



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY ORDINARY EXAMINATION

2017/2018 ACADEMIC YEAR

**THREE YEAR SECOND SEMESTER EXAMINATION FOR
BACHELOR OF HUMAN RESOURCE MANAGEMENT, PROCUREMENT
AND COMMERCE**

HBC 2306 & BCL 300 – COMPANY LAW

DURATION: 2 HOURS

DATE: 26TH APRIL, 2018

TIME: 9.00- 11.00 A.M.

Instructions to Candidates:

1. Answer **Question 1** and **Any Other Two** questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

SECTION A – ANSWER ALL QUESTIONS IN THIS SECTION

QUESTION ONE

- a) Define a Company. (2 marks)
- b) Outline the advantages of incorporation. (10 marks)
- c) Describe the process under which a Company can come into existence. (10 marks)
- d) Write short notes on:-
 - i. Prospectus. (2 marks)
 - ii. Perpetual succession. (2 marks)
 - iii. Directors. (2 marks)
 - iv. Types of Capital. (2 marks)

SECTION B – ANSWER ANY TWO QUESTIONS IN THIS SECTION

QUESTION TWO

- a) A company may be liquidated in three different ways. Explain. Five reasons why a Company will be liquidated by the court also known as Compulsory winding up of Companies. (10 marks)
- b) Explain any five reasons for the disqualification of directors. (10marks)

QUESTION THREE

- a) Explain any five factors to be considered in distinguishing a public company from a private Company. (10 marks)
- b) Public Companies may raise capital from the public by using many methods. Explain any five of such methods. (10 marks)

QUESTION FOUR

- a) Discuss any 4 reasons for holding company meetings. (10 marks)
- b) Write brief notes on:
 - i. Books of accounts. (5 marks)
 - ii. Articles of Association. (5 marks)