

IBPS SO Exam 2013 – Law Officer Professional Knowledge Question Paper

1. What does the Latin phrase *Mutatis mutandis* mean?

- (A) "Changing most of the things"
- (B) "Changing [only] those things which need to be changed"
- (C) "Changing all the things"
- (D) "Making no changes"
- (E) None of these

2. Can conviction be based on retracted confession?

- (A) Yes
- (B) No
- (C) Only in certain specific cases.
- (D) Either (A) or (B)
- (E) Either (A) or (C)

3. Which of the following is not a Fundamental Rights?

- (A) Right to life
- (B) Right to property
- (C) Right against exploitation
- (D) Educational Rights
- (E) None of the above

4. Which section of The Indian Contract Act, 1872 deals with the contract of guarantee?

- (A) 122
- (B) 69
- (C) 162
- (D) 126
- (E) 128

5. What does section 85 of The Negotiable Instruments Act, 1881 deal with?

- (A) Discharge from liability
- (B) Discharge by allowing drawer more than forty-eight hours to accept
- (C) When cheque not duly presented and drawer damaged thereby
- (D) Cheque payable to order
- (E) None of these

6. Which of the following statement is not true with regard to Clayton's rule?

- (A) Clayton's rule evolved in Devaynes v Noble
- (B) It is based on the legal fiction that, if an account is in credit, the first sum paid in will also be the first to be drawn out
- (C) If the account is overdrawn, a payment is allocated to the earliest debit on the account which caused the account to be overdrawn
- (D) All the three statements are correct.
- (E) Only (A) & (B) correct

7. Which Section of the Negotiable Instruments Act, 1881 deals with dishonour of cheque for insufficiency, etc., of funds in the accounts?

- (A) 138
- (B) 13
- (C) 49
- (D) 66
- (E) 128

8. A bank exercising a right of setoff must fulfil which of the following conditions :

- (A) the account from which the firm transfers funds must be held by the customer owing the firm money;
- (B) the account from which the firm transfers the money and the account from which the

- money would otherwise have come, must be held with the same firm;
(C) both account must be held in the same capacity by the customer; and
(D) the debt must be due and payable.
(E) All of the above

9. Bankers' Books Evidence Act came into existence in year

- (A) 1891
- (B) 1860
- (C) 1949
- (D) 2000
- (E) 1981

10. RBI can carry out inspection of any bank under section _____ of Banking Regulation Act.

- (A) 35
- (B) 32
- (C) 33
- (D) 34
- (E) 31

11. Return of paid cheques to customers mentioned in section _____ and Nomination facility, Deposit accounts, Safe Deposit articles and Lockers are mentioned in section _____ of Banking Regulation Act.

- (A) 45Z; 45ZA to ZF
- (B) 45; 45ZA to ZF
- (C) 45Z; 45 to ZF
- (D) 46Z; 46ZA to ZF
- (E) 46; 46ZA to ZF

12. The Companies Act came into existence in _____ year.

- (A) 1956 (B) 1872 (C) 1860 (D) 1947 (E) 1854

13. Charges to be filed with the Registrar of companies within _____ days from the date of its creation.

- (A) 30 (B) 40 (C) 50 (D) 10 (E) 60

14. Which of the following forms re-dressal forums set up.

- (A) District Forum
- (B) State Commission
- (C) National Commission
- (D) All of the above
- (E) Only (B) & ©

15. A complaint can be filed within _____ years from the date on which the cause of action has arisen.

- (A) 2
- (B) 10
- (C) 1
- (D) 5
- (E) 3

16. Criminals Procedure Code came into existence in _____ year.

- (A) 1973 (B) 1860
- (C) 1872 (D) 1956 (E) 1873

17. Clayton's Rule defines Appropriation of payments when several debts are owned under which sections of the Indian Contract Act

- (A) Sec 59 to 61
- (B) Sec 61 to 64
- (C) Sec 44 to 54
- (D) Sec 66 & 67
- (E) Sec 67 & 68

18. A quasi contract is a contract that exists by _____

- (A) Order of a court
- (B) agreement of the parties
- (C) Either (A) or (B)
- (D) Both (A) and (B)
- (E) None of these

19. On the dishonour of a cheque the payee must give a notice to the drawer within _____ days of the receipt of information from the bank.

- (A) 30 days (B) 10 days (C) 40 days (D) 1 day (E) 60 days

20. Which Section of the Sale of Goods Act, 1930 deals with Goods sent on approval or" on sale or return"?

- (A) Section 14 (B) Section 24 (C) Section 34 (D) Section 10 (E) Section 9

21. Can a minor become a partner?

- (A) Yes (a minor become a partner)
(B) No (Reason: a minor can be admitted to the benefits of a partnership. But he cannot become a partner; also documents will be signed by the guardian on minor's behalf).
(C) Both (A) & (B) are correct
(D) Either (A) or (B)
(E) None of these

22. Mortgage and lease are defined in _____ Act

- (A) Transfer of Property Act
(B) Negotiable Instrument Act
(C) Banking Regulation Act
(D) Bankers' Books Evidence Act

23. The CPIO (Central Public Information Officer) has to provide information or reject the request

within_ days from the date of receipt of the request.

- (A) 30 days (B) 21 days (C) 10 days (D) 05 days (E) 07 days

24. Issue of probate of a will is governed by which Act?

- (A) Indian Succession Act
(B) Negotiable Instrument Act
(C) Banking Regulation Act
(D) Bankers' Books Evidence Act
(E) RBI Act

25. A power of attorney executed abroad must be stamped withinof its receipt in India.

- (A) three months.
- (B) four months (C) five months
- (D) six months (E) two months

26. Minimum number of directors in a public limited company must be

- (A) 3 (B) 4 (C) 5 (D) 6 (E) 2

27. Which writ literally means 'you may have the body' ? It is the most valuable writ for personal liberty.

- (A) writ of habeas corpus
- (B) writ of quo warranto
- (C) writ of certiorari
- (D) writ of prohibition
- (E) None of these.

28. A banker' lien is governed by

- (A) Indian Contract Act
- (B) Negotiable Instrument Act
- (C) Banking Regulation Act
- (D) Bankers' Books Evidence Act
- (E) Sale of Goods Act

29. Pledge is defined under Section _____ of Indian Contract Act.

- (A) Section 172
- (B) Section 127
- (C) Section 173
- (D) Section 174
- (E) Section 175

30. "P.I.O" under RTI Act, 2005 means

- (A) Public Information Officer
- (B) Principal Information Officer
- (C) Press Information Officer
- (D) Public Information Office

(E) None of these

31. "Right of Subrogation" is

(A) right of guarantors to step into the shoes of creditor and recover the money from the Principal Debtor

(B) right of creditor to recover the money from guarantors

(C) right of debtor to proceed against the creditor

(D) Either (A) or (B)

(E) None of these.

32. A "Consent Clause" is now incorporated in loan documents

(A) as a matter of abundant precaution

(B) so that the borrower cannot disown his liabilities under the loan agreement

(C) so that bank can publish names of defaulters of loans

(D) All of the above

(E) None of these

33. A business concern has made under-insurance of its stocks against risk of fire. When the stocks are burnt by a fire, he is paid proportionately less amount of compensation. This is based on the principle of

(A) insurable interest

(B) average clause

(C) indemnity

(D) Both (A) & (B)

(E) None of these

34. Which section of The Indian Evidence Act, 1872, deals with the Doctrine of Estoppels?

(A) Section 32

(B) Section 112

(C) Section 115

(D) Section 6

(E) Section 114

35. As per provisions contained under Section 138 of the NI Act, 1881 the drawer of a

cheque can be made liable, provided

- (A) the cheque is issued in discharge of a debt, liability, gift or donation
- (B) the cheque is issued in discharge of a debt or liability
- (C) the cheque is issued in discharge of gift or donation
- (D) the cheque is issued in discharge of gift only
- (E) None of these

36. Contract in which one person promises to save another from loss caused by an act of a third party is

- (A) Contract of Guarantee
- (B) Contract of Indemnity
- (C) Both (A) and (B)
- (D) All of the above
- (E) None of these

37. From out of the following types of alterations, which constitutes a material alteration?

- (A) Crossing of an uncrossed cheque
- (B) When a cheque endorsed in blank is changed to endorsement in full
- (C) When the holder fills in the blanks in an inchoate instrument
- (D) When the holder changes the date of the instrument
- (E) None of these

38. Jiten presents a cheque in his favour for payment across the counter. However, Bank learns that he is an un-discharged insolvent. Will the Bank will pay the cheque?

- (A) Yes it can be paid as Jiten is a payee only and the bank has no contractual obligation with him
- (B) No, as the true owner of such a cheque would be the Official Receiver
- (C) Yes, if the payee gets an authorization from the drawer of the cheque
- (D) Both (A) and (C)
- (E) None of these

39. Limitation period for execution of a decree is

- (A) 12 years from the date it was decreed
- (B) 3 years from the date of the decree

- (C) 6 years from the date of the decree
- (D) 5 years from the date of the decree
- (E) None of these

40. The Banking Ombudsman can award maximum compensation up to

- (A) Rs.2 lac
- (B) Rs.5 lac
- (C) Rs.7.50 lac
- (D) Rs. 6 lac
- (E) Rs.10 lac

41. Which of the following is not a document of title to goods?

- (A) Airway Bill
- (B) Bill of Lading
- (C) Lorry Receipt
- (D) Railway Receipt
- (E) None of these

42. A Public Charitable Trust is governed by

- (A) Public Trust Act
- (B) Indian Trust Act
- (C) Wakf Act
- (D) All of the above
- (E) None of these

43. Garnishee Order is issued under the provisions of

- (A) Banking Regulation Act, 1949
- (B) RBI Act, 1934
- (C) Civil Procedure Code
- (D) Criminal Procedure Code
- (E) None of these

44. The term "Particular Lien" means a right

- (A) To retain possession of goods for which the dues have arisen
- (B) To keep the securities for an indefinite period of time
- (C) To sell the securities
- (D) To retain the securities to cover other dues
- (E) None of these.

45. When borrower repays a loan which is secured by assignment of debt, the charge is

- (A) Transferred in favour of the borrower
- (B) Endorsed in favour of the borrower
- (C) Re-assigned in favour of the borrower
- (D) Re-assigned in favour of the bank
- (E) None of the above

46. Which of the following statement would holds good if your branch receives an attachment order from the Income Tax authorities?

- (A) Bank cannot exercise its right of set off
- (B) Bank can exercise its right of set off for existing claims against the customer
- (C) Bank can exercise its right of set off after obtaining an order from a competent Court
- (D) Bank cannot exercise its right of set off after obtaining an order from a competent Court
- (E) None of these.

47. In case of "Negative Lien", a creditor

- (A) gets a right to proceed legally for the property
- (B) does not get a right to proceed legally, as the debtor is bound morally
- (C) cannot enforce its right over the property through intervention of the Court
- (D) gets a right to arrange for a private sale
- (E) None of these

48. In case of accounts of Hindu Un-divided Family (HUF), when cheques are issued by the Karta and his agent, the "Stop Payment" instructions to the bank can be given by

- (A) any member of the HUF
- (B) any co-parcener of the HUF
- (C) the senior most co-parcener of the HUF
- (D) All of the above
- (E) None of these

49. In case of Gift Cheques, please identify which of the following is true

- (A) the payee can be a holder in due course

- (B) the payee cannot be a holder in due course
- (C) Both (A) and (B)
- (D) Either (A) or (B)
- (E) None of these

50. Which of the following statement is not true about Non-executive directors of the company?

- (A) A non-executive director (NED, also NXD) or outside director is a member of the board of directors of a company
- (B) does not form part of the executive management team
- (C) They are not employees of the company
- (D) They are employees of the company
- (E) None of these.

ANSWER KEY

1. B	13. A	25. A	38. B
2. C	14. D	26. A	39. A
3. B	15. A	27. A	40. E
4. D	16. A	28. A	41. A
5. D	17. A	29. A	42. A
6. E	18. A	30. A	43. C
7. A	19. A	31. A	44. A
8. E	20. B	32. C	45. C
9. A	21. B	33. B	46. B
10. A	22. A	34. C	47. B
11. A	23. A	35. B	48. C
12. A	24. A	36. B	49. B
		37. D	50. C