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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
SECOND YEAR, SECOND SEMESTER EXAMINATION
FOR THE DIPLOMA IN ACCOUNTING
DBA 1118: COMPANY LAW

Date: 19th April, 2024
Time: 8.30am –10.30am

INSTRUCTIONS TO THE CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Define the following
- i) Registered company **(1 Marks)**
 - ii) Partnership **(1 Marks)**
 - iii) Private limited company **(1 Marks)**
 - iv) A promoter **(1 Marks)**
- b) Highlight five rules relating to the naming of companies **(5 Marks)**
- c) Outline the advantages of incorporations **(5 Marks)**
- d) No company can be formed or registered under the Companies Act without the memorandum of association, list its importance **(5 Marks)**
- e) Outline the contents of articles of association **(6 Marks)**
- f) List functions of a prospectus that invites the public to purchase shares **(5 Marks)**

QUESTION TWO (20 MARKS)

- a) Explain the advantages of public limited companies **(8 Marks)**
- b) Describe the various rights and liabilities of members in a company **(6 Marks)**
- c) Mention any two types of share capital amongst the classes of raising capital **(6 Marks)**

QUESTION THREE (20 MARKS)

- a) Describe the characteristics of debentures in debt capital to shareholders **(6 Marks)**
- b) Communication is an essential aspect in a company, explain the essentials of a valid company meeting that alerts investors **(8 Marks)**
- c) Highlight the powers and duties of company directors **(6 Marks)**

QUESTION FOUR (20 MARKS)

- a) The shareholders retain the authority to approve an ultra vires act performed in an irregular way in the company, discuss the rights of a company under ultra vires **(8 Marks)**
- b) Explain reasons for company restructuring **(6 Marks)**
- c) Analyze the qualifications of a company secretary **(6 Marks)**

QUESTION FIVE (20 MARKS)

- a) Highlight the importance and duties of auditors in the company in organization of office resources **(8 Marks)**
- b) Discuss the powers of liquidators in dissolution of companies **(6 Marks)**
- c) Explain the process of registering a foreign company in Kenya **(6 Marks)**