

FINAL ANSWER KEY

Paper: Electricity Act 2003, Companies Act and Rules
Date of Test: 29-04-2022

Question1:-A power plant set up by any co-operative society or association of persons for generating electricity primarily for use of members of such cooperative society or association is known as

- A:-Captive generating plant
- B:-Independent generating plant
- C:-Small generating plant
- D:-None of the above

Correct Answer:- Option-A

Question2:-Any reduction in consumption of electricity as a result of increase in the efficiency in supply and use of electricity is called

- A:-Savings
- B:-Auditing
- C:-Conservation
- D:-None of the above

Correct Answer:- Option-C

Question3:-The non-discriminatory provision for the use of transmission lines or distribution system or associated facilities by any licensee engaged in generation is called

- A:-trading
- B:-Open access
- C:-Franchising
- D:-Dispatching

Correct Answer:- Option-B

Question4:-License is not required for

- A:-Trading
- B:-Distribution
- C:-Transmission
- D:-Generation

Correct Answer:- Option-D

Question5:-The high voltage backbone system of inter-connected transmission lines, sub-stations and generating plants is

- A:-Corridor
- B:-Grid
- C:-Network
- D:-All of the above

Correct Answer:- Option-B

Question6:-The National Electricity Policy is prepared

- A:-Central Government
- B:-Central Electricity Authority
- C:-Central Electricity Regulatory Commission
- D:-None of the above

Correct Answer:- Option-A

Question7:-The electricity system set-up to generate power and distribute electricity in a specified area without connection to the grid

- A:-On Grid System
- B:-Independent system
- C:-Distribution system
- D:-Stand alone system

Correct Answer:- Option-D

Question8:-It is the responsibility of _____ to provide access to electricity to all areas including villages and hamlets through rural electricity infrastructure and electrification of households.

- A:-State Government
- B:-Central Government
- C:-Both (1) and (2)
- D:-Distribution licensee

Correct Answer:- Option-C

Question9:-Every person, who has constructed a captive generating plant and maintains and operates such plant, shall have the right to

- A:-Open access
- B:-Wheeling
- C:-Transmission
- D:-Trading

Correct Answer:- Option-A

Question10:-A distribution licensee shall not require a licence to undertake

- A:-Transmission in electricity
- B:-Trading in electricity
- C:-Both (1) and (2)
- D:-None of the above

Correct Answer:- Option-B

Question11:-When a notice is published for license, objection if any shall be filed before the Commission within _____ from the date of the publication of the notice.

- A:-Seven days
- B:-Fifteen days
- C:-Thirty days
- D:-Sixty days

Correct Answer:- Option-C

Question12:-Unless revoked, a license shall continue to be in force for a period of

- A:-5 years
- B:-10 years
- C:-20 years
- D:-25 years

Correct Answer:- Option-D

Question13:-If the licence of the distribution licensee is revoked, it shall be sold within a period of _____ from the date of revocation of the licence.

- A:-Twelve months
- B:-Three months
- C:-Six months

D:-Eighteen months

Correct Answer:- Option-A

Question14:-The National Load Despatch Centre shall not be operated by

A:-A Government company

B:-An Authority constituted by any Central Act

C:-A central government Corporation

D:-A private company

Correct Answer:- Option-D

Question15:-The State Load Despatch centre shall not be responsible for

A:-Optimum scheduling and despatch of electricity

B:-Control over the inter-state transmission system

C:-Monitor grid operations

D:-Keep accounts of the quantity of electricity transmitted

Correct Answer:- Option-B

Question16:-Central Transmission Utility shall not engage in the business of

A:-Generation of electricity

B:-Trading in electricity

C:-Both (1) and (2)

D:-Distribution of electricity

Correct Answer:- Option-C

Question17:-The transmission licensee shall utilise the surcharge collected from open access for meeting the

A:-Fixed charges

B:-AT and C loss compensation

C:-Current level cross-subsidy

D:-Transmission charges

Correct Answer:- Option-C

Question18:-Ombudsman is appointed or designated by the

A:-National Commission

B:-State Government

C:-Appellate Tribunal

D:-State Commission

Correct Answer:- Option-D

Question19:-As per Section 43, if no extension is required, when an owner applies for electric connection, the distribution licensee shall give supply to his premises within _____ after receipt of the application.

A:-Two weeks

B:-One month

C:-Two months

D:-None of the above

Correct Answer:- Option-B

Question20:-The electricity Supply code deals with

A:-Recovery of electricity charges

B:-Measures for preventing tampering

C:-Disconnection of supply of electricity

D:-All of the above

Correct Answer:- Option-D

Question21:-A proportion of the revenues derived from other business of the Distribution licensee shall be utilised for reducing its

A:-Wheeling charges

B:-Surcharges

C:-Cross subsidy charges

D:-Fixed charges

Correct Answer:- Option-A

Question22:-No person other than a licensee shall use electricity at a rate exceeding 250 Watts and 100 Volts in any place where _____ are likely to be assembled.

A:-50 or more person

B:-100 or more persons

C:-150 or more persons

D:-200 or more persons

Correct Answer:- Option-B

Question23:-The Standards of Performance of a class of licensees is specified by the

A:-Appropriate Government

B:-Central Electricity Authority

C:-Appropriate Commission

D:-Distribution Licensee

Correct Answer:- Option-C

Question24:-While determining tariff, the Appropriate Commission may differentiate the consumers according to their

A:-Load factor

B:-Power factor

C:-Voltage level

D:-All of the above

Correct Answer:- Option-D

Question25:-When a licensee files a tariff petition, the Appropriate Commission shall accept or reject it within a period of

A:-120 days from the date of receipt

B:-90 days from the date of receipt

C:-30 days from the date of receipt

D:-60 days from the date of receipt

Correct Answer:- Option-A

Question26:-A licensee shall issue notice to telegraph authority before laying down or placing, any electrical plant within _____ of any telegraph line.

A:-25 meters

B:-20 meters

C:-15 meters

D:-10 meters

Correct Answer:- Option-D

Question27:-The Central Electricity Authority shall consist of not more than

A:-21 Members

- B:-14 members
- C:-12 members
- D:-8 members

Correct Answer:- Option-B

Question28:-Which of the following is not a function of CEA?

- A:-Advice the Central Government
- B:-Specify the technical standards
- C:-Specify Grid code
- D:-Specify the Grid Standards

Correct Answer:- Option-C

Question29:-The Convenor of Selection committees constituted for selecting the Members of the Central Commission is

- A:-Member of the Planning Commission in charge of the energy sector
- B:-Secretary-in-charge of the Ministry dealing with the Legal Affairs
- C:-Chairperson of the Public Enterprises Selection Board
- D:-Secretary-in-charge of the Ministry dealing with power

Correct Answer:- Option-D

Question30:-Who of the following is the ex-officio Member of the central Commission?

- A:-Chairperson of APTEL
- B:-Secretary, MoP
- C:-Chairperson of the CEA
- D:-Chairperson , FoR

Correct Answer:- Option-C

Question31:-The Selection Committee for Central Commission shall recommend a panel of _____ names for every vacancy referred to it.

- A:-Two
- B:-Three
- C:-Four
- D:-Five

Correct Answer:- Option-A

Question32:-The Central Advisory Committee is established by

- A:-CEA
- B:-CERC
- C:-APTEL
- D:-None of the above

Correct Answer:- Option-B

Question33:-The Chairperson of the Selection Committee for State Commission is

- A:-A person who has been a Judge of the High Court
- B:-Chief Secretary of the concerned State
- C:-Chairperson of the Authority
- D:-Chairperson of the Central Commission

Correct Answer:- Option-A

Question34:-The State Advisory Committee shall consist of not more than

- A:-21 members
- B:-14 members
- C:-31 members
- D:-18 members

Correct Answer:- Option-A

Question35:-If a member of a Commission ceases his office, he shall not accept any commercial employment for a period of

- A:-One year
- B:-Two years
- C:-Three years
- D:-Four years

Correct Answer:- Option-B

Question36:-The Central Commission shall be guided by directions in matters of policy involving public interest as the Central Government may give to it in writing. This is as per

- A:-Section 106
- B:-Section 107
- C:-section 108
- D:-Section 109

Correct Answer:- Option-B

Question37:-Any person aggrieved by an order made by _____ may prefer an appeal to the Appellate Tribunal for Electricity

- A:-An adjudicating officer
- B:-State Commission
- C:-Central Commission
- D:-Any of the above

Correct Answer:- Option-D

Question38:-Appeal to Appellate Tribunal for Electricity shall be filed within a period of _____ from the date on which a copy of the order is received.

- A:-30 days
- B:-45 days
- C:-60 days
- D:-90 days

Correct Answer:- Option-B

Question39:-If the period of unauthorised use of electricity could not be ascertained, then period shall be limited to

- A:-Three months
- B:-Six months
- C:-Twelve months
- D:-Eighteen months

Correct Answer:- Option-C

Question40:-When an objection is filed against provisional assessment, the assessing officer shall after hearing the person pass a final order of assessment within _____ from the date of service such a provisional order.

- A:-30 days
- B:-7 days
- C:-15 days
- D:-45 days

Correct Answer:- Option-A

Question41:-Any person aggrieved by the final order made under section 126 may prefer an appeal to an appellate authority within _____ of the final order.

- A:-7 days
- B:-10 days
- C:-20 days
- D:-30 days

Correct Answer:- Option-D

Question42:-The Section that deals with the provisions relating to officers and employees of Board consequent to its reorganisation

- A:-Section 131
- B:-Section 132
- C:-Section 133
- D:-Section 134

Correct Answer:- Option-C

Question43:-The fine for theft of electricity for the first conviction, where the load abstracted does not exceed 10 KW is

- A:-3 times the financial gain
- B:-6 times the financial gain
- C:-4 times the financial gain
- D:-5 times the financial gain

Correct Answer:- Option-A

Question44:-Theft of electric lines and materials is an offence and shall be punishable with imprisonment for a term which may extend to

- A:-One year
- B:-Three years
- C:-Two years
- D:-Four years

Correct Answer:- Option-B

Question45:-The section that describes the punishment for negligently breaking or damaging works is

- A:-Section 138
- B:-Section 139
- C:-Section 140
- D:-Section 141

Correct Answer:- Option-B

Question46:-The compounding rate prescribed for an industrial consumer is

- A:-Rs. 20,000/- per KW
- B:-Rs. 10,000/- per KW
- C:-Rs. 2,000/- per KW
- D:-Rs. 4,000/- per KW

Correct Answer:- Option-A

Question47:-Civil courts have no jurisdiction to entertain any suit or proceeding in respect of any matter connected with

- A:-Section 121
- B:-Section 122
- C:-Section 126
- D:-Section 132

Correct Answer:- Option-C

Question48:-The loss or damage incurred by the Board or licensee or the concerned person due to the commission of an offence referred to in sections 135 to 139 is called

- A:-Civil liability
- B:-Criminal liability
- C:-Loss liability
- D:-None of the above

Correct Answer:- Option-A

Question49:-The Appropriate Government appoint duly qualified persons to be Chief Electrical Inspector or Electrical Inspectors as per

- A:-Section 161
- B:-Section 162
- C:-Section 163
- D:-Section 164

Correct Answer:- Option-B

Question50:-The forum of Regulators shall be constituted by the

- A:-Central Electricity Regulatory Commission
- B:-Central Electricity Authority
- C:-Central Government
- D:-Appellate Tribunal for Electricity

Correct Answer:- Option-C

Question51:-The Central Government may make rules for carrying out the provisions of the Electricity Act as per

- A:-Section 176
- B:-Section 177
- C:-Section 178
- D:-Section 179

Correct Answer:- Option-A

Question52:-If any difficulty in giving effect to the provisions of the Electricity Act, the Central Government may remove such inconsistencies before the expiry of _____ from the date of commencement of the Act.

- A:-One year
- B:-Two years
- C:-Three years
- D:-Four years

Correct Answer:- Option-B

Question53:-The most important document of a company is its

- A:-Prospectus
- B:-Annual Report
- C:-Memorandum of association
- D:-Articles of association

Correct Answer:- Option-C

Question54:-The rules and regulations for the internal management of a company are contained in its

- A:-Articles of association
- B:-Prospectus
- C:-Annual Report

D:-Memorandum of association

Correct Answer:- Option-A

Question55:-The financial statement in relation to a company includes

A:-Balance sheet

B:-Profit and loss account

C:-Cash flow statement

D:-All of the above

Correct Answer:- Option-D

Question56:-_____ includes an engineer, a valuer, a chartered accountant, a company secretary, a cost accountant and any other person who has the power or authority to issue a certificate in pursuance of any law.

A:-Expert

B:-Director

C:-Officer

D:-Chief Executive Officer

Correct Answer:- Option-A

Question57:-The minimum number of person required to form a Private limited company is

A:-Seven

B:-Five

C:-Four

D:-Two

Correct Answer:- Option-D

Question58:-The Registrar of Companies may reserve the name of company for a period of _____ from the date of the application.

A:-30 days

B:-20 days

C:-60 days

D:-45 days

Correct Answer:- Option-B

Question59:-A company shall have a registered office capable of receiving and acknowledging all communications and notices addressed to it within _____ of its incorporation.

A:-15 days

B:-20 days

C:-30 days

D:-45 days

Correct Answer:- Option-C

Question60:-The relationship between the company and its members is defined in

A:-Statutory Declaration

B:-Memorandum of Association

C:-Directors Undertakings

D:-Articles of Association

Correct Answer:- Option-D

Question61:-Maximum number of members in case of public company is

A:-50

B:-100

C:-200

D:-Unlimited

Correct Answer:- Option-D

Question62:-A private company can start its business immediately after the issue of

A:-Certificate of commencement of Business

B:-Certificate of Incorporation

C:-Certificate of Registration

D:-None of the above

Correct Answer:- Option-B

Question63:-Which of the following need not have Memorandum of Association

A:-Statutory Corporation

B:-Public Company

C:-Private Company

D:-Government Company

Correct Answer:- Option-A

Question64:-The nationality of a company is decided by its

A:-Place at books of accounts are kept

B:-Shareholders

C:-Registered office

D:-None of the above

Correct Answer:- Option-C

Question65:-A company will be reckoned a foreign company, if the company is

A:-Established outside India and has a place of business in India

B:-Incorporated outside India having shareholders who are all Indian citizens and having its business outside India

C:-Incorporated in India but having all foreign shareholders

D:-Both (1) and (2)

Correct Answer:- Option-A

Question66:-A company may hold its first annual general meeting within

A:-6 months from the date of incorporation

B:-9 months from the date of incorporation

C:-12 months from the date of incorporation

D:-15 months from the date of incorporation

Correct Answer:- Option-B

Question67:-A general body meeting of a company may be called by giving notice of not less than clear

A:-14 days

B:-21 days

C:-25 days

D:-30 days

Correct Answer:- Option-B

Question68:-When can an annual General meeting be called giving shorter notice than that specified?

A:-If consent is accorded to by more than 50% of the members entitled to vote

B:-If board of Directors takes a majority decision in this regard

C:-If consent is accorded to by 95% of the members entitled to vote

D:-If the company secretary so wishes

Correct Answer:- Option-C

Question69:-Quorum for general meeting for public companies if the number of members exceeds five thousand

A:-Two

B:-Five

C:-Fifteen

D:-Thirty

Correct Answer:- Option-D

Question70:-Minutes of company meeting should be prepared within

A:-30 days of the meeting

B:-21 days of meeting

C:-15 days of the meeting

D:-7 days of the meeting

Correct Answer:- Option-A

Question71:-A proxy can vote in case of a

A:-Poll

B:-Meeting

C:-Both (1) and (2)

D:-None of the above

Correct Answer:- Option-C

Question72:-What is NERA?

A:-National Financial Restructuring Authority

B:-National Financial Reporting Authority

C:-National Financial Reporting Agency

D:-National Financial Regulatory Authority

Correct Answer:-**Question Cancelled**

Question73:-The liability of members if company is limited guarantee.

A:-Guarantee amount

B:-Unpaid value of shares

C:-Unlimited liability

D:-None of the above

Correct Answer:- Option-A

Question74:-Registrar may on application by the company, allow the registration of charge within

A:-400 days

B:-300 days

C:-200 days

D:-100 days

Correct Answer:- Option-B

Question75:-The standards of accounting or any addendum there to is prescribed by the

A:-State Government

B:-Registrar of Companies

C:-Chartered Accountants of India

D:-Central Government

Correct Answer:- Option-D

Question76:-A company has to constitute a Corporate Social Responsibility Committee, if net worth is

A:-Rs. 5 crore or more

B:-Rs. 200 crore or more

C:-Rs. 500 crore or more

D:-Rs. 1,000 crore or more

Correct Answer:- Option-C

Question77:-The minimum amount to be spend by a company towards Corporate Social Responsibility is

A:-Three per cent of the average net profits

B:-Two per cent of the average turnover

C:-Two per cent of the average net profits

D:-Three per cent of the average net worth

Correct Answer:- Option-C

Question78:-No listed company shall appoint or re-appoint an individual as auditor for more than _____ of five consecutive years.

A:-One term of five consecutive years

B:-Two term of five consecutive years

C:-One term of four consecutive years

D:-Three term of five consecutive years

Correct Answer:- Option-A

Question79:-From the date of registration, the first auditor of a company, other than a Government company, shall be appointed by the Board of

Directors within

A:-Ninety days

B:-Sixty days

C:-Thirty days

D:-None of the above

Correct Answer:- Option-C

Question80:-The following person shall not be eligible for appointment as an auditor of a company

A:-Employee

B:-Partner

C:-Relative of a Director

D:-All of the above

Correct Answer:- Option-D

Question81:-The minimum number of directors required in Private Company

A:-One

B:-Two

C:-Three

D:-Four

Correct Answer:- Option-B

Question82:-Every company shall have at least one director who stays in India for a total period of not less than

A:-182 days during the current financial year

B:-182 days in previous calendar year

C:-182 days in previous financial year

D:-182 days in current calendar year

Correct Answer:- Option-A

Question83:-Every listed public company shall have at least _____ of the total number of directors as independent directors

A:-Two-third

B:-One-fourth

C:-One-tenth

D:-One-third

Correct Answer:- Option-D

Question84:-On completion of 2 terms, an Independent Director can get appointed as Independent Director only after a gap of

A:-2 years

B:-3 years

C:-5 years

D:-10 years

Correct Answer:- Option-B

Question85:-Independent Director means a director other than

A:-Managing Director

B:-Whole Time Director

C:-Nominee Director

D:-All of the above

Correct Answer:- Option-D

Question86:-The validity of an allotted DIN is

A:-Lifetime

B:-15 years

C:-20 years

D:-Until qualified otherwise

Correct Answer:- Option-A

Question87:-A Director who fails to attend all Board Meetings for a period of 12 months without leave of absence shall be

A:-Disqualifies u/s 164

B:-Vacate office u/s 167

C:-Ineligible for reappointment

D:-All of the above

Correct Answer:- Option-B

Question88:-The period within which the Director may inform Registrar about his/her resignation is _____ from date of resignation.

A:-7 days

B:-14 days

C:-30 days

D:-45 days

Correct Answer:- Option-C

Question89:-Every company shall hold the first meeting of the Board of Directors within _____ of the date of its incorporation.

A:-30 days

B:-60 days

C:-90 days

D:-120 days

Correct Answer:- Option-A

Question90:-The gap between two consecutive Board of Directors meetings shall not exceed

A:-180 days

B:-120 days

C:-90 days

D:-60 days

Correct Answer:- Option-B

Question91:-What shall be Quorum if the number of Directors is 13

A:-Two

B:-Three

C:-Four

D:-Five

Correct Answer:- Option-D

Question92:-The documents that a Central Government Company should place before both house of Parliaments

A:-Annual report

B:-Audit report

C:-Comments of CAG

D:-All the above

Correct Answer:- Option-D

Question93:-Government company means any company in which _____ of the paid-up share capital is held by the Government.

A:-Not less than 51%

B:-Not less than 50%

C:-Not less than 49%

D:-Not less than 45%

Correct Answer:- Option-A

Question94:-DIN stands for

A:-Director's Identity Number

B:-Director Information Number

C:-Director Identification Number

D:-None of the above

Correct Answer:- Option-C

Question95:-Which Company restricts the right to transfer its shares as per Section 2(68)?

A:-Government Company

B:-Subsidiary Company

C:-Holding Company

D:-Private Company

Correct Answer:- Option-D

Question96:-Companies are classified into Public Companies, Private Companies and One person Companies on the basis of

A:-Control

B:-Number of members

C:-Size
D:-Liability

Correct Answer:- Option-B

Question97:-A company whose paid-up share capital does not exceed Rs. 50 lakhs or any such higher amounts as may be prescribed which shall not be more than Rs. 10 crore is called

A:-Small Company
B:-Public Company
C:-Private Company
D:-Subsidiary Company

Correct Answer:- Option-A

Question98:-A company owned and controlled by another company is called

A:-Holding Company
B:-Subsidiary Company
C:-Small Company
D:-None of the above

Correct Answer:- Option-B

Question99:-Section 8 Company means

A:-Holding Company
B:-Subsidiary Company
C:-Charitable Company
D:-All of the above

Correct Answer:- Option-C

Question100:-No dividend is paid to its members by a

A:-Holding Company
B:-Subsidiary Company
C:-Public Company
D:-Charitable Company

Correct Answer:- Option-D