



KENYATTA UNIVERSITY
UNIVERSITY EXAMINATIONS 2010/2011
SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF
SCIENCE (AGRIBUSINESS MANAGEMENT AND TRADE)

KBT 104: AGRIBUSINESS LAW

DATE: THURSDAY, 7TH APRIL 2011

TIME: 8.00 A.M. - 10.00 A.M.

INSTRUCTIONS: Answer Question ONE and any other TWO questions.
Answer THREE Questions in total.

QUESTION 1: (40 marks)

- a) List and explain the various sources of Kenya Law. (10 marks)
- b) Write short notes on any **FOUR** of the following: (12 marks)
- (i) *Consensus ad idem*
 - (ii) Classification of contracts
 - (iii) Essentials of a valid contract
 - (iv) Carlill vs Carbolic Smoke Ball Co.
 - (v) Offer under Chapter 23 of the Laws of Kenya
 - (vi) Capacity to contract
 - (vii) Discharge of contracts
 - (viii) Essential crops under Chapter 18 of the Laws of Kenya
 - (ix) Compulsory land acquisitions

- c) State the essential elements of a valid offer. (8 marks)
- d) All contracts are agreements but not all agreements are contracts. Critically examine this statement. (10 marks)

QUESTION 2: (15 marks)

“For effective policy formulation and implementation, a well established institutional framework is indispensable”. Discuss the composition and functions of the following institutional arrangements.

- (i) The Agricultural Appeals and Tribunal under the Agriculture Act. (7 marks)
- (ii) The Kenya Dairy Board under the Dairy Industry Act (CAP 336). (8 marks)

QUESTION 3: (15 marks)

- a) Discuss the powers of the Agriculture Minister under the Agriculture Act. (10 marks)
- b) Explain the functions of “The Agricultural Appeals and Tribunal” under the Agriculture Act. (5 marks)

QUESTION 4: (15 marks)

- a) Joan and avid Milk processor has applied for a loan at the Agricultural Finance Corporation (AFC) for use in purchasing a modern packing machine. She dutifully writes to the Board seeking Kshs. 25,000/=. Upon submission of her letters, the Board writes back to her that she has an existing loan pending for clearance. Joan does not know what to do next. She has approached you as the District Agribusiness Development Officer (DADO) for advice. Advise her. (10 marks)
- b) Critically examine the statutory procedure for assessing loans under Agricultural Finance Corporation Act. (5 marks)