



Kasarani Campus
Off Thika Road
Tel. 2042692 / 3
P. O. Box 49274, 00100
NAIROBI
Westlands Campus
Pamstech House
Woodvale Grove
Tel. 4442212
Fax: 4444175

**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2019/2020 ACADEMIC YEAR
FOURTH YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
BUSINESS ADMINISTRATION**

**Date: 7th August, 2019
Time: 9.00am – 11.00am**

KBA 424 - COMPANY LAW

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Explain the content of Memorandum of Association. (6 Marks)
- b) Explain types of capital. (6 Marks)
- c) Briefly explain the classification of company meetings (6 Marks)
- d) Explain functions of promoters (6 Marks)
- e) List the purpose of prospectus (6 Marks)

QUESTION TWO (20 MARKS)

- a) The types of shares which can be created and issued by a company are not prescribed in the company act. They depend on the provision of the company constitution, usually the article of association. Explain. (10 Marks)
- b) Describe the role of the capital markets authority (10 Marks)

QUESTION THREE (20 MARKS)

- a) Explain the concept of lifting the corporate veil under statutory provisions. (10 Marks)
- b) Explain the methods by which public companies raise their capital adopted in Kenya along with English model. (10 Marks)

QUESTION FOUR (20 MARKS)

- a) A company is regarded as a separate legal entity from its members. Explain practical consequences of incorporation (10 Marks)
- b) Describe down listing requirements at the Nairobi stock exchange general eligibility requirements for public offering of shares and listing (10Marks)

QUESTION FIVE (20 MARKS)

- a) Explain position of promoters as regards pre-incorporation contracts (7 Marks)
- b) Describe the qualification, legal status and liabilities of the company secretary in Kenya organizations (7 Marks)
- c) Explain the functions and powers of chairman (6 Marks)