

**Subject: - CSP SEM-III**  
**Multiple choice questions**

1. Joint Stock Company is an artificial person created by\_\_\_\_\_
  - a. law
  - b. registrar
  - c. employees
  - d. provincial govt.
  
2. The companies which are formed under special charter granted by the king or queen of England are called\_\_\_\_\_
  - a. statutory companies
  - b. registered companies
  - c. chartered companies
  - d. government companies
  
3. The companies which are formed under companies Act. 1956. They will be called as \_\_\_\_\_
  - a. chartered companies
  - b. statutory companies
  - c. registered companies
  - d. dormant companies

4. Holding company means a company \_\_\_\_\_.

- a. which holds other company
- b. a government company
- c. a chartered company
- d. a subsidiary company.

5. The Reserve Bank of India is an example of a \_\_\_\_\_.

- a. registered company
- b. statutory company
- c. chartered company
- d. unlimited company

6. The secretary of a company may be \_\_\_\_\_.

- a. only an individual
- b. only body corporate
- c. group of persons.
- d. shareholders.

7. Transfer of shares in the case of public company is \_\_\_\_\_.

- a. Prohibited
- b. Restricted
- c. Freely transferable
- d. None of these

8. Company secretary is a \_\_\_\_\_ of a company.

- a. shareholder
- b. employee
- c. creditor
- d. director

9. A company secretary has to work as per the instructions of the \_\_\_\_\_.

- a. shareholders
- b. board of directors
- c. creditors
- d. employees

10. The first company secretary is appointed by \_\_\_\_\_

- a. promoters
- b. directors collectively
- c. state government
- d. registrar

11. Property of the company belongs to \_\_\_\_\_

- a. company
- b. share holders
- c. members
- d. promoters

12. Minimum number of members in case of public company\_\_\_\_\_

- a. 1
- b. 2
- c. 5
- d. 7

13. The liability of members if company is limited by shares  
\_\_\_\_\_

- a. unpaid value of shares
- b. guarantee amount
- c. unlimited liability
- d. fixed liability

14. The liability of members if company is limited by guarantee  
\_\_\_\_\_

- a. unpaid value of shares
- b. guarantee amount
- c. unlimited liability
- d. limited

15. The minimum number of persons required to form a private company is \_\_\_\_\_.

- a. 7
- b. 2
- c. 3
- d. 4

16. A company is named as govt. company if it holds \_\_\_\_\_% of paid-up share capital.

- a. more than 30
- b. more than 40
- c. more than 50
- d. more than 25

17. Transfer of shares in case of private company is \_\_\_\_\_.

- a. prohibited
- b. restricted
- c. freely transferable
- d. none of these

18. The maximum number of members in the private companies is \_\_\_\_\_.

- a. 200.
- b. 100
- c. 50
- d. 7

19. A Secretary is a custodian of \_\_\_\_\_ information.

- a. confidential
- b. individual
- c. investigative
- d. accounts

20. Secretary acts as a \_\_\_\_\_ of board of directors.

- a. Assistant and advisor
- b. Competitor
- c. An outsider
- d. Boss

21. Qualified company secretary has \_\_\_\_\_ options for career development.

- a. no
- b. single option
- c. amply
- d. limited

22. A company Secretary is given rights by \_\_\_\_\_ of the company.

- a. Prospectus
- b. MOA
- c. service agreement
- d. contract

23. A secretary may be removed by a resolution of the \_\_\_\_\_.

- a. Board of directors
- b. General meeting
- c. Statutory meeting
- d. Committee of directors

24 A company secretary shall not hold office in more than \_\_\_\_\_ company or companies.

- a. One
- b. Two
- c. Three
- d. Four

25. Along with company secretary \_\_\_\_\_ is one more key managerial person in a company.

- a. Chief financial officer
- b. purchase manager
- c. chief accountant of a company
- d. company auditor

26. The procedural steps for appointment of full time secretary starts with \_\_\_\_\_.

- a. selective interview
- b. advertising the post
- c. board meeting
- d. scrutiny of application

27. A company secretary can be removed like \_\_\_\_\_ of the company.

- a. an officer
- b. any other Employee
- c. an influential person
- d. top manager

28. For company secretary educational qualification must, but professional optional.

- a. True
- b. False

29. Company Secretary is not concerned with company employees.

- a. True
- b. False

30. Company dies a natural death.

- a. True
- b. False

31. Signing annual return along with company director is a\_\_\_\_\_ of company secretary.

- a. moral duty
- b. administrative duty
- c. statutory duty
- d. simple duty

32. A company incorporated outside India is called \_\_\_\_\_company.

- a. holding
- b. subsidiary
- c. domestic
- d. foreign



33. \_\_\_\_\_ of the company specifies the rights of company secretary.

- a. Circular
- b. Prospectus
- c. service agreement
- d. all of these

34. Company secretary in practice provides services in \_\_\_\_\_.

- a. correspondence
- b. writing accounts
- c. conciliation & arbitration
- d. minutes writing

35. A company secretary is appointed by \_\_\_\_\_

- a. shareholders
- b. board of directors
- c. chairman of the company
- d. debenture holder

36. The Secretary of a Joint stock company should be a member of \_\_\_\_\_.

- a. IPS
- b. ICSI
- c. IAS
- d. ICAI

37. One Person Company has \_\_\_\_\_ number/s of members.

- a. one
- b. two
- c. three
- d. four

38. A listed company is must follow the provisions of Companies Act and \_\_\_\_\_

- a. SEBI's guidelines
- b. RBI guidelines
- c. GST guidelines
- d. Export & Import provision

39. A person whose name is entered in the Register of Member of a company is called \_\_\_\_\_

- a. shareholders
- b. creditors
- c. debenture-holders
- d. directors

40. Only a member of \_\_\_\_\_ can be a practicing Company Secretary.

- a. ICAI
- b. ACCA
- c. ICSI
- d. IPS

41. Joint Stock Company is a \_\_\_\_\_

- a. Voluntary Association,
- b. Incorporated Association,
- c. Both
- d. none of the above

42. Shareholders are \_\_\_\_\_ of Joint Stock Company.

- a. Creditors
- b. Debtors
- c. Owners
- d. Agent

43. Default in filing the annual returns is not a statutory liability of company secretary.

- a. True
- b. False

44. A company secretary has right to receive remuneration.

- a. True
- b. False

45. \_\_\_\_\_ are appointed by shareholders to look after day-to-day administration of the company.

- a. Promoters
- b. Directors
- c. Secretary
- d. Manager

46. The companies act has recognized company secretary as a \_\_\_\_\_ personnel.

- a. administrative
- b. key managerial
- c. corporate
- d. agent

47. A special notice is required for \_\_\_\_\_.

- a. removal of a member
- b. removal of company secretary
- c. removal of a nominee directors
- d. none of the above

48. A secretary should have sound knowledge of \_\_\_\_\_.

- a. company law
- b. tax law
- c. labour laws
- d. all of these.

49. A company created by an act of parliament is \_\_\_\_\_

- a. legal company
- b. formal company
- c. a statutory company
- d. Government company

50. Company is an \_\_\_\_\_ person

- a. artificial
- b. natural
- c. unsound
- d. technical

51. The share capital of company is divided into parts called as \_\_\_\_\_.

- a. debentures
- b. mutual funds
- c. shares
- d. bonds

52. \_\_\_\_\_ company means whose principal business is the acquisition of share, debentures or other securities.

- a. investment
- b. associate
- c. producer
- d. banking

53. Company secretary acts as \_\_\_\_\_ of the Board of directors.

- a. friend & guide
- b. silent listener
- c. servant
- d. helper

54. Stock exchanges are \_\_\_\_\_ to corporate.

- a. harmful
- b. useful
- c. dangerous
- d. troublesome

55. Secretarial audit is conducted by \_\_\_\_\_

- a. company secretary
- b. company secretary in practice
- c. government auditor
- d. company's auditor

56. Listing of securities is done at SEBI.

- a. True
- b. False

57. There is no prescribed format for secretarial audit.

- a. True
- b. False

58. Secretarial audit is useful to promoters and \_\_\_\_\_.

- a. government regulators
- b. sales manager
- c. company secretary
- d. accountant

59. Secretarial advice and guidance is \_\_\_\_\_ on directors.

- a. binding
- b. not binding
- c. forced
- d. no applicable

60. Secretarial audit promotes corporate image.

- a. True
- b. False

61. ROC is recognized \_\_\_\_\_ with wide powers.

- a. audit work
- b. statutory authority
- c. correspondence work
- d. nominal authority

62. Certificate of incorporation is issued by the Registrar and Trading certificate issued by \_\_\_\_\_.

- a. government
- b. registrar of companies
- c. stock exchange
- d. SEBI

63. One benefit of secretarial standards is \_\_\_\_\_

- a. rise in investors faith
- b. neatness in work
- c. quickness in work
- d. no duplication of work

64. Secretarial standards relate to \_\_\_\_\_ in corporate sector

- a. Audit work
- b. Secretarial practices
- c. correspondence work
- d. Trade practices

65. Secretarial suggestions are binding on chairman.

- a. True
- b. False

66. Accounting Standards are prepared for standardization of secretarial practices.

- a. True
- b. False

67. In the case of Company, Audit is \_\_\_\_\_

- a. compulsory
- b. optional
- c. at will
- d. not compulsory



68. The first auditor of a company are appointed by\_\_\_\_\_.

- A. board of directors
- B. Members.
- C. central govt.
- D. state government

69. Auditors act as agent of\_\_\_\_\_.

- A. Shareholders.
- B. directors.
- C. promoter.
- D. debenture holder

70. Banks act as \_\_\_\_\_

- a. advisor
- b. depository participants
- c. brokers
- d. investors

71. Stock exchange acts as \_\_\_\_\_ market for corporate securities.

- a. primary
- b. secondary
- c. domestic
- d. national

72. In India NSDL and CDSL are operating as \_\_\_\_\_

- a. banker
- c. financial institution
- c. agent
- d. depositories.

73. \_\_\_\_\_ act as intermediaries between investors and depositories.

- a. Depository Participant
- b. secretary
- c. directors
- d. bankers.

74. Secretary acts as a liaison officer between the company and the \_\_\_\_\_.

- a. directors
- b. chairman
- c. ROC
- d. shareholders

75. ROC is prime regulatory authority of \_\_\_\_\_.

- a. companies
- b. bankers
- c. financial institution
- d. income tax

76. Company Secretary acts as \_\_\_\_\_ to the chairman.

- a. helper
- b. advisor
- c. agent
- d. officer

77. Securities Exchange Board of India was established in \_\_\_\_\_.

- a. 1992
- b. 1985
- c. 1998
- d. 1999

78. The prime objective of SEBI is to protect the interest of \_\_\_\_\_.

- a. creditors
- b. directors
- c. investors
- d. secretary

79. company secretary is required to comply with \_\_\_\_ under Indian Information Technology.

- a. tax law
- b. cyber law
- c. statutory law
- d. company's law

80. The Company Law Board is succeeded over by \_\_\_\_\_.

- a. SEBI
- b. BSE
- c. NSE
- d. NCLT

81. listing of securities is done at \_\_\_\_\_.

- a. stock exchange
- b. registered office of company
- c. registered of company
- c. securities exchange board of India

82. Secretarial Audit is covered under section \_\_\_\_\_ of companies act 2013.

- a. 204
- b. 210
- c. 211
- d. 206

83. Secretarial Standards are approved by \_\_\_\_\_

- a. State Government
- b. Central Government
- c. ICSI
- d. company law board

84. Secretarial audit as a new class of audit in addition to \_\_\_\_\_ audit.

- a. Statutory
- b. Tax
- c. company
- D. Government

85. SEBI issue guidelines relating to \_\_\_\_\_ aspect of companies.

- a. creditors
- b. management
- c. shares
- d. debentures

86. SEBI takes complaints of the \_\_\_\_\_ of companies.

- a. Investors
- b. shareholders
- c. debenture-holders
- d. creditors

87. listing agreement is between \_\_\_\_\_ and stock exchange.

- a. promoters
- b. directors
- c. shareholders
- d. company.

88. Secretarial standards of ICSI are useful to companies for improving \_\_\_\_\_

- a. company management
- b. corporate governance
- c. secretarial work
- d. company policies

89. Secretarial audit relates with to compliance with various \_\_\_\_\_.

- a. legislations
- b. standards
- c. paperwork
- d. procedures

90. \_\_\_\_\_ is place where stock broker & traders can buy and sell stock, bonds and other securities.

- a. stock exchange
- b. company law board
- c. joint stock company
- d. none of the above

91. \_\_\_\_\_ is representative of government who supervises activities of company.

- a. chairman
- b. auditor
- c. director
- d. ROC

92. \_\_\_\_\_ standards are prepared for standardization of secretarial practices.

- a. accounting
- b. auditing
- c. secretarial
- d. managerial

93. \_\_\_\_\_ audit helps to examine, check and report-compliances made by the company.

- a. internal
- b. secretarial
- c. statutory
- d. external

94. MOA is a document which sets out the \_\_\_\_\_ on which company`s structure is built.

- a. foundation
- b. policy
- c. mission
- d. design

95. Alteration in name clause requires approval of \_\_\_\_\_ environment.

- a. central
- b. state
- c. foreign
- d. past

96. Articles of Association contains matter on \_\_\_\_\_ certificates.

- a. deposit
- b. share
- c. merit
- d. participation

97. \_\_\_\_\_ may be an individual, association, partner or company.

- a. company
- b. secretary
- c. promoter
- d. director

98. The word 'private' is added while converting public company into \_\_\_\_\_ company.

- a. private
- b. government
- c. foreign
- d. chartered

99. Company secretary has to submit corporate governance report to stock exchange as per Regulation \_\_\_\_\_.

- a. 25
- b. 35
- c. 27
- d. 20



100. According to section \_\_\_\_\_ public company may issue securities through rights issue or bonus issue.

- a. 23(1)
- b. 20(1)
- c. 22(1)
- d. 26(1)

101. The name of the company is symbol of its \_\_\_\_\_ corporate existence.

- a. dependent
- b. independent
- c. management
- d. international

102. Articles are superior to memorandum

- a. True
- b. False

103. Ultra vires means within the powers of MOA.

- a. True
- b. False

104. Conversion of a company for second time is called dematerialization.

- a. True
- b. False

105. Prospectus contains matter on \_\_\_\_\_ structure of the company.

- a. capital
- b. management
- c. department
- d. liability

106. Every \_\_\_\_\_ in AOA shall be filed with register within 15 days.

- a. alteration
- b. content
- c. matter
- d. document

107. As per regulation \_\_\_\_\_ listed company should submit report company's website to the stock exchange.

- a. 42
- b. 44
- c. 48
- d. 46

108. An Act which is ultra vires, is \_\_\_\_\_ does not bind the company.

- a. voidable
- b. identical
- c. void
- d. compulsory

109. Trading certificate is the final certificate for starting business by a private company.

- a. True
- b. False

110. There are restrictions in law as regards reconversion of companies.

- a. True
- b. False

111. \_\_\_\_\_ prohibits insider Trading.

- a. stock exchange
- b. SEBI
- c. company
- d. ROC

112. Prospectus is issued to encourage\_\_\_\_\_ subscription.

- a. public
- b. private
- c. general
- d. government

113. ROC issue fresh certificate of \_\_\_\_\_digitally signed.

- a. allotment
- b. incorporation
- c. deposit
- d. participation

114. The name of the company is a \_\_\_\_\_ of its independent corporate existence.

- a. document
- b. information
- c. symbol
- d. structure

115. \_\_\_\_\_ is a document which sets out the foundation of which company's structure is built.

- a. MOA
- b. AOA
- c. prospectus
- d. table A

116. The \_\_\_\_\_ acts are null & void ab initio.

- a. promotion
- b. desirable
- c. ultra vires
- d. general

117. SEBI was established on April 12 \_\_\_\_\_

- a. 1992
- b. 1990
- c. 1995
- d. 1998

118. \_\_\_\_\_ contains matter on capital structure of the company.

- a. MOA
- b. prospectus
- c. AOA
- d. Table A

119. AOA document focuses on \_\_\_\_\_ affairs of the company.

- a. outside
- b. corporate
- c. internal
- d. foreign

120. MOA defines the scope of the company's activities & its relations with \_\_\_\_\_

- a. Directors
- b. Insiders
- c. Outsiders
- d. Personnel

121. An act which is ultra vires the company is incapable of \_\_\_\_\_

- a. Ratification
- b. Fixation
- c. Elimination
- d. Alteration

122. \_\_\_\_\_ is issued to encourage public subscription.

- a. MOA
- b. MOA
- c. Prospectus
- d. Share certificate

123. The word \_\_\_\_\_ Is added while converting public company into private company.

- a. Private
- b. Corporate
- c. Association
- d. Partnership

124. SEBI stands for \_\_\_\_\_ & Exchange Board of India.

- a. Safety
- b. Securities
- c. Secretaries
- d. Shares

125. \_\_\_\_\_ in name clause requires approval of central Government.

- a. Alteration
- b. Registration
- c. Confirmation
- d. Permission

126. AOA is \_\_\_\_\_ to MOA.

- a. superior
- b. equivalent
- c. subordinate
- d. statement

127. Certificate of incorporation gives \_\_\_\_\_ to a company.

- a. Legal status
- b. Permission to start business
- c. Permission to raise capital
- d. Popularity

128. There is separation of ownership and \_\_\_\_\_ in a company.

- a. Management
- b. Partnership
- c. Leadership
- d. Salesmanship

129. Incorporation stage is the \_\_\_\_\_ in company formation.

- a. First stage
- b. Second stage
- c. Third stage
- d. Fourth stage

130. \_\_\_\_\_ is as an invitation to public for investing in the company.

- a. Table A
- b. AOA
- c. MOA
- d. Prospectus

131. \_\_\_\_\_ Document focuses on internal affairs of the company.

- a. AOA
- b. MOA
- c. Prospectus
- d. Share certificate

132. Prospectus is issued to \_\_\_\_\_public subscription.

- a. encourages
- b. check
- c. discharge
- d. eliminates

133. \_\_\_\_\_issues a fresh certificate of Incorporation, digitally signed.

- a. Company secretary
- b. Promoters
- c. ROC
- d. Government

134. Alteration in Object clause requires passing \_\_\_\_\_ Resolution.

- a. special
- b. ordinary
- c. internal
- d. general



135. The name of the company is a symbol of its independent corporate \_\_\_\_\_

- a. provision
- b. world
- c. structure
- d. existence

136. \_\_\_\_\_ helps company secretary to communicate with outsiders economically.

- a. Net banking
- b. Post
- c. Email
- d. SMS

137. Secretarial correspondence with debenture holders include payment of \_\_\_\_\_ letter.

- a. Dividend
- b. Interest
- c. Wages
- d. Expenses

138. Prospectus contain false information is called \_\_\_\_\_.

- a. Prospectus proper
- b. Statement in lieu of prospectus
- c. Misleading prospectus
- d. Creating confusion

139. \_\_\_\_\_needs to be arranged for conversion of company.

- a. Extra Ordinary General Meeting
- b. Annual General Meeting
- c. Employees Meeting
- d. Creditors meeting

140. \_\_\_\_\_Stage is also called as Registration stage.

- a. Promotion
- b. Incorporation
- c. Introduction
- d. Maturity

141. Reconversion means conversion for the \_\_\_\_\_.

- 1. First time
- 2. Second time
- 3. Third time
- 4. Fourth time

142. \_\_\_\_\_ resolution is required for conversion.

- a. Ordinary
- b. General
- c. Special
- d. none of the above.

143. \_\_\_\_\_ take decision for conversion of company.

- a. Directors
- b. Shareholders
- c. Creditors
- d. Debenture holders.

144. Secretarial correspondence with shareholders include payment of \_\_\_\_\_ letter.

- a. Dividend
- b. Interest
- c. Wages
- d. Expenses

145. Bonus shares are issued to debenture holders.

- a. True
- b. False

146. Technology makes correspondence work fast and economical.

- a. True
- b. False

147. Overdraft facility is not useful to large companies.

- a. True
- b. False

148. One of the essentials of secretarial correspondence with shareholders include \_\_\_\_\_

- a. Economical
- b. Good personality
- c. Patience
- d. Prompt reply

149. Debenture holders are the \_\_\_\_\_ of the company.

- a. Debtors
- b. Creditors
- c. Owners
- d. Directors

150. Alteration of AOA requires a copy of \_\_\_\_\_ resolution.

- a. Special
- b. Normal
- c. Government
- d. Private

151. Debenture capital is \_\_\_\_\_ capital.

- a. Owned
- b. Borrowed
- c. Management
- d. Reserve

152. \_\_\_\_\_ refers to short term loan taken by bank.

- a. Overdraft
- b. bills of exchange
- c. promissory note
- d. NEFT

153. NSDL stands for \_\_\_\_\_ Securities Depository Limited.

- a. Net
- b. National
- c. North
- d. Normal

154. Company secretary can act as \_\_\_\_\_ officer between company and Depository participant.

- a. Liaison
- b. Magistrate
- c. subordinate
- d. government

155. CDSL stands for \_\_\_\_\_ Depository Service Limited.

- a. Charter
- b. Custom
- c. Comprehensive
- d. Central

156. Memorandum of Association has \_\_\_\_\_ clauses

- a. Two
- b. Six
- c. Four
- d. Seven

157. Statement in lieu of prospectus is for \_\_\_\_\_

- a. Publicity
- b. Filing with ROC
- c. Inviting investor
- d. company

158. Company documents are for \_\_\_\_\_

- a. Reference
- b. Filing only
- c. The benefit of directors
- d. Creating confusion

159. Conversion of private company into public company is \_\_\_\_\_.

- a. Not possible
- b. Possible
- c. Not allowed
- d. Impossible

160. Capital subscription stage is the most important stage in the formation \_\_\_\_\_ company.

- a. Private
- b. Public
- c. Foreign
- d. None of the above

161. The refusal to allot shares is intimated by letter of \_\_\_\_\_

- a. Allotment
- b. Forfeiture
- c. Regret
- d. Thanks

162. Bank loans are \_\_\_\_\_.

- a. Secured
- b. Unsecured
- c. Safe
- d. Unsafe.

163. The Prospectus may be described as misleading prospectus, if it contains \_\_\_\_\_ statement.

- a. Untrue
- b. Fake
- c. Incomplete
- d. All of these

164. Bonus shares are issued to \_\_\_\_\_

- a. Existing equity holders
- b. Existing creditors
- c. Existing Preference shareholders
- d. Existing debtors

165. Secretarial correspondence related to issue of bonus shares is with \_\_\_\_\_

- a. Board of directors
- b. Shareholders
- c. Debenture holders
- d. ROC

166. Company secretary has to follow the guidelines issued by \_\_\_\_\_ while corresponding with debenture holders.

- a. Solicitor
- b. Bankers
- c. SEBI
- d. Stock exchange

167. Technology is \_\_\_\_\_ in secretarial correspondence.

- a. Useful
- b. Useless
- c. Not necessary
- d. Unsafe.

168. Technology is serving \_\_\_\_\_ to company secretary.

- a. Competition
- b. Helping hand
- c. Problems
- d. None of the above