

SBI Clerk Previous Paper (General English)

Directions (Q. 41-55) Read the following passage carefully and answer the questions given below it. Certain words are given in bold to help you to locate them while answering some of the questions.

A large majority of the poor in India are outside the formal banking system. The policy of financial inclusion sets out to remedy this by making available a basic banking "no frills" account either with nil or very minimum balances as well as charges that would make such accounts accessible to vast sections of the population. However, the mere opening of a bank account in the name of every household or adult person may not be enough, unless these accounts and financial services offered to them are used by the account holders. At present, commercial banks do not find it viable to provide services to the poor especially in the rural areas because of huge transaction costs, low volumes of savings in the accounts, lack of information on the account holder, etc. For the poor, interacting with the banks with their paper work, economic costs of going to the bank and the need for flexibility in their accounts, make them turn to other informal channels or other institutions. Thus, there are constraints on both the supply and the demand side.

Till now, banks were looking at these accounts from a purely credit perspective. Instead, they should look at this from the point of view of meeting the huge need of the poor for savings. Poor households want to save and contrary to the common perception, do have the funds to save, but lack control. Informal mutual saving systems like the Rotating Savings and Credit Associations (ROSCAs), widespread in Africa and "thrift and credit groups" in India demonstrate that poor households save. For the poor household, which lacks access to the formal insurance system and the credit system, savings provide a safety net and help them tide over crises. Savings can also keep them away from the clutches of moneylenders, make formal institutions more favourable to lending to them, encourage investment and make them shift to more productive activities, as they may invest in slightly more risky activities which have an overall higher rate of return.

Research shows the efficacy of informal institutions in increasing the savings of the small account holders. An MFI in the Philippines, which had existing account holders, was studied. They offered new products with "commitment features". One type had withdrawal restrictions in the sense that it required individuals to restrict their right to withdraw any funds from their own accounts until they reached a self-specified and documented goal. The other type was deposit options. Clients could purchase a locked box for a small fee. The key was with the bank and the client has to bring the box to the bank to make the deposit. He could not dip into the savings even if he wanted to. These accounts did not pay extra money and were illiquid. Surprisingly, these products were popular even though these had restrictions. Results showed that those who opted for these accounts with restrictions had substantially greater savings rates than those who did not. The policy of financial inclusion can be a success if financial in

clusion focuses on both saving needs and credit needs, having a diversified product portfolio for the poor but recognising that self-control problems need to be addressed by having commitment devices. The products with commitment features should be optional. Furthermore transaction costs for the poor could be cut down, by making innovative use of technology available and offering mobile vans with ATM and deposit collection features which could visit villages periodically.

41. What is the aim of the financial inclusion policy ?

- (A) A focus on savings needs rather than credit needs of the poor
- (B) Minimising utilisation of technology in banks so as to reduce transaction costs for the poor
- (C) To boost low savings volumes in banks by encouraging savings among the rural poor
- (D) To make formal basic banking services available to the poor
- (E) To regulate the rate at which moneylenders lend to the poor

42. The author's main objective in writing the passage is to

- (A) Criticise the concept of financial inclusion
- (B) Point out the problems of financial inclusion
- (C) Discuss ways of making the financial inclusion policy successful
- (D) Compare financial inclusion policies of different countries
- (E) Cite research in support of role of MFIs in achieving financial inclusion

43. Which of the following can be inferred about products with commitment features ?

1. Demand for such products was high.
 2. They were an effective means of increasing the savings of small account holders.
 3. Such facilities can only be offered by informal institutions like MFIs.
- (A) All 1, 2 and 3 (B) Only 2
 - (C) Both 1 and 2 (D) Both 1 and 3

(E) None of these

44. Why do the poor not utilise banking services ?

1. Informal institutions offer higher rates of interest than those in banks.
2. Costs of reaching banks have to be borne by the poor.
3. Bank personnel do not treat the poor respectfully because their savings amounts are minimal.

(A) Only 2 (B) Both 1 and 2

(C) Both 2 and 3 (D) All 1, 2, and 3

(E) None of these

45. Which of the following is a recommendation made by the author regarding financial inclusion ?

(A) Reduce the paper work involved by seeking less information about the account holder

(B) Lower transaction costs by utilising latest technology.

(C) Make commitment features compulsory for all savings accounts

(D) Entrust the responsibility of financial inclusion solely to MFIs

(E) Provide credit facilities even to those without savings accounts

46. Which of the following factors affects "saving" behaviour among the poor ?

1. Threats from moneylenders if they avail of banking services.

2. Documentation required before availing of banking services.

3. Lack of self-control.

(A) Only 1 (B) All 1, 2 and 3

(C) Only 3 (D) Both 2 and 3

(E) None of these

47. What do the results of the study conducted in the Philippines indicate ?

- (A) Account holders in MFIs have higher savings rates than banks
- (B) Many of the poor have to turn to moneylenders because of strict restrictions in MFIs
- (C) Having accounts with restriction on withdrawal requires the bank to offer a higher rate of interest
- (D) There should be strong security measures for deposit option accounts for the poor
- (E) None of these

48. Which of the following is true in the context of the passage ?

- (A) There are no informal means for the poor to save in India
- (B) Having savings encourages the poor to invest only in low risk ventures
- (C) There is a huge demand for savings facilities among poor households
- (D) Presently commercial banks feel that it is feasible to provide banking services to the poor in rural areas
- (E) There are many official innovative savings systems like roscas in Africa

49. What is/are the outcome(s) of encouraging savings for the poor ?

1. It frees them from the exploitation of moneylenders.
2. Banks are more willing to disburse loans to those who save.
3. They should invest in risky but high return ventures.

- (A) Only 1
- (B) Both 1 and 2
- (C) Only 3
- (D) All 1, 2 and 3
- (E) None of these

50. What was the view of banks regarding the bank accounts of the poor in the past ?

- (A) They were considered a problem since account holders information needed to be updated constantly
- (B) Focus should be more on providing savings facilities not credit
- (C) Moneylenders should be regulated so that they share responsibility of disbursing loans to the poor
- (D) Products with commitment features will not be successful
- (E) None of these

Directions (Q. 51-53) Choose the word which is most nearly the same in meaning as the word printed in bold as used in the passage.

51. purely :

- (A) morally
- (B) honestly
- (C) completely
- (D) perfectly
- (E) cleanly

52. demonstrate :

- (A) protest
- (B) occur
- (C) estimate
- (D) appear
- (E) prove

53. remedy :

- (A) medicine

- (B) solve
- (C) restore
- (D) therapy
- (E) heal

Directionsâ€”(Q. 54-55) Choose the word which is most opposite in meaning of the word printed in bold as used in the passage.

54. optional :

- (A) voluntary
- (B) compromise
- (C) pressure
- (D) mandatory
- (E) free

55. accessible :

- (A) convenient
- (B) unavailable
- (C) unfavourable
- (D) unpleasant
- (E) formal

Directionsâ€”(Q. 56â€”65) Read each sentence to find out whether there is any error in it. The error, if any, will be in one part of the sentence. The letter of that part is the answer. If there is no error, the answer is (E). (Ignore errors of punctuation, if any).

56. The scheme failed because / some states could not / manage not to raise / the necessary funds. No error.

(A) (B) (C) (D) (E)

57. Real estate prices in the / business district of the city / are expected to rise / at 15% this year. No error

(A) (B) (C) (D) (E)

58. By so early as next year / that leading investment bank / has plans to open / an office in New Delhi. No error

(A) (B) (C) (D) (E)

59. There is lots of / supports from the employees / for the proposal to / merge with the parent company. No error

(A) (B) (C) (D) (E)

60. Experts have recommended that / the government reconsidered / restrictions imposed on foreign / investment in real estate. No error

(A) (B) (C) (D) (E)

61. The crucial point to / be discussed at the / meetings is how to / well implement the policy. No error

(A) (B) (C) (D) (E)

62. He wants to / set up a laboratory / to undertake research / into a vaccine for cancer. No error

(A) (B) (C) (D) (E)

63. According to him / two factors which are / needy for success / are discipline and diligence. No error

(A) (B) (C) (D) (E)

64. Because of the pace at / which the company is growing / I believe it will easily / achieve their target.
No error

(A) (B) (C) (D) (E)

65. It is truth / that India is / the largest consumer of / gold in the world. No error

(A) (B) (C) (D) (E)

Directions (Q. 66-70) Which of the phrases (A), (B), (C) and (D) given below should replace the phrase given in bold in the following sentence to make the sentence grammatically meaningful and correct. If the sentence is correct as it is and "No correction is required", mark (E) as the answer.

66. The bank is overstaffed, has led to low productivity.

(A) Led to (B) Will lead towards

(C) And has led in (D) Which has led to

(E) No correction required

67. You delay in taking a decision conveys a negative impression.

(A) You delay to take

(B) If you delay taking

(C) Your delay in taking

(D) To delay by taking

(E) No correction required

68. Today management student itself are opted to work for NGOs even though the salaries offered to them are low.

(A) Student itself is

(B) Students themselves are

- (C) Students have
- (D) Student himself has
- (E) No correction required

69. Absence off any guidelines, they are unwilling to take up the project.

- (A) Absent of
- (B) In the absence of
- (C) Because of the absence
- (D) Without being absent
- (E) No correction required

70. Without the development of rural people the country can no claim to be developed.

- (A) Can never claim
- (B) Being claimed
- (C) Not able to claim
- (D) Have not any claim
- (E) No correction required

Directions (Q. 71-75) In each question below a sentence with four words printed in bold type is given. These are lettered as (A), (B), (C) and (D). One of these four words printed in bold may be either wrongly spelt or inappropriate in the context of the sentence. Find out the word, which is wrongly spelt or inappropriate, if any. The number of that word is your answer. If all the words printed in bold are correctly spelt and also appropriate in the context of the sentence, mark (E) i.e., "All Correct" as your answer.

71. The organization preferred to hire locale population as they understood the language and customer preferences. All Correct

- (A) (B) (C) (D) (E)

72. In our opinion the existing assessment system requires immediate revision. All Correct

(A) (B) (C) (D) (E)

73. In response to the advertisement a sizeable number of candidates have submitted their applications. All Correct

(A) (B) (C) (D) (E)

74. There is no guarantee that if this model is adopted the entire sector will prosper. All Correct

(A) (B) (C) (D) (E)

75. With this unique initiative the company hopes to sustain its current growth rate. All Correct

(A) (B) (C) (D) (E)

Directions (Q. 76-80) In each of the following sentences there are two blank spaces. Below each five pairs of words have been denoted by letters (A), (B), (C), (D) and (E). Find out which pair of words can be filled up in the blanks in the sentence in the same sequence to make the sentence meaningfully complete.

76. Mr. Srinivasan is _____ to become Chairman of the group _____ the retirement of his father.

(A) set, following

(B) voted, subsequent

(C) selected, despite

(D) approved, because

(E) decided, after

77. Due to your error the consignment has been delayed by a week.

- (A) According, important
- (B) Duly, urgent
- (C) Owing, entire
- (D) Added, crucial
- (E) Admitting, special

78. On account of the increase in sales the software firm has achieved an eight percent increase in net profit.

- (A) surge, fall (B) increase, rise
- (C) decline, slope (D) hike, loss
- (E) growth, advance

79. We are proud to say that today approximately 26 percent of our total accounts are held by women and senior citizens.

- (A) approximate, held
- (B) nearly, authorised
- (C) over, maintain
- (D) above, open
- (E) around, operated

80. The company has offered special training to employees on how to trade online.

- (A) announced, benefits
- (B) offered, course
- (C) imparted, risks
- (D) sanction, skills

(E) provided, how