) Explain the difference between crime and civil wrong (10 marks)
- b) Explain the composition and jurisdiction of supreme court of Kenya (10 marks)