

**Business Law**  
Summary of Marking Key  
Certificate in Accounting and Finance – Autumn 2020

**Note regarding marking scheme:**

The marking scheme is given as a guide. Markers also award marks for alternative approaches to a question and relevant/well-reasoned comments/explanations. Moreover, the available marks in answer may exceed the total marks of a question.

		<b>Mark(s)</b>
<b>A.1</b>	01 mark for each correct answer	<b>30.0</b>
<b>A.2</b>	<ul style="list-style-type: none"> <li>▪ Describing how an Ordinance is promulgated in Pakistan</li> <li>▪ Describing the effect of such Ordinance</li> </ul>	<b>1.5</b> <b>2.5</b>
<b>A.3</b>	(a) 01 mark for describing each situation where contract obtained by misrepresentation cannot be rescinded	<b>3.0</b>
	(b) Explaining the rights available to Khwaja Contractors	<b>3.0</b>
	(c) <ul style="list-style-type: none"> <li>▪ Discussion on Khwaja Contractor's right to be compensated under the circumstances</li> <li>▪ Explaining when Khwaja Contractors would and would not be able to recover the amount of penalty</li> </ul>	<b>1.0</b> <b>2.0</b>
<b>A.4</b>	(a) 0.5 mark for listing each essential of valid acceptance	<b>4.0</b>
	(b) <ul style="list-style-type: none"> <li>▪ Describing essential of communication for proposal for entitlement of reward</li> <li>▪ Conclusion</li> </ul>	<b>1.5</b> <b>0.5</b>
	(c) <ul style="list-style-type: none"> <li>▪ Describing the position of Munaf to claim performance</li> <li>▪ Conclusion</li> </ul>	<b>1.5</b> <b>0.5</b>
<b>A.5</b>	(a) 0.5 mark for listing general duties of partners	<b>3.0</b>
	(b) <ul style="list-style-type: none"> <li>▪ Explaining the requirement of public notice alongwith failure of giving notice and when Laila may be regarded as partner of the firm</li> <li>▪ Describing Laila's liability with regard to firm's debts</li> </ul>	<b>3.0</b> <b>1.0</b>
<b>A.6</b>	(a) Stating the provisions related to the effect(s) of the words 'Not negotiable' on a cheque crossed generally	<b>3.0</b>
	(b) <ul style="list-style-type: none"> <li>▪ Identifying the type of negotiable instrument which Mujahid may issue</li> <li>▪ Preparing draft of promissory note</li> </ul>	<b>0.5</b> <b>3.5</b>
<b>A.7</b>	<ul style="list-style-type: none"> <li>▪ Identifying the reasons of invalidity of the proposed name</li> <li>▪ Explaining how the promoters can overcome the deficiencies in the proposed name</li> </ul>	<b>3.0</b> <b>3.0</b>

<p><b>Business Law</b>          Summary of Marking Key          Certificate in Accounting and Finance – Autumn 2020</p>
---

			Mark(s)	
<b>A.8</b>	<b>(a)</b>	<b>(i)</b> Discussing the independence of the expert before including his statement in the prospectus	<b>2.0</b>	
		<b>(ii)</b> Discussing the requirement before issuing, circulating or publishing prospectus containing expert's statement	<b>2.0</b>	
	<b>(b)</b>	Explaining the term 'shelf registration'	<b>2.0</b>	
<b>A.9</b>	<b>(a)</b>	Describing the options available for obtaining shareholders' approval:		
		<ul style="list-style-type: none"> <li>▪ by calling extraordinary general meeting</li> <li>▪ by passing resolution by circulation</li> </ul>	<b>1.0</b> <b>2.0</b>	
	<b>(b)</b>	Identifying the procedures to be followed for obtaining shareholders' approval in respect of:		
		<ul style="list-style-type: none"> <li>▪ holding extraordinary general meeting</li> <li>▪ passing resolution by the members through circulation</li> </ul>	<b>4.5</b> <b>1.5</b>	
<b>A.10</b>	<b>(i)</b>	Listing the requirement to be ensured to contest the election as non-executive director	<b>4.0</b>	
	<b>(ii)</b>	Describing the grounds when liability may arise on a non-executive director due to adverse action of other directors	<b>2.0</b>	
<b>A.11</b>	<b>(a)</b>	Explaining the reasons for holding investment in the name of:		
		<ul style="list-style-type: none"> <li><b>(i)</b> an employee in case of wholly owned subsidiary</li> <li><b>(ii)</b> a non-executive director</li> </ul>	<b>2.0</b> <b>2.0</b>	
	<b>(b)</b>	<b>(i)</b>	<ul style="list-style-type: none"> <li>▪ Stating time frame for preparation of quarterly financial statements</li> <li>▪ Stating the requirement of review of second quarter financial statements</li> </ul>	<b>1.0</b> <b>1.0</b>
			<b>(ii)</b>	<ul style="list-style-type: none"> <li>▪ Describing the requirement of filing of quarterly financial statements with various authorities</li> <li>▪ Stating the conditions related to extension of filing first quarter accounts</li> </ul>

**(THE END)**