

# CA Final – Paper 4 (Law) – MCQ

**Compiled by: CA. Pankaj Garg**

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

## Chapter - 9: Miscellaneous Provisions

1	<p><b>Aakaar Solar Energy Private Limited was allowed the status of a ‘dormant company’ after a certificate to this effect was issued on 1<sup>st</sup> July 2021 by the Registrar of Companies, Delhi and Haryana. From the four options stated below, select the one which correctly indicates the latest date after which the Registrar of Companies is empowered to initiate the process of striking off the name of the company if Aakaar Solar Energy continues to remain as a dormant company.</b></p> <p>(a) The latest date after which the Registrar of Companies is empowered to initiate the process of striking off the name of the company if Aakaar Solar Energy continues to remain as a dormant company shall be 30<sup>th</sup> June, 2022.</p> <p>(b) The latest date after which the Registrar of Companies is empowered to initiate the process of striking off the name of the company if Aakaar Solar Energy continues to remain as a dormant company shall be 30<sup>th</sup> June, 2023.</p> <p>(c) The latest date after which the Registrar of Companies is empowered to initiate the process of striking off the name of the company if Aakaar Solar Energy continues to remain as a dormant company shall be 30<sup>th</sup> June, 2024.</p> <p>(d) The latest date after which the Registrar of Companies is empowered to initiate the process of striking off the name of the company if Aakaar Solar Energy continues to remain as a dormant company shall be 30<sup>th</sup> June, 2026.</p>
2	<p><b>Nanny Marcons Private Limited was incorporated on 9<sup>th</sup> June, 2019. For the financial year 2019-2020, it did not file its financial statements and annual returns. For the time being the company desires to be treated as ‘inactive company’ since it does not intend to carry on any business permitted by its Memorandum. Which of the following options correctly indicates as to when the Registrar of Companies can issue certificate of status of dormant company to Nanny Marcons Private Limited on the basis of non-submission of financial statements if the company makes an application to the Registrar in this respect.</b></p> <p>(a) The Registrar of Companies can issue certificate of status of dormant company to Nanny Marcons Private Limited after non-submission of financial statements for the two financial years i.e. 2020-21 and 2021-22, if the company makes an application to the Registrar in this respect.</p> <p>(b) The Registrar of Companies can issue certificate of status of dormant company to Nanny Marcons Private Limited after non-submission of financial statements for the next financial year i.e. 2020-21, if the company makes an application to the Registrar in this respect.</p>

	<p>(c) The Registrar of Companies can issue certificate of status of dormant company to Nanny Marcons Private Limited after non-submission of financial statements for the three financial years i.e. 2020-21, 2021-22 and 2022-23, if the company makes an application to the Registrar in this respect.</p> <p>(d) The Registrar of Companies can issue certificate of status of dormant company to Nanny Marcons Private Limited after non-submission of financial statements for the four financial years i.e. 2020-21, 2021-22, 2022-23 and 2023-24, if the company makes an application to the Registrar in this respect.</p>
3	<p><b>All the four directors of Rinkoo Toys Limited are not on the same pace in running the business operations of the company; rather they are more concerned in enhancing their own business interests. Due to this unhealthy phenomenon, the company has defaulted in filing with the jurisdictional Registrar its financial statements or annual returns. For how many consecutive years if the company defaults in filing its financial statements or annual returns that the Tribunal may order its winding up on a petition filed by the Registrar:</b></p> <p>(a) If the company defaults in filing its financial statements or annual returns for immediately preceding three consecutive financial years, the Tribunal may order its winding up on a petition filed by the Registrar.</p> <p>(b) If the company defaults in filing its financial statements or annual returns for immediately preceding five consecutive financial years, the Tribunal may order its winding up on a petition filed by the Registrar.</p> <p>(c) If the company defaults in filing its financial statements or annual returns for immediately preceding six consecutive financial years, the Tribunal may order its winding up on a petition filed by the Registrar.</p> <p>(d) If the company defaults in filing its financial statements or annual returns for immediately preceding seven consecutive financial years, the Tribunal may order its winding up on a petition filed by the Registrar.</p>
4	<p><b>Nanny Marcons Private Limited was incorporated on 9<sup>th</sup> June, 2017. For the financial year 2020-21, it did not file its financial statements and annual returns. For the time being the company desires to be treated as ‘inactive company’ since it does not intend to carry on any business permitted by its Memorandum. As to when ROC can issue certificate of status of dormant company to ‘Nanny Marcons’ on the basis of non-submission of financial statements if the company makes an application to the Registrar in this respect.</b></p> <p>(a) After non-submission of financial statements for the two financial years i.e. 2021-22 and 2022-23.</p> <p>(b) After non-submission of financial statements for the next financial year i.e. 2021-22.</p> <p>(c) After non-submission of financial statements for the three financial years i.e. 2021-22, 2022-23 and 2023-24.</p> <p>(d) After non-submission of financial statements for the four financial years i.e. 2021-22, 2022-23, 2023-24 and 2024-25. <span style="float: right;">[MTP-March 19]</span></p>
5	<p><b>In case a Valuer becomes interested in any property, stock etc of the company, he may be appointed as Registered Valuer of the company after a cooling off period of:</b></p> <p>(a) 3 years</p> <p>(b) 5 years</p> <p>(c) 1 year</p> <p>(d) He will never be appointed as Registered Valuer of the company <span style="float: right;">[MTP-March 19]</span></p>

6	<p><b>Mr. X, director of BRT Ltd. entered into an arrangement with his friend and acquired asset on the name of the BRT Ltd. Prior approval for such arrangement was required by a resolution of the company in general meeting. The notice for approval of the resolution by the company included the particulars of the arrangement along with the value of the assets duly calculated by a registered valuer. Later the Board of company discovered the loss arising out of incorrect statement in the report made the valuer. State the liability of the valuer in the given situation-</b></p> <p>(a) Valuer can claim immunity stating that company is not bound to accept his opinion being an expert.  (b) Valuer shall be punishable with fine only for the incorrect statement given in the report  (c) Valuer is liable to be convicted for the incorrect statement given in the report made with an intent to defraud the company or its members.  (d) Valuer cannot be held liable for damages to the company as the company have seek the prior approval of company in general meeting.</p> <p style="text-align: right;"><b>[MTP-April 19]</b></p>
7	<p><b>Where the Registrar has reasonable cause to believe, he shall send a notice to the company and all the directors of the company, of his intention to remove the name of the company from the register of companies and requesting them to send relevant details within a period of -----days from the date of the notice.</b></p> <p>(a) 15  (b) 30  (c) 45  (d) 21</p> <p style="text-align: right;"><b>[MTP-April 19]</b></p>
8	<p><b>What shall not be the duties of a Registered Valuer?</b></p> <p>(a) to make an impartial, true and fair valuation of any assets which may be required to be valued.  (b) to exercise due diligence while performing the functions as valuer.  (c) to undertake valuation of any assets in which he has a direct or indirect interest or becomes so interested at any time during or after the valuation of assets.  (d) to make the valuation in accordance with such rules as may be prescribed.</p> <p style="text-align: right;"><b>[MTP-April. 19]</b></p>
9	<p><b>Mr. Raman, is appointed as valuer in April, 2021 in ABC Ltd. He undertook the valuation of the assets of the company in 2021. In case, Mr. Raman becomes interested in any property, stock etc. of the company, he may not be eligible to undertake valuation in such property of the company till:</b></p> <p>(a) 2022  (b) 2023  (c) 2024  (d) He will never be appointed as Registered Valuer of the company.</p> <p style="text-align: right;"><b>[RTP-May 19]</b></p>
10	<p><b>State the required majority in the case where a company wants to file an application to the registrar for removal of names of the company from the register of companies for its failure to commence its business within one year of its incorporation-</b></p> <p>(a) Required consent of 51% members holding shares in the company.  (b) Required consent of 90% members holding shares in the company.  (c) Required consent of 75% members present in the meeting approving for filing of an application for removal of names.  (d) Required consent of 75% members in terms of paid-up share capital.</p> <p style="text-align: right;"><b>[MTP-Oct. 19]</b></p>

11	<p><b>Where a valuer has been convicted, he shall be liable to _____.</b></p> <p>(a) Refund of the remuneration received.</p> <p>(b) Pay damages to the company and to any person bearing loss by incorrect or misleading statements of particulars made in his report.</p> <p>(c) Both (a) &amp; (b).</p> <p>(d) Only refund of remuneration to the company and no payment of damages to the company and to any person.</p> <p style="text-align: right;"><b>[MTP-Oct. 19]</b></p>
12	<p><b>The Registrar of Companies has reasonable cause to believe that XYZ Ltd, registered as 'dormant company' under his jurisdiction has been functioning. State course of action that can be taken by the Registrar against XYZ Ltd.:</b></p> <p>(a) Registrar may serve the notice stating that it is a dormant company and so cannot function, so all its acts will be considered as void.</p> <p>(b) Registrar may initiate proceedings thereby making the company and its officers liable to be punished for the functioning of the company under the status of dormant company.</p> <p>(c) Registrar may initiate enquiry and if found that XYZ Ltd. has actually been functioning, the Registrar may remove the name of such company from register of dormant companies and treat it as an active company.</p> <p>(d) Registrar may initiate enquiry under section 206, if found to be functioning, for non compliance with the Companies Act, 2013.</p> <p style="text-align: right;"><b>[MTP-May 20]</b></p>
13	<p><b>Best Nidhi Limited has been incorporated on 01/04/2021 as a Nidhi Company under section 406 of the Companies Act, 2013 with 250 members. Its main object is to accept deposits from members and lend loans to members for the mutual benefit of the members. It also provides locker facilities to members. For FY 2021-2022, the income of the company (before deducting any expense) was ₹ 40,00,000. Expenses incurred during the year amounted to ₹ 10,00,000. Calculate the maximum amount of rental income that could have been earned during the FY 2021-2022 by the company.</b></p> <p>(a) ₹ 10,00,000</p> <p>(b) ₹ 7,50,000</p> <p>(c) ₹ 8,00,000</p> <p>(d) ₹ 6,00,000</p> <p style="text-align: right;"><b>[MTP-March 21]</b></p>
14	<p><b>A valuer in a company will be appointed by the _____ or in its absence, by the _____ of that company.</b></p> <p>(a) Board of directors, Shareholders.</p> <p>(b) Board of Directors, Audit committee.</p> <p>(c) Shareholders, Audit committee.</p> <p>(d) Audit Committee, Board of Directors.</p> <p style="text-align: right;"><b>[MTP-March 21]</b></p>
15	<p><b>The Board of Directors of Highlight Ltd. proposes to appoint Mr. Bright, as the valuer for carrying out valuation of the immovable property pertaining to the company. He was having a post-graduate degree from a recognized University in India. State on the validity of appointment of Mr. Bright as valuer as per provisions of the Companies Act, 2013.</b></p>

	<p>(a) Appointment of Mr. Bright is valid as he is appointed by Board of Directors of Highlighted Ltd.</p> <p>(b) Appointment of Mr. Bright is valid as he fulfills the eligibilities requirement.</p> <p>(c) Appointment of Mr. Bright is invalid as he does not fulfills the eligibilities requirements.</p> <p>(d) Appointment of Mr. Bright is invalid due no experience defined. <span style="float: right;">[MTP-Nov. 21]</span></p>
16	<p><b>Pankaj Nidhi Limited, incorporated under section 406 of the Companies Act, 2013. Pankaj Nidhi Limited wants to enter into an agreement for acquiring another company by purchase of its securities. Now the management of the Pankaj Nidhi Limited is in dilemma with respect to the requirment of entering into such an agreement. Pankaj Nidhi Limited approached you to provide with the best course of action considering the provisions of the Companies Act, 2013.</b></p> <p>(a) As per the Nidhi Rules, 2014, Nidhi company can enter into an agreement for acquiring other company by purchase of its securities provided the Nidhi company has passed an ordinary resolution in its general meeting or have obtained the previous approval of the Regional Director having jurisdiction over such Nidhi.</p> <p>(b) As per the Nidhi Rules, 2014, Nidhi company can enter into an agreement for acquiring other company by purchase of its securities provided the Nidhi company has passed a special resolution in its general meeting and also obtained the previous approval of the Regional Director having jurisdiction over such Nidhi.</p> <p>(c) As per the Nidhi Rules, 2014, Nidhi company can enter into an agreement for acquiring other company by purchase of its securities provided the Nidhi company has passed an ordinary resolution in its general meeting and have obtained the previous approval of the Registrar of Companies (Roc) having jurisdiction over such Nidhi.</p> <p>(d) As per the Nidhi Rules, 2014, Nidhi company can enter into an agreement for acquiring other company by purchase of its securities provided the Nidhi company has passed a special resolution in its general meeting or have obtained the previous approval of the Registrar of Companies (Roc) having jurisdiction over such Nidhi. <span style="float: right;">[RTP-Nov. 21]</span></p>
17	<p><b>Adheera Limited, a company incorporated under the Companies Act, 2013, has not entered into significant accounting transaction during the last one financial year. Accordingly, the management of the company was thinking to obtain the status of the dormant company under section 455 of the Companies Act, 2013. The Registrar on the filings made during the last financial year found some irregularities and ordered inspection of the books of accounts under section 207 of the Companies Act, 2013. Now the management of the Company consults you, to advise on the application to be made to Registrar for obtaining the status of the dormant company considering the provisions of the Companies Act, 2013.</b></p> <p>(1) The company shall be able to obtain the status of the dormant company after passing special resolution to this effect in the general meeting of the company.</p> <p>(2) The company shall not be able to obtain the status of the dormant company as company shall be inactive i.e. not carrying significant accounting transactions during the last 2 financial years.</p> <p>(3) The company shall be able to obtain the status of the dormant company after issuing notice to all the shareholders of the company for this purpose and obtaining consent of at least 3/4th shareholders in value.</p> <p>(4) The company shall not be able to obtain the status of the dormant company as inspection u/s 207 of the Act is going on against the Company.</p>

	<p>(a) Only (3).          (b) Either (2) or (4).          (c) Either (1) or (3).          (d) Both (2) and (4).</p> <p style="text-align: right;">[RTP-Nov. 21]</p>
18	<p><b>The cooling period for re-appointment of a registered valuer for a company is-</b></p> <p>(a) 1 year          (b) 2 year          (c) 3 years          (d) No period has been prescribed in section 247 of the Companies Act, 2013.</p> <p style="text-align: right;">[MTP-April 22]</p>
18	<p><b>Which among the following is NOT the eligibility criteria for appointment of a registered valuer:</b></p> <p>(a) The person has passed the valuation examination conducted by the IBBI          (b) The person is a valuer member of Registered Valuers Organisation (RVO)          (c) The person has been recommended by the RVO for registration as a valuer          (d) The person has been levied a penalty under section 271J of the Income-tax Act, 1961.</p> <p style="text-align: right;">[MTP-April 22]</p>
20	<p><b>Who amongst the following may file an application for the restoration of the name of the company in the register of company and within the period of:</b></p> <p>(a) The Company itself and within 2 years from the date of passing of the order dissolving the company          (b) The authorised officials of the company and within 2 years from the date of passing of the order dissolving the company          (c) NCLT and within 3 years from the date of passing of the order dissolving the company          (d) Registrar and within 3 years from the date of passing of the order dissolving the company</p> <p style="text-align: right;">[MTP-Sep. 22]</p>

### Answers Key

Q. No	Answer
1	<b>(d)</b> The latest date after which the Registrar of Companies is empowered to initiate the process of striking off the name of the company if Aakaar Solar Energy continues to remain as a dormant company shall be 30 <sup>th</sup> June, 2026.
2	<b>(b)</b> The Registrar of Companies can issue certificate of status of dormant company to Nanny Marcons Private Limited after nonsubmission of financial statements for the next financial year i.e. 2020-21, if the company makes an application to the Registrar in this respect.
3	<b>(b)</b> If the company defaults in filing its financial statements or annual returns for immediately preceding five consecutive financial years, the Tribunal may order its winding up on a petition filed by the Registrar.
4	<b>(b)</b> After non-submission of financial statements for the next financial year i.e. 2021-22.
5	<b>(a)</b> 3 years
6	<b>(c)</b> valuer is liable to be convicted for the incorrect statement given in the report made with an intent to defraud the company or its members.
7	<b>(b)</b> 30

8	(c)	to undertake valuation of any assets in which he has a direct or indirect interest or becomes so interested at any time during or after the valuation of assets.
9	(c)	2024
10	(d)	Required consent of 75% members in terms of paid-up share capital.
11	(b)	Pay damages to the company and to any person bearing loss by incorrect or misleading statements of particulars made in his report.
12	(c)	Registrar may initiate enquiry and if found that XYZ Ltd. has actually been functioning, the Registrar may remove the name of such company from register of dormant companies and treat it as an active company.
13	(c)	₹ 8,00,000
14	(d)	Audit Committee, Board of Directors.
15	(c)	Appointment of Mr. Bright is invalid as he does not fulfills the eligibilities requirements.
16	(b)	As per the Nidhi Rules, 2014, Nidhi company can enter into an agreement for acquiring other company by purchase of its securities provided the Nidhi company has passed a special resolution in its general meeting and also obtained the previous approval of the Regional Director having jurisdiction over such Nidhi.
17	(d)	Both (2) & (4)
18	(b)	2 year
19	(d)	The person has been levied a penalty under section 271J of the Income-tax Act, 1961.
20	(d)	Registrar and within 3 years from the date of passing of the order dissolving the company