

General English :

Directions – (questions 41 to 55) Read the following passage carefully and answer the questions given below it. Certain words are given in bold to help you 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 the financial services offered to them are used by the account holders. Presently, 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, interfacing with the banks with their paperwork, 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 the credit associations, 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 crisis.

Savings can also keep them away from the clutches of money lenders, make formal institutions more favourable to lending 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 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 a deposit. He could not dip into savings even if he wanted to. These accounts did not pay any 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 saving rates than those who did not. The policy of financial inclusion can be a success if financial inclusion focuses on both saving needs and credit needs, having a diversified product portfolio for the poor but recognizing 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 need of the poor
- (B) minimizing utilization 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) criticize 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 utilize 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 1,2and 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 utilizing 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 'savings' behavior 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 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 MFLs
- (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 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

Directions— (Q54-55) choose the word which is the 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) Unfavorable
- (D) Unpleasant
- (E) formal

Directions— (Q 56-65) 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

(A) (B) (C)

raise/ the necessary funds.

(D)

(E) No error

57. Real estate prices in the / business district of the city / are expected to

(A) (B) (C)

rise / at 155 this year.

(D)

(E) No error

58. By so early as next year /that leading investment bank/ has plans to

(A) (B) (C)

open / an office in new Delhi.

(D)

(E) No error

59. There is lots of / supports from the employees / for the proposal to /

(A) (B) (C)

merge with the parent company.

(D)

(E) no error

60. Experts have recommended that/ the government reconsidered/

(A) (B)

restrictions imposed o foreign / investment in real estate.

(C) (D)

(E) No error

61. the crucial point to / be discussed at the /meetings is how to / well

(A) (B) (C)

implement the policy.

(D)

(E) No error

62. He wants to / set up a laboratory / to undertake research / into a

(A) (B) (C)

vaccine for cancer.

(D)

(E) No error

63. According to him/ two factors which are /needy for success / are

(A) (B) (C)

discipline and diligence.

(D)

(E) No error

64. Because of the pace at / which the company is growing/ I believe it will

(A) (B) (C)

easily / achieve their target.

(D)

(E) No error

65. It is truth / that India is / the largest consumer of / gold in the world.

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

(E) No error

Directions— (Q 66- 70) which of the phrases (A),(B),(C)and (D)given below should replace the phrase given in **bold** in the followings 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 in 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 words printed in **bold** may 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

- (A) (B)
- understood the **language** and customer **preferences**.

- (C) (D)
- (E) all correct

72. In our opinion the **exicting assessment** system requires **immediate**

- (A) (B) (C)
- revision**.

- (D)
- (E) all correct

73. In **responds** to the advertisement a **sizeable** number of candidates

- (A) (B)

have **submitted** their **applications**

(C) (D)

(E) all correct

74. there is no **guarantee** that I this model is **adopted** the **entire sector**

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

will prosper.

(E) all correct

75. with the **unique initiative** the company hopes to **sustain** its **currant**

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

growth rate.

(E) all correct

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. to your error the Consignment has been delayed by a week.

(A) according ,important

(B) duly ,urgent

(C) owig ,entire

(D) added ,crucial

(E) admitting ,special

78. on account of the in sales the software firm has achieved an eight percent 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..... 26 percent of our total accounts are by women and senior citizens.

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

80. the company has Special training to employees on to trade online.

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

Key's :

41. (D) 42. (C) 43. (D) 44. (A) 45. (B) 46. (D) 47. (A) 48. (C) 49. (B) 50. (E) 51. (C) 52. (E) 53. (B) 54. (D) 55. (B) 56. (C) 57. (E) 58. (A) 59. (A) 60. (B) 61. (D) 62. (E) 63. (C) 64. (D) 65. (A) 66. (D) 67. (C) 68. (C) 69. (B) 70. (A) 71. (B) 72. (A) 73. (A) 74. (E) 75. (D) 76. (A) 77. (C) 78. (B) 79. (E) 80. (E)