

5. LIQUIDATION OF COMPANIES

MODEL WISE ANALYSIS OF PAST EXAM PAPERS OF IPCC

MODEL NO.	N-11	M-12	N-12	M-13	N-13	M-14	N-14	M-15	N-15	M-16	N-16
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Model – 1 : Liquidator’s Remuneration & Preferential Creditors

Model – 2 : Liability of B list contributories

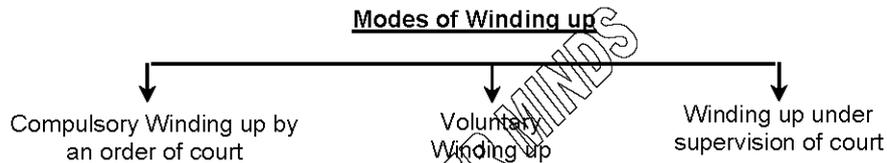
Model – 3 : Liquidator’s Final statement of A/c

Model – 4 : Statement of Affairs

Model – 5 : Theory

THEORY

Introduction: A company is a creation of law and it can come to an end only through a process of law. A company ceases to exist when it is dissolved. So, one of the ways to dissolve a company is to resort to the process of Winding up/Liquidation.

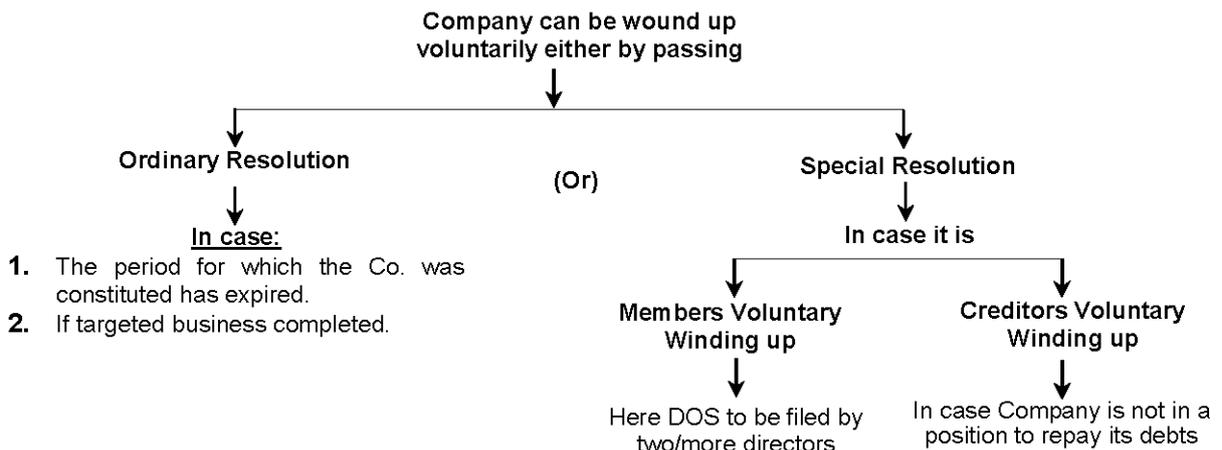


Meaning: The term Winding up/Liquidation means a procedure for bringing the corporate life to its end. (i.e., dissolution)

Circumstances of Compulsory winding up by an order of Court:

1. If there is default in conducting Statutory Meeting or Submitting Statutory Report.
2. If it fails to commence business within one year of its incorporation.
3. If no. of members fall below seven in case of a Public Co. and two in case of a Private Co.
4. If company is unable to pay its debts, etc.,

Circumstances of Voluntary Winding up:



Note: declaration of solvency

Circumstances of Winding up under supervision of Court:

1. If liquidator of voluntary winding up is negligent in collecting the assets of the company.
2. If resolution for voluntary winding up was obtained by fraud.

Consequences of Passing Winding up Order/Resolution:

1. An Official Liquidator/Liquidator will take over the administration of the company.
2. The power of Board of Directors will terminate and vest with the liquidator.
3. The members of the company will termed as contributories on the commencement of companies winding up.

Duties of a Liquidator: The liquidator will realise the assets of the company and distribute the proceeds among various claimants in the following order.

1. Legal Charges.
2. Liquidator Remuneration.
3. Costs of Winding up. E.g.: Auctioneers' & Valuers' charges etc.,
4. Workmen's dues and claims of secured creditors as per section 529A i.e. Overriding preferential payments.
5. Preferential Creditors.
6. Creditors secured by Floating charge.
7. Unsecured Creditors.

Note:

1. Still if, there is some surplus it will be distributed among contributories i.e., Preference shares holders, Equity share holders.

Duty of Director/Members/Creditors of the Company: For doing all this, the Directors /Members/Creditors as the case may be have to submit the liquidator a Statement of Affairs of the company under section 454 within 21 days of passing of Winding up order/Resolution. The Statement of Affairs will be as follows:

Statement of Affairs:

1. Assets not specifically pledged as per List A:

Particulars	ERV [Rs.]
-----	XXX
-----	XXX

2. Assets specially pledged as per List B:

Particulars	ERV	Liability	Shortfall/ Deficiency Ranking as Unsecured	Surplus c/d to last Column	Amount (Rs.)
-----					XXX

Estimated assets available for preferential creditors, Creditors with floating charge and unsecured creditors. (Total of 1 st + 2 nd Table) (Carried forward)	XXX
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3. Summary of Gross Assets:

Particulars	ERV
ERV of Assets not specifically pledged	XXX
ERV of Assets specifically pledged	XXX
Total:	XXX

Gross Liabilities	Particulars	Amount (Rs.)
XXX	Secured creditors to the extent covered by security as per List B. Estimated assets available for preferential creditor's, creditor's with floating charge and unsecured creditors (Brought forward)	---
	Preferential creditor's as per List C	XXX
XXX	Estimated assets <u>available for</u> creditor's with floating charge and unsecured creditor's.	XXX
	Creditors & Debenture holders with floating charge as per List D	XXX
	Estimated surplus/Deficiency <u>as regards</u> creditor's with floating charge	
XXX	Unsecured creditors as per List E	XXX
	Estimated surplus/Deficiency <u>as regards</u> unsecured creditors	
	Preference Share capital as per List F	XXX
XXX	[--- shares @ --- per share]	XXX
	Equity share capital as per List G	XXX
	[----shares @ ----per share]	XXX
	Estimated deficiency/surplus as per List H	XXX
XXX		XXX

Note: Other information like names, residences, occupations of its debtors, creditors, offices securities given etc. is also submitted with SOA

Statement of Deficiency (List H):

The Official Liquidator will specify a date for period (minimum three years) beginning with the date on which information is supplied for preparation of an account to explain the deficiency or surplus. On that date assets would exceed capital and liabilities, there would be a reserve or there would be a deficit or debit balance in the Profit and Loss Account. The Deficiency account is divided into two parts:

1. The first part starts with the deficit (on the given date) and contains every item that increases deficiency (or reduces surplus such as losses, dividends etc.)
2. The second part starts with the surplus on the given date and includes all profits.

If the total of the first exceeds that of the second, there would be a deficiency to the extent of the difference, and if the total of the second part exceeds that of the first, there would be a surplus.

Particulars	Amount (Rs.)
A. Items contributing to Deficiency/reducing surplus:	
a. Excess of capital & Liabilities over assets on the date of incorporation	XXX
b. Net Dividends/Bonus declared during the period	XXX
c. Net Trading losses during the period	XXX
d. Losses other than Trading Loss during the period. [Eg. Income tax penalty, Excise duty penalty]	XXX
e. Losses on account of winding up of the company [Eg. Loss in realisation of Assets]	XXX
Total A:	XXXX
B. Items reducing deficiency/contributing to surplus:	
a. Excess of Assets over capital & Liabilities on the date of incorporation.	XXX
b. Net Trading profit during the period	XXX
c. Profits other than Trading Profit during the period. [Eg. Profit on sale of Assets, investment income]	XXX
d. Other items reducing deficiency or contribute to surplus. [Eg. Profit on Realization of Assets at the time of winding up]	XXX
Total B:	XXXX
Deficiency (Surplus) [A - B]	XXX

Note: At least 3 years information prior to the date of winding up order should be presented.

Some Important Points:

1. **Overriding Preferential Payment [Section-529A]*** : This section gives priority in payment to workmen's dues and debts due to secured creditors to the extent they could not be paid because of the former ranking *pari passu* with the later.

It may be noted here that workmen's dues, in relation to a company, means the aggregate of the following sums:

- All wages or salary including wages payable for time or piece work and salary earned wholly or in part by way of commission of any workman and any compensation payable to any workman under any of the provisions of the industrial Disputes Act, 1947.
- All accrued holiday remuneration becoming payable to any workman.
- All amounts due in respect of any compensation or liability for compensation under Workmen's Compensation Act, 1923 in respect of death or disablement of any workman of the company;
- All sums due to any workman from a provident fund, a pension fund, a gratuity fund or any other fund for the welfare of the workmen maintained by the company.

Example: The following details have been extracted from the books of a company at the time of the liquidation:

Secured creditors (with assets charged in their favour Rs.2,00,000)	3,00,000
Workmen's dues	1,00,000
Preferential creditors (excluding workmen's dues)	50,000
Unsecured creditors	2,00,000
Other assets	2,50,000

The assets available will be used as follows:

- Assets charged in favour of secured creditors worth Rs.2,00,000 will be shared by Secured Creditors and workers in the ratio of 3:1
 - Share of secured creditors $2,00,000 \times \frac{3}{4} = 1,50,000$
 - Share of workers $2,00,000 \times \frac{1}{4} = 50,000$
- Over-riding preferential payments amount to:

Secured creditors to the extent of their security being used for workmen's dues:	50,000
Balance of workmen's dues (1,00,000 – 50,000)	50,000
Total:	1,00,000

- Other Assets will be used as follows:

Over-riding preferential payments (50000 sec. cr. + 50000 workmen due))	1,00,000
Preferential creditors	50,000
Unsecured creditors	1,00,000
Total	2,50,000

2. **Preferential Creditors: [Section - 530 of Companies Act,1956]***

- All Revenues, Taxes, cesses and rates due and payable by the company within 12 months prior to the date of winding up.
- All wages or Salaries of any employee due for a period not exceeding 4 months within the 12 months prior to the date of commencement of winding up provided, the amount payable to one claimant will not exceed 20,000/-
- All accrued holiday remuneration due to any employee on account of winding up.

* It may be noted that corresponding sections of the Companies Act, 2013 have not been notified till 31st May, 2015. Therefore, relevant Sections of the Companies Act, 1956 are applicable at present. This Unit has been given in line with the provisions of the Companies Act, 1956.

- d. Except in the case of dissolution for the purpose of Reconstruction or of Amalgamation with another Co., all contributions payable during the 12 months prior to the date of winding up under Employees State Insurance Act or any other law for the time being in force.
- e. Compensation payable under the Workmen's Compensation Act.
- f. Contributions due towards Provident Fund, Gratuity Fund, & any other welfare fund of employees.
- g. Expenses of investigation u/s. 235 or 237 of the Companies Act.

Note:

- ▶ Persons who advance money for the purpose of making preferential payments under b & c above will be treated as preferential creditors provided the money is actually so utilized.
3. Any likely expenditure on liquidation should be ignored, but note should be given that "Deficiency/surplus as shown by this Statement of Affairs is subject to the costs of liquidation".
 4. Personal guarantee given by any party including the guarantees given by the directors for loans raised by the company, should be ignored while preparing the Statement of Affairs.
 5. Any unrecorded asset or liability should be shown both in the Statement of Affairs and Deficiency A/c to give dual effect.
 6. In case the company has stopped maintaining proper books of accounts after a certain date, a Trail Balance should be prepared with the available information.
 7. Uncalled capital should not be included in List A where as calls-in-arrears to the extent realizable will come under this list.
 8. Only wages or salaries due to employees are preferential and not salaries due to Officers. The term officer includes any Director, Managing Director, Secretary, Assistant Secretary, Branch Manager etc.,
 9. The term "due and payable" means "presently payable". In case of income tax, it is only when the final order of assessment is passed and the demand notice is issued then it can be said that Income Tax for that assessment year has become due. Then only it becomes a debt due and payable to the government. Same is the case with sales taxes and other taxes.
 10. A company need not be wound up only when it is insolvent.
 11. Interest on Debt: In case the company is solvent (i.e., when the available assets are sufficient to pay liabilities up to the commencement of winding up), interest will be paid upto the date of actual payment. In case the company is insolvent, interest will be payable only upto the date of commencement of company's winding up.

Example: A company went into liquidation whose creditors are Rs. 36,000. This amount of Rs. 36,000 includes Rs. 6,000 on account of wages of 15 men at Rs. 100 per month for 4 months, immediately before the date of winding up, Rs. 9,000 being the salaries of 5 employees at Rs. 300 per month for the previous 6 months, Rent for godown for the last six months amounting to Rs. 3,000; Income-tax deducted out of salaries of employees Rs. 1,000. In addition it is estimated that the company would have to pay Rs. 3,000 as compensation to an employees for injuries suffered by him, which was contingent liability not accepted by the company and not included in above said creditors figure.

Find the amount of Preferential Creditors.

Solution: Calculation of Preferential Creditors

Particulars	Rs.
Tax deducted at source on salaries	1,000
Wages (15 men for 4 months at Rs. 100 each)	6,000
Salaries (5 men for 4 months at Rs. 300 each)	6,000
Workmen's compensation	3,000
Total	16,000

Note:

- Wages or Salaries payable to any employee due for the period not exceeding 4 months within the twelve months next before commencement of winding up subject to maximum 20,000 per claimant are preferential creditors.
- Rent for godown is not included in preferential creditors.

Liquidators Final Statement of Account: It is a final statement A/c that is to be submitted by Official Liquidator/Liquidator to the court/members/creditors as the case may be in the event the company is finally being wound up.

PROFORMA

Name of the Company

Nature of Winding UP – voluntary/ compulsory

Liquidator Final A/c *

Receipts	Rs.	Payments	Rs.
To Realisation from sale of Assets [not specifically pledged]	XXX	By Legal Charges	XXX
To Realisation from Assets specifically pledged	XXX	By Liquidator remuneration	XXX
Less: amount paid to Secured creditors	XXX	By Expenses of Liquidation	XXX
To Receipts from contributory [to the extent of uncalled capital]	XXX	By Amt. paid to Debenture holders	XXX
		By Preferential Creditors **	XXX
		By Unsecured Creditors	XXX
		By Preference Share Holders [at the rate of --- per share]	XXX
		By Equity Share Holders [at the rate of --- per share]	XXX
	XXX		XXX

* In case of compulsory winding up it is called "Official Liquidators Final Account".

** In actual practice preferential creditors are paid before debenture holders having a floating charge. Here this order is only for presentation sake.

Points to be noted:

1. **Liquidator's Remuneration:** It can be paid in any of the following ways:

- In Lumpsum.
- As a percentage of the assets realised.
- As a percentage of the payments made to unsecured creditors (or) share holders.
- Or in any one or more of the above ways.

2. **Assets realised means:**

- The terms assets realised for the purpose of liquidator remuneration generally does not include cash in hand, unless otherwise specified.
- In case of an asset specifically pledged, it is generally presumed that such asset has been realised by the concerned creditor himself. So, liquidator will be allowed only on the amount of surplus realised from such creditor.

- c. In case of hypothecation of an asset, it is generally presumed that liquidator has himself realise the asset and will be allowed remuneration of the full value realise on account of sale of such an asset.
3. The term unsecured creditors also includes preferential creditors unless otherwise specified.
4. In case liquidator is entitled to get commission on payments made to persons who are last in order of payment because the amount is insufficient then the liquidator's remuneration should be calculated as follows:

Example: LT Ltd. went into liquidation with the following liabilities:

Particulars	Amount (Rs.)
Secured Creditors	40,000 (securities realised 50,000)
Preferential Creditors	1,200
Unsecured Creditors	61,000
Liquidation expenses	500

The liquidator is entitled to a remuneration of 3% on the amount realised (including securities in the hands of secured creditors) and 1-½% on the amount distributed to unsecured creditors. The various assets (excluding the securities in the hands of the secured creditors) realised are Rs.52,000. Prepare the liquidator's statement of account showing the payment made to the unsecured creditors.

Solution:

Particulars	Rs.	Particulars	Rs.
Amount realised	52,000	Liquidation expenses	500
Surplus from secured creditors	10,000	Liquidation remuneration	3,924
		Preferential creditors	1,200
		Unsecured creditors (b/f)	56,376
	62,000		62,000

Working Notes:

i. Calculation of Liquidators' Remuneration:

3% of Rs.52,000 + 50,000	:	3,060
1½% on Preferential Creditors – 1,200	:	18
1½% on payment to unsecured creditors i.e. 57,222 x 3/203	:	<u>846</u>
		<u>3,924</u>

- ii. Percentage of amount paid to unsecured creditors to total unsecured creditors
 = 56,376 / 61,000 x 100 = 92.41%

5. Treatment of arrears of dividend incase of cumulative preference shares.

<p>If the company goes into liquidation</p> <p>(i) Where Articles contain an express provision to that effect.</p> <p>(ii) Where Articles are silent</p> <p>a) If such dividends have been declared.</p> <p>b) If such dividends have not been declared.</p>	<p>(i) Arrears of dividend are payable along with return of preference share capital before return of equity capital.</p> <p>(ii)</p> <p>a) Arrears of dividend are payable along with return of preference share capital before return of equity capital.</p> <p>b) Arrears of undeclared dividends are payable out of any surplus if any left after the return of full preference and equity share capital.</p>
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6. Any money received by the company on account of calls in advance will be paid in priority to any payment to the shareholders of that class.
7. In case of partly paid shares, it should be seen whether any amount is to be called up on such shares.

First, the equity shareholders should be called up to pay the necessary amount (not exceeding the amount of uncalled capital) if creditors' claims of preference shareholders cannot be satisfied with the amount. Preference shareholders would be called upon to contribute (not exceeding the amount as yet uncalled on the shares) for paying off creditors.

8. The loss suffered by each class of shareholders, i.e., the amount that cannot be repaid, should be proportionate to the nominal value of the share. The loss per shares has nominal value of Rs.100, and one set of shareholders has paid Rs.80 per share and other set has paid Rs.60 per share. Suitable adjustment will have to be made in cash in such a case; the latter set must contribute Rs.20 first or the first set must be paid Rs.20 first.

Contributories: In the event of Companies winding up the Liquidators prepare two lists of contributories.

List A: This list consists of those persons who are the members of the company on the date of winding up. In other words, List A contributories is list of the present members of the company.

List B: This list consists of those persons, who were the members of the company during the 12 months preceding the date of Winding up. In other words, List B contributory consists of the list of the past members of the Company.

In case assets of the company are not sufficient to pay the liabilities of the company in the event of Company's winding up, the liquidator can ask List B contributories towards assets of the company, if each of the following conditions is satisfied:

1. The Winding up of the company has commenced within one year of his or having been ceased to be a member.
2. A debt or liability of a company which was incurred upto the date of his or her membership, is still outstanding.
3. The shares are partly paid up and the present member is not in a position to pay the calls made.

Receiver for Debenture holders:

Meaning: A receiver is an independent person appoint by the court or individual (or) group of individuals to take possession of certain property for protective purposes (or) receive income and profits there from and apply them as required.

Mode of Application: A Receiver will make payment to debenture holders only after meeting his expenses, remuneration and making payment to persons entitled to get payment in priority to them and surplus if any will be handed over by him to the liquidator of the company.

Statement of Accounts to be prepared: In this case two statements of accounts will have to be prepared. (i) Receiver Statement of A/c (ii) Liquidator Statement of A/c.

PROBLEMS FOR CLASSROOM DISCUSSION

Problem 1: (PRINTED SOLUTION AVAILABLE) Statement of Affairs (Basic level): Insol Ltd. is to be liquidated. Their summarised Balance Sheet as at 30th September, 2012 appears as under:

LIABILITIES:	Rs.
2,50,000 equity shares of Rs.10 each	25,00,000
Secured debentures (on land and buildings)	10,00,000
Unsecured loans	20,00,000
Trade creditors	35,00,000
	90,00,000
ASSETS:	
Land and Building	5,00,000
Other fixed assets	20,00,000
Current assets	45,00,000
Profit and Loss A/c	20,00,000
	90,00,000
Contingent liabilities are :	
For bills discounted	1,00,000
For excise duty demands	1,50,000

On investigation, it is found that the contingent liabilities are certain to devolve and that the assets are likely to be realised as follows:—

Land & Buildings	Rs.11,00,000
Other fixed assets	Rs.18,00,000
Current assets	Rs.35,00,000

Taking the above into account, prepare the statement of affairs.

(SM)

(Ans: Deficiency Rs.28,50,000)

(Solve Problem No. 1 of Assignment Problems as rework)

Note: _____

Problem 2: Statement of Affairs and Deficiency Statement when accounts are made properly: The following information was extracted from the books of a limited Company on 31st March, 2003 on which date a winding up order was made:

Particulars	Rs.
Equity share capital – 20,000 shares of Rs.10 each	2,00,000
14% preference share capital – 30,000 shares of Rs.10 each	3,00,000
Calls in arrears on Equity shares (estimated to realise Rs.2,000)	4,000
14% First Mortgage Debentures secured by a floating charge on the whole of the assets of the Company (interest paid to date)	2,00,000
Creditors having a mortgage on the Freehold Land & Buildings	85,000
Creditors having a second charge on Freehold Land & Buildings	90,000
Trade Creditors	2,70,000
Bills discounted (of these bills for Rs.15,000 are expected to be dishonoured)	40,000
Unclaimed Dividends	6,000
Bills payable	10,000
Income tax due	25,000
Salaries and wages (for 5 months)	40,000
Bank Overdraft secured by a second charge on the whole of the assets of the Co.	20,000
Cash in hand	1,200
Debtors (of these Rs.60,000 are good; Rs.15,000 are doubtful, estimated to	90,000

realise Rs.5,000 and the rest bad).	
Bills of Exchange (considered good)	35,000
Freehold Land & Buildings (estimated to realise Rs.1,65,000)	1,50,000
Plant & Machinery (estimated to produce Rs.90,000)	1,20,000
Fixtures and Fittings (estimated to produce Rs.8,000)	12,000
Stock in trade (estimated to produce 25% less)	80,000
Patents (estimated to produce Rs.45,000)	70,000

On 31st March, 1997, the Company's share capital stood at the same figures as on 31st March, 2003 but in addition, there was a General Reserve of Rs.65,000. In 1997-98 the Company earned a profit of Rs.1,43,000 but thereafter it suffered trading losses totaling in all Rs.4,67,000. In 1999-2000 a speculation loss of Rs.91,000 was incurred. Preference dividend was paid for 1997-98 and 1998 - 99 and on equity shares a dividend of 15% was paid for 1997-98 only.

Excise authorities imposed a penalty of Rs.1,60,000 for evasion of excise and income tax authorities imposed a penalty of Rs.60,400 for evasion of tax. Prepare the Statement of Affairs and the Deficiency A/c.

Note: _____

Problem 3: Statement of Affairs and Deficiency Statement when accounts are made properly & Determination of trading losses: X Ltd. was ordered to be wound up on March 31st, 2011 on which date its summarized balance sheet was as follows:

Name of the Company: X Ltd.

Balance Sheet as at: 31st March, 2011

		Particulars	Notes No.	Figures as at the end of current reporting period
			2	3
1		EQUITY AND LIABILITIES:		
		Shareholder's funds:		
	a	Share capital	1	10,00,000
	b	Reserves and Surplus	2	(1,38,500)
2		Non-current liabilities:		
	a	Long term borrowings	3	1,60,000
3		Current liabilities:		
	a	Trade Payable		36,000
	b	Other current liabilities	4	29,000
		TOTAL		10,86,500
1		ASSETS		
		Non-current assets:		
	a	Fixed assets		
	(i)	Tangible assets	5	9,23,000
	(ii)	Intangible assets – Goodwill		1,00,000
2		Current Assets		
	a	Inventories		38,000
	b	Trade receivables		25,000

c	Cash and cash equivalents	500
	TOTAL	10,86,500

Notes to Accounts:**1. Share Capital:**

Particulars	Rs.
10,000 shares of Rs. 100 each	10,00,000

2. Reserve & Surplus:

Particulars	Rs.
Profit & Loss A/c	(1,38,500)

3. Long term Borrowings:

Particulars	Rs.
5% Debentures secured by a floating charge on all assets	1,60,000

4. Other Current Liabilities:

Particulars	Rs.
Bank Overdraft(Secured by hypothecation of stock)	25,000
Interest accrued on Debentures	4,000

5. Tangible Assets:

Particulars	Rs.
Land & Building	3,50,000
Plant & Machinery	5,50,000
Fixtures	23,000

The amounts estimated to be realized are: Goodwill Rs.1,000; Building Rs.3,00,000; Plant Rs.5,25,000; Fixture Rs.10,000; Stock Rs.31,000; Debtors Rs.20,000.

Creditors included Rs.6,000 on account of wages of 15 men at Rs.100 per month for 4 months immediately before the date of winding up: Rs.9,000 being the salaries of 5 employees at Rs.300 per month for the previous 6 months; Rent for godown for the last six months amounting to Rs.3,000. Income tax deducted out of salaries of employees Rs.1,000 and Directors Fees Rs.500.

Three years ago, the debit balance in the Profit and Loss Account was Rs.77,925 and since that date the accounts of the company have shown the following figures.

Particulars	Year 31.03.2009 (Rs.)	Year 31.03.2010 (Rs.)	Year 31.03.2011 (Rs.)
Gross Profit	65,000	45,000	40,000
Wages and Salaries	40,500	36,000	34,400
Electricity and Water Tax	5,750	6,380	5,260
Debentures interest	8,000	8,000	8,000
Bad Debts	8,540	7,600	6,700
Depreciation	6,700	-	-
Directors' Fees	1,000	1,000	1,000
Miscellaneous Expenses	10,500	7,265	7,980
Total	80,990	66,245	63,340
Loss	15,990	21,245	23,340

6. In addition it is estimated that the company would have to pay Rs.5,000 as compensation to an employee for injuries suffered by him which was contingent liability not accepted by the company. Prepare the Statement of Affairs and the Deficiency account in Form 57 of Companies (Court) Rules. 1959. (SM) (Ans.: Deficiency as per list H Rs.3,42,500)

(Solve Problem No: 2 of Assignment Problems as rework)

Note: _____

Problem 4: Liquidator's statement of account: The following particulars relate to a Limited Company which has gone into voluntary liquidation. You are required to prepare the Liquidators Statement of Account allowing for his remuneration @ 2½% on all assets realized excluding call money received and 2% on the amount paid to unsecured creditors including preferential creditors.

Share capital issued:

10,000 Preference shares of Rs.100 each fully paid up.

50,000 Equity shares of Rs.10 each fully paid up.

30,000 Equity shares of Rs.10 each, Rs.8 paid up.

Assets realized Rs.20,00,000 excluding the amount realized by sale of securities held by partly secured creditors.

Particulars	Amount
Preferential Creditors	50,000
Unsecured creditors	18,00,000
Partly secured creditors (Assets realized Rs.3,20,000)	3,50,000
Debenture holders having floating charge on all assets of the company	6,00,000
Expenses of liquidation	10,000

A call of 2 per share on the partly paid equity shares was duly received except in case of one shareholder owning 1,000 shares.

Also calculate the percentage of amount paid to the unsecured creditors to the total unsecured creditors.

(PM) (RTP) (Ans.: Balance of Liquidator final statement A/c Rs. 20,58,000)
(Solve Problem No: 3 and 4 of Assignment Problems as rework)

Note: _____

Problem 5: Liquidator's statement of account and adjustment of capital: Prakash Processors Ltd. went to voluntary liquidation on 31st December, 2010 when their Balance Sheet read as follows:

Name of the Company: Prakash Processors Ltd.

Balance Sheet as at: 31st, December, 2010

		Particulars	Notes No.	Figures as at the end of current Reporting period
		1	2	3
1				
	a	EQUITY AND LIABILITIES:		
	b	Shareholder's funds:		
		Share capital	1	11,37,500
		Reserves and Surplus	2	(2,81,250)
2		Non-current liabilities:		
	a	Long term borrowings	3	2,50,000
3		Current liabilities:		

	a	Trade Payable		3,18,750
	b	Other current liabilities (interest on debentures)		37,500
		TOTAL		14,62,500
1		ASSETS:		
	a	Non-current assets:		
	(i)	Tangible assets	4	8,75,000
	(ii)	Intangible assets - Patents		1,00,000
2		Current Assets:		
	a	Inventories		1,37,500
	b	Trade receivables		2,75,000
	c	Cash and cash equivalents		75,000
		TOTAL		14,62,500

Notes to Accounts:**1. Share Capital:**

Particulars	Rs.
5,000 10% Cumulative Preference Shares of Rs.100 Each	5,00,000
2,500 Equity shares of Rs.100 each, Rs.75 paid	1,87,500
7,500 Equity shares of Rs.100 each, Rs.60 paid	4,50,000

2. Reserve & Surplus:

Particulars	Rs.
Profit & Loss A/c	2,81,250

3. Long term Borrowings:

Particulars	Rs.
15% Debentures secured by a floating charge	2,50,000

4. Tangible Assets:

Particulars	Rs.
Land & Building	2,50,000
Plant & Machinery	6,25,000

Preference dividends were in arrears for 2 years and the creditors included preferential creditors of Rs.38,000. The assets realized as follows:

Land and Buildings Rs.3,00,000; Machinery and Plant Rs.5,00,000; Patents Rs.75,000; Stock Rs.1,50,000; Sundry debtors Rs.2,00,000.

The expenses of liquidation amounted to Rs.27,250. The liquidator is entitled to a commission of 3% on assets realized except cash. Assuming the final payments including those on debentures is made on 30th June 2011. Show the liquidator's statement of Account. (SM)

(Ans.: Liquidator's remuneration = Rs. 36,750, Total of Liquidator's Statement of A/c = Rs. 13,19,875)

(Deficiency per Eq. share 2.65: Amt paid per share Rs. 12.35 (on Rs. 75 paid up)

(Solve Problem No: 5, 6 and 7 of Assignment Problems as rework)

Note: _____

Problem 6: (PRINTED SOLUTION AVAILABLE) Liquidator's Remuneration:

1. The liquidator of a company is entitled to a remuneration of 2% on assets realized and 3% on the amount distributed to unsecured creditors. The assets realized Rs. 10,00,000.

Amount available for distribution to unsecured creditors before paying liquidator's remuneration is Rs. 4,12,000. Calculate liquidator's remuneration if the surplus is insufficient to pay off unsecured creditors in total.

2. A Liquidator is entitled to receive remuneration at 2% on the assets realized, 3% on the amount distributed to Preferential Creditors and 3% on the payment made to Unsecured Creditors. The assets were realized for Rs. 25,00,000 against which payment was made as follows:

Liquidation Rs. 25,000

Secured Creditors Rs. 10,00,000

Preferential Creditors Rs. 75,000

The amount due to Unsecured Creditors was Rs. 15,00,000. You are asked to calculate the total Remuneration payable to Liquidator. Calculation shall be made to the nearest multiple of a rupee.

(PM, May - 15) (Ans: Liquidators remuneration a: 32,000 b: 91,505)

Note: _____

Problem 7: Receiver's receipts and payments a/c and liquidator's final statement of a/c:

The summarized Balance Sheet of Vasant Ltd. as on 31st March, 2013, being the date of voluntary winding up is as under:

Liabilities	Rs.	Assets	Rs.
Issued Share Capital:		Land & Building	1,30,000
10% Pref. Shares of Rs. 10 each	1,50,000	Sundry Current Assets	4,36,000
10,000 Equity Shares of Rs. 10 each, fully paid up	1,00,000	Profit and Loss Account	35,000
5,000 Equity Shares of Rs. 10 each, Rs. 8 per share paid up	40,000	Debenture issue expenses not written off	2,000
13% Debentures	1,50,000		
Mortgage Loan	70,000		
Bank overdraft	30,000		
Trade Creditors	38,000		
Income Tax Arrears (assessment concluded in February, 2013)	25,000		
	6,03,000		6,03,000

Mortgage loan was secured against Land & Building. Debentures were secured by a floating charge on all assets. The company was unable to meet the payments and therefore the debenture holders appointed a Receiver for the debenture holders. He brought the Land & Buildings to auction and realized Rs. 1,60,000. He also took charge of Sundry Assets of value of Rs.2,36,000 and realized Rs.2,00,000. The Bank overdraft was secured by personal guarantee of the directors of the company and on the Bank raising a demand, the Directors paid off the due from their personal resources. Costs incurred by the Receiver were Rs.1,950 and by the Liquidator Rs.3,000. The receiver was not entitled to any remuneration but the Liquidator was to receive 2% fee on the value of assets realized by him. Preference Shareholders have not been paid dividend for period after 31st March, 2011 and interest for the last half year was due to the Debenture holders. Rest of the assets were realized at Rs.1,50,000.

Prepare the accounts to be submitted by the receiver and Liquidator.

(PM)

(Ans: Surplus transferred to liquidator 1,03,300, Total of liquidators final statement of account 2,60,200)

(Solve Problem No: 8 of Assignment Problems as rework)

Note: _____

Problem 8: (PRINTED SOLUTION AVAILABLE) list B contributories – Basic level:

Pessimist Ltd. has gone into liquidation on 10th May, 2013. The details of members, who have ceased to be members, within the year ended 31st March, 2013 are given below. The debts that

could not be paid out of realization of assets and contribution from present members ('A' contributories) are also given with their date – wise break up. Shares are of Rs.10 each, Rs.6 per share paid up.

You are to determine the amount realizable from each person.

Shareholders	No. of shares Transferred	Date of transfer	Proportionate unpaid debts
P	1,000	20.04.2012	3,000
Q	1,200	15.05.2012	5,000
R	1,500	18.09.2012	9,200
S	800	24.12.2012	10,500
T	500	12.03.2013	11,000

(PM) (Nov. 2000)

(Ans.: Liability of Q - Rs. 1500, R – Rs. 4,125, S – Rs. 3,000, T – Rs. 2,000)

(Solve Problem No: 9 of Assignment Problems as rework)

Note: _____

Problem 9: Liability of List B contributories: In a winding up of a Company, certain creditors remained unpaid. The following persons had transferred their holding sometime before, winding up:

Name	Date of Transfer	No. of shares transferred	Amount due to creditors on the date Of transfer (Rs.)
	2010		
P	1 st January	1,000	7,500
Q	15 th February	400	12,500
S	15 th March	700	18,000
T	31 st March	900	21,000
U	5 th April	1,000	30,000

The shares were of Rs.100 each, Rs.80 being called up & paid up on the date of transfers. A member R, who held 200 shares died on 28th February; 2010 when the amount due to creditors was Rs.15,000. His shares were transmitted to his son X.

Z was the transferee of shares held by T, Z paid Rs.20 per share as calls in advance immediately on becoming a member. The liquidation of the Company commenced on 1st February, 2011 when the liquidator made a call on the present and the past contributories to pay the amount. You are asked to quantify the maximum liability of the transferors of shares mentioned in the above table, when the transferee's:

- Pay the amount due as "present" member contributories.
- Do not pay the amount due as "present" member contributories.

Also quantify the liability of X to whom shares were transmitted on the demise of his father R.

(PM) (Ans.: Actual liability of Q Rs.2,174, R/X Rs.3,666, S Rs.5,830, U Rs.18,330)

Note: _____

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ASSIGNMENT PROBLEMS

Problem 1: Statement of Affairs (Basic level) X Co. Ltd. went into voluntary liquidation on 1st April, 2011. The following balances are extracted from its books on that date:

Particulars	Rs.	Particulars	Rs.
Capital:		Machinery	90,000
24,000 Equity Shares of Rs.10 each	2,40,000	Leasehold properties	1,20,000
Debentures (Secured by Floating charge)	1,50,000	Stock	3,000
Bank overdraft	54,000	Debtors	1,50,000
Creditors	60,000	Investments	18,000
		Cash in hand	3,000
		Profit and loss account	1,20,000
	5,04,000		5,04,000

The following assets are valued as under:

Particulars	Rs.
Machinery	1,80,000
Leasehold properties	2,18,000
Investments	12,000
Stock	6,000
Debtors	1,40,000

The bank overdraft is secured by deposit of title deeds of leasehold properties. There were preferential creditors amounting Rs. 3,000 which were not included in creditors Rs.60,000.

Prepare a statement of affairs to be submitted to the meeting of members/creditors. **(SM)**
(Ans: Surplus Rs.52,000)

Problem 2: Statement of Affairs and Deficiency Statement when accounts are made properly & Determination of trading losses: From the following particulars, prepare a Statement of Affairs and the Deficiency Account for submission to the official liquidator of the Equipment Ltd., which went into liquidation on December 31, 2012:

Particulars	Rs.	Rs.
3,000 equity shares of 100 each, Rs. 80 paid-up		2,40,000
6% 1,000 preference shares of Rs. 100 each fully paid-up	1,00,000	
Less : Calls in arrear	(5,000)	95,000
5% Debentures having a floating charge on the assets (interest paid upto June 30, 2012)		1,00,000
Mortgage on Land & Buildings		80,000
Trade Creditors		2,65,500
Owing for wages		20,000
Secretary's salary (@Rs. 500 p.m.) owing		3,000
Managing Director's salary (@Rs. 1,500 p.m.) owing		6,000

Assets	Estimated to produce Rs.	Book value Rs.
Land & Building	1,30,000	1,20,000

Plant	1,30,000	2,00,000
Tools	4,000	20,000
Patents	30,000	50,000
Stock	74,000	87,000
Investments in the hands of a Bank for an overdraft of Rs.1,90,000	1,70,000	1,80,000
Book Debts	60,000	90,000

On 31st December, 2007 the balance sheet of the company showed a general reserve of Rs. 40,000 accompanied by a debit balance of Rs. 25,000 in the Profit & Loss Account.

In 2008 the company made a profit of Rs. 40,000 and declared a dividend of 10% on equity shares. The company suffered a total loss of Rs. 1,09,000 besides loss of stock due to fire of Rs. 40,000 during 2009, 2010 and 2011. For 2012 accounts were not made.

The cost of winding up is expected to be Rs. 15,000.

(SM)

(Ans: Deficiency as per List-H Rs.4,04,000)

Problem 3: Liquidator's statement of account: The position of Valueless Ltd. on its liquidation is as under:

Issue and paid up Capital:

3,000 11% preference shares of Rs.100 each fully paid.

3,000 Equity shares of Rs.100 each fully paid.

1,000 Equity shares of Rs.50 each Rs.30 per share paid

Calls in Arrears are Rs.10,000 and Calls received in Advance Rs.5,000. Preference Dividends are in arrears for one year. Amount left with the liquidator after discharging all liabilities is Rs.4,13,000. Articles of Association of company provide for payment of preference dividend arrears in priority to return of equity capital. You are required to prepare the Liquidator final statement of account.

(PM) (Ans.: Total of Liquidator's final statement Rs.4,28,000)

Problem 4: Basic level problem on Liquidators Final Statement of Account: The following information is given to you:

Name of the Company: A Ltd.
Balance Sheet as at : 31st March, 2013

			<i>Particulars</i>	<i>Notes No.</i>	<i>Figures as at the end of current reporting period</i>
			1	2	3
			<u>EQUITY AND LIABILITIES:</u>		
			<i>Shareholder's funds:</i>		
1	a		Share capital	1	4,55,000
	b		Reserves and Surplus	2	(83,500)
2	a		<i>Non-current liabilities:</i>		
			Long tem borrowings	3	1,00,000
3	a		<i>Current liabilities:</i>		
	b		Trade Payable		1,45,000
			Other current liabilities—O/S Interest		14,000
			Total		6,30,500
			<u>ASSETS</u>		
			<i>Non-current assets:</i>		
1	a	i	<i>Fixed assets</i>		
			Tangible assets	4	3,50,000

	ii	Intangible assets - Patents	40,000
2		Current Assets	
	a	Inventories	55,000
	b	Trade receivables	1,10,000
	c	Cash and cash equivalents	75,500
		Total	6,30,500

Notes to Accounts:**1. Share Capital:**

Particulars	Rs.
2,000 14% Preference shares of Rs.100 each, fully paid-up	2,00,000
1,000 Equity Shares of Rs.100 each, Rs.75 paid	75,000
3,000 Equity shares of Rs.100 each, Rs.60 paid	1,80,000

2. Reserve & Surplus:

Particulars	Rs.
Profit & Loss A/c	(83,500)

3. Long term Borrowings:

Particulars	Rs.
14% Debentures secured by a floating charge on all assets	1,00,000

4. Tangible Assets:

Particulars	Rs.
Land & Building	1,00,000
Plant & Machinery	2,50,000

The Company went into liquidation on the above date. The preference dividends were in arrear for two years. The arrears are payable automatically on liquidation. Creditors include a loan for Rs.50,000 On the mortgage of Land & Buildings. The assets were realised as Land & Buildings 1,20,000; Machinery & Plant: 2,00,000; Patents: 30,000; Stock: 60,000; Sundry Debtors: 80,000;

The expenses of liquidation amounted to Rs.10,900. The liquidator is entitled to a commission of 3% on all assets realised except cash and a commission of 2 % on amounts distributed among unsecured creditors. Preferential creditors amount to Rs.15,000. Assume the payment was made on 30th September, 2013. Prepare the Liquidator's Final statement of A/c.

(May, 2011 – Similar Problem)

(Ans.: Total of Liquidator's final statement Rs.5,15,500)

Problem 5: Liquidator's statement of account and adjustment of capital: The summarized Balance Sheet of Full Stop Limited as on 31st March 2013, being the date of voluntary winding up is as under:

Liabilities	Rs.	Assets	Rs.
Share capital:		Land & building	5,20,000
5,000, 10% Cumulative Preference shares of Rs.100 each fully paid up	5,00,000	Plant & machinery	7,80,000
Equity share capital:		Inventory in trade	3,25,000
5,000 Equity shares of Rs. 100 each Rs. 60 per share called and	3,00,000	Book debts	10,25,000

paid up			
5,000 Equity shares of Rs. 100 each Rs. 50 per share called up and paid up	2,50,000	Profit & loss account	5,50,000
Securities premium	7,50,000		
10% Debentures	2,10,000		
Preferential creditors	1,05,000		
Bank overdraft	4,85,000		
Trade creditors	6,00,000		
	32,00,000		32,00,000

Preference dividend is in arrears for three years. By 31-03-2013, the assets realized were as follows:

Particulars	Rs.
Land & building	6,20,000
Inventory in trade	3,10,000
Plant & machinery	7,10,000
Book debts	6,60,000

Expenses of liquidation are Rs. 86,000. The remuneration of the liquidator is 2% of the realization of assets. Income tax payable on liquidation is Rs. 67,000. Assuming that the final payments were made on 31-03-2013, prepare the Liquidator's Statement of Account. (PM)
(Ans: Total of Liquidators statement a/c Rs. 23,00,000)

Problem 6: M. Ltd. resolved on 31st December 2010 that the company be wound up voluntarily. The following was the trial balance extracted from its books as on that date:

Particulars	Rs.	Rs.
Equity shares of Rs.10 each		2,00,000
9% Preference shares of Rs.10 each		1,00,000
Plant (less depreciation w/o Rs.85,000)	2,15,000	
Stock in trade	2,50,000	
Sundry Debtors	55,000	
Sundry Creditors		75,000
Bank balance	74,000	
Preliminary Expenses	6,000	
Profit & Loss A/c (Balance on 1 st January, 2010)		30,000
Trading loss for the year 2010	24,000	
Preference dividend for the year 2010	6,000	
Outstanding Expenses (Including mortgage interest)		25,000
4% Mortgage loan		2,00,000
	6,30,000	6,30,000

On 1st January, 2011 the liquidator sold to M Ltd. Plant for Rs.2,05,000 and stock in trade for Rs.2,00,000. The sale was completed in January, 2011 and the consideration satisfied as to Rs.2,62,200 in cash and as to the balance in 6% Debentures of the purchasing company issued to the liquidator at a premium of 2%.

The remaining steps in the liquidation were as follows:

1. The liquidator realized Rs.52,000 out of the book debts and the cost of collection amounted to Rs.2,000.
2. The loan mortgage was discharged on 31st January, 2011 along with interest from 31st July, 2010. Creditors were discharged subject to 2% and outstanding expenses excluding mortgage interest were settled for Rs.2,000.

3. On 30th June 2011 six month's interest on debentures was received from M Ltd.
4. Liquidation expenses amounting to Rs.3,000 and liquidator's remuneration of 3% on disbursements to members were paid on 30th June, 2011 when:
- The preference shareholders were paid out in cash; and
 - The debentures on M Ltd. and the balance of cash were distributed ratably among the equity shareholders.

Prepare the Liquidator's Statement of Account showing the distribution.

(S.M) (May, 2010 – Similar Problem)

(Ans.: Balance of Liquidator final statement A/c Rs. 5,33,200)

Problem 7: Miniature Ltd. went into voluntary liquidation on 31st January, 2001. The balances in its books on that day were:-

*Name of the Company : Miniature Ltd.
Balance Sheet as at : 31st, January, 2001*

			<i>Particulars</i>	<i>Notes No.</i>	<i>Figures as at the end of current reporting period</i>
			1	2	3
			<u>EQUITY AND LIABILITIES:</u>		
			<i>Shareholder's funds:</i>		
1	a		Share capital	1	1,62,500
	b		Reserves and Surplus	2	(4,680)
2	A		<i>Non-current liabilities:</i>		
			Long term borrowings	3	65,000
			<i>Current liabilities:</i>		
	a		Trade Payable		1,07,000
3	b		Other current liabilities – O/S Employees Salaries including the salary of Rs.4,950 for M.D.		15,590
	c		Short – term provisions		17,550
			Total		3,62,960
			<u>ASSETS</u>		
			<i>Non-current assets:</i>		
			<i>Fixed assets</i>		
1	a	i	Tangible assets – Furniture at cost		9,360
			<i>Current Assets:</i>		
	a		Current Investments		2,21,000
	b		Trade receivables		1,04,000
2	c		Cash and cash equivalents (Bank)		11,700
	d		Other current assets - Life Insurance Policy received from a debtor		16,900
			Total		3,62,960

Notes to Accounts:

1. Share Capital:

<i>Particulars</i>	<i>Rs.</i>
13,000 14% Preference shares of Rs.10 each, fully paid up	1,30,000
6,500 Equity Shares of Rs.10 each, Rs.5 paid up	32,500

2. Reserve & Surplus:

Particulars	Rs.
Profit & Loss A/c	(4,680)

3. Long term Borrowings:

Particulars	Rs.
14% Debentures (having a floating charge on all assets)	26,000
Loan from Bank Guaranteed by Directors	39,000

4. The Bank called up on the Directors to implement their guarantee. The preference dividend has been paid up to 30th September, 1998. There were no arrears of debenture interest. The amount owing to the Government for income –tax was in respect of assessment years 1999-2000 and 2000-2001 of Rs.3,250, Rs.14,300 respectively. The Company closes its account on 31st March each year.
5. The Liquidator admitted an amount of Rs.2,730 for salaries in lieu of notice. The rent was paid up to 31st January, 2001. The premises were held under a lease with annual tenancy. The landlord agreed to waive his right to notice on the Liquidator undertaking to pay him two month's rent, i.e., Rs.650 and to vacate the premises by 31st March, 2001 which he did.
6. One of the creditors for Rs.13,000 was under a contract to deliver certain goods to the Company in March, 2001 and the Company had contracted to supply the same goods to Basic Ltd. who were included in Sundry Debtors at Rs.6,500. The creditor refused to make delivery but admitted a claim made by the Liquidator for damages at Rs.1,625. Basic Ltd. made a claim for loss against the Company for Rs.975 which was admitted by the Liquidator.
7. Furniture was sold for Rs.7,800. Investments were found to be valueless. Sums owing by Debtors were all collected and the Insurance Policy was surrendered for Rs.15,600 after the Liquidator had paid a premium of Rs.585. A shareholder holding 2,600 equity shares failed to pay the call made by the Liquidator. Legal costs came to Rs.780 and liquidator's remuneration to Rs.6,500. Prepare Liquidator's Final Statement of A/c.

Ans.: Balance of Liquidator final statement A/c Rs. 1,57,040

Problem 8: Receiver's receipts and payments a/c and liquidator's final statement of a/c:
The following is the Balance Sheet of Confidence Builders Ltd. as at 30th September 2012.

Name of the Company: Confidence Builders Ltd.

Balance Sheet as at: 30th September, 2012

		Particulars	Notes No.	Figures as at the end of current reporting period
		1	2	3
		EQUITY AND LIABILITIES:		
		Shareholder's funds:		
1	a	Share capital	1	2,37,500
	b	Reserves and Surplus	2	(40,500)
		Non-current liabilities:		
2	a	Long tem borrowings	3	2,30,000
	b	Deferred tax liabilities (Net)	4	26,000
		Current liabilities:		
3	a	Short term borrowings (Bank Overdraft)		30,000
	b	Trade Payable		32,000

			TOTAL		5,15,000
1			ASSETS:		
			Non-current assets:		
	a		Fixed assets		
		(i)	Tangible assets – Land & Buildings		1,20,000
2			Current Assets		3,95,000
					5,15,000

Notes to Accounts:**1. Share Capital:**

Particulars	Rs.
11% Preference Shares of Rs.10 Each	1,00,000
10,000 Equity Shares of Rs.10 each fully paid	1,00,000
5,000 Equity shares of Rs.10 each, Rs.7.50 paid	37,500

2. Reserve & Surplus:

Particulars	Rs.
Profit & Loss A/c	38,500
Debenture issue expenses not written off	2,000

3. Long term Borrowings:

Particulars	Rs.
13% Debentures	1,50,000
Mortgage Loan	80,000

4. Deferred Tax Liabilities:

Particulars	Rs.
Income Tax arrears for 2010-11	21,000
Income Tax arrears for 2011-12	5,000
Assessment concluded in July, 2012	

Mortgage loan was secured against land and buildings. Debentures were secured by a floating charge on all the other assets. The company was unable to meet the payments and therefore the debenture holders appointed a Receiver for the Debenture holders brought the land and buildings to auction and realized Rs.1,50,000. He also took charge of Sundry assets of value of Rs.2,40,000 and realized Rs.2,00,000. The Bank overdraft was secured by a personal guarantee of two of the Directors of the Company and on the Bank raising a demand, the Directors paid off the due from their personal resources. Costs incurred by the Receiver were Rs.2,000 and by the Liquidator Rs.2,800. The Receiver was not entitled to any remuneration but the liquidator was to receive 3% fee on the value of assets realized by him. Preference shareholders had not been paid dividend for period after 30th September 2010 and interest for the last half year was due to the debenture holders, Rest of the assets were realized at Rs.1,00,000.

Prepare the accounts to be submitted by the Receiver and liquidator.

(SM)

(Ans.: Total of Liquidator final statement A/c Rs. 1,93,100)

Problem 9: list B contributories – Basic level: In a liquidation which commenced on April 2, 2011 certain creditors could not receive payments out of the realisation of assets and out of the contributions from "A" list contributories. The following are the details of certain transfers, which took place in 2010 and 2011.

Shareholders	Number of shares transferred at the date of ceasing to be	Date of ceasing	Creditors remaining
--------------	---	-----------------	---------------------

	member	to be member	unpaid and outstanding
X	1,500	1st March 2010	4,000
A	1,000	1st May 2010	6,000
B	1,500	1st July 2010	7,500
C	300	1st Nov. 2010	8,000
D	200	1st Feb. 2011	9,500

All the shares were Rs. 10 each, Rs. 6 paid up ignoring expenses of and remuneration to liquidators, etc., show the amount to be realised from the various persons listed above. (SM)
(Ans: Actual liability A-2,000, B-4,125, C-1,125, D-800)

THEORY QUESTIONS

1. What are the contents of "Liquidators" statement of account"? How frequently does a Liquidator have to submit such statement? (Nov, 1999)
2. Overriding preferential payments under section 529A of the Companies Act, 1956. (P.M) (May, 2000)
3. B List of contributories and the liability of contributories in the list. (P.M)(Nov, 2008)

ABC ANALYSIS

	A Category	B Category	C Category
Class Room Problems	1, 5, 6, 8, 9	2	3, 4, 7
Assignment Problems	1, 3, 9, 4, 6	2,7	5,8

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Verified by: Hari Narayana Sir,
GSR Sir,
Executed by: Rajasekhar

THE END