



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY  
SCHOOL OF BUSINESS AND ECONOMICS  
UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF EDUCATION  
ARTS  
3<sup>RD</sup> YEAR 1<sup>ST</sup> SEMESTER 2013/2014 ACADEMIC YEAR  
KISII – SCHOOL BASED**

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**COURSE CODE: ABA 302**

**COURSE TITLE: COMPANY LAW**

**EXAM VENUE: LR 17**

**STREAM: (BEd arts)**

**DATE: 27/8/14**

**EXAM SESSION: 9.00 – 11.00 AM**

**TIME: 2 HOURS**

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**Instructions:**

- 1. Answer Question 1(Compulsory) and any other two questions**
- 2. Candidates are advised not to write on the question paper.**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room.**

Q 1: (a) Define the term “company”. (5 marks)

(b) “A company is an artificial person created by law with a perpetual succession and a common seal”. Explain this statement and point out the basic features of a company.

(10 marks)

(c) Distinguish a company from a partnership. (15 marks)

Q 2: (a) Elucidate the statement that a company is a totally different person altogether from its members (10 Marks)

(b) Explain the circumstances which may justify “lifting of a corporate veil”. (10 Marks)

3. a. Discuss the advantages and disadvantages of incorporation (12 marks)

b. Write a critical note on company meetings. (8 marks)

4. a. Who is a director of a company (4 marks)

(b) In what different ways may a director of a company appointed? When does the office of a director fall vacant? (6 marks)

c. State the qualifications and disqualifications of a director. (4marks)

(d) Discuss the duties and powers of the Directors. (6 Marks)

5. a. With the help of a decided case, explain the concept of indoor management. (6marks)

b. Distinguish between doctrine of constructive notice and Indoor management and indicate their effects (10 marks)

c. Discuss the various modes of winding up of a company under Cap 486 of the laws of Kenya. (10 marks)