

# CA Final – Paper 4 (Law) – MCQ

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(Covering ICAI SM, MTPs & RTPs till Nov. 2022 applicable for May/Nov. 2023 Exams)

## Chapter - 7: winding up

1	<p><b>When can a winding up order not be called a notice of discharge?</b></p> <p>(a) When the business of the company is continued. (b) When the business of the company is closed since 2 years. (c) On the discretion of the management. (d) Till the appointment of a provisional liquidator.</p> <p>[MTP-March 19]</p>
2	<p><b>Who shall make an application to the Tribunal for constitution of a winding up committee to assist and monitor the progress of liquidation proceedings by the Company Liquidator in carrying out the function?</b></p> <p>(a) No application required (b) Company Liquidator (c) Management (d) Members</p> <p>[MTP-April 19]</p>
3	<p><b>Infra Ltd. was wound up by an order of Tribunal dated 10<sup>th</sup> March, 2022 by the Tribunal. The appointed official liquidator of the company noticed that the MD of the Infra Ltd. had sold certain properties belonging to the company to a Supra Pvt. Ltd. in which his brother was interested on 15<sup>th</sup> October, 2021. This caused loss to the Infra Ltd. to the extent of INR 60 lakhs. Examine the course of action, the official liquidator can take in this matter.</b></p> <p>(1) The official liquidator can recover the sale of assets of the company as per the Section 328 of the Companies Act, 2013 (2) The transaction made will be regarded as invalid and restore the position of the company. (3) This transaction made will be regarded as valid as being made under ordinary course of its business.</p> <p>(a) Only statement (1) is correct. (b) Only statement (2) is correct. (c) Only statement (3) is correct. (d) Statements (1) &amp; (2) are correct.</p> <p>[MTP-Oct. 19, May 20]</p>
4	<p><b>When can an application be made to Tribunal for constitution of a winding up committee to assist and monitor the progress of liquidation proceedings by the Company Liquidator in carrying out the function?</b></p>

	<p>(a) Within two weeks from the date of passing of winding up order.</p> <p>(b) Within three weeks from the date of passing of winding up order.</p> <p>(c) Within four weeks from the date of passing of winding up order.</p> <p>(d) None of the above.</p> <p style="text-align: right;">[MTP-May. 20]</p>
5	<p><b>The Tribunal while passing an order of winding up of a company, for advising the company liquidator and to report to the Tribunal on winding up matters may direct for constitution of -</b></p> <p>(a) Audit committee.</p> <p>(b) Advisory committee.</p> <p>(c) Standing committee.</p> <p>(d) Liquidation committee.</p> <p style="text-align: right;">[MTP-April. 21]</p>
6	<p><b>What is the periodicity of submission of report by company liquidator with respect to the progress of winding up of the company to the Tribunal:</b></p> <p>(a) Monthly</p> <p>(b) Bi-monthly</p> <p>(c) Quarterly</p> <p>(d) Half yearly</p> <p style="text-align: right;">[RTP-May 21]</p>
7	<p><b>The aggregate amount of dues to the secured creditors and workmen is ₹ 16,00,000 and collateral security given to the secured creditors is ₹ 4,00,000. The proportionate amount of workmen portion will be:</b></p> <p>(a) 10%</p> <p>(b) 20%</p> <p>(c) 25%</p> <p>(d) 30%</p> <p style="text-align: right;">[MTP-April 22]</p>

### Answers Key

Q. No	Answer	
1	(a)	When the business of the company is continued.
2	(b)	Company Liquidator
3	(d)	Statements (1) & (2) are correct.
4	(b)	Within three weeks from the date of passing of winding up order.
5	(b)	Advisory committee
6	(c)	Quarterly
7	(c)	25%