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IBPS CLERK - MAIN ENGLISH TEST - 01

Time Allowed: 30 Mins • No of Question: 40 • Maximum Marks: 40 • Negative Marks: 0.25

Name:..... Roll No:.....

Directions (1-5): Read the passage carefully and answer the questions given below it. Certain words/phrases are given in bold to help you locate them while answering some of the questions.

The latest monetary policy has revived calls for the Reserve Bank of India (RBI) to cut its policy rates so that India's investment cycle can be kick-started once again. Over the last few years, the banks and India inc have **clamoured** for lower interest rates, claiming that this is the only way to revive economic growth.

Banks expect lower rates to **stimulate** credit demand. For India Inc, the underlying assumption is that lower rates make new projects more **viable**, inducing them to borrow more and up their capital spending.

But the truth is that lower interest rates doesn't always trigger either higher credit off take or new investments, conforming to textbook patterns. As analysis of interest rates, GDP growth and credit off take over the last decade shows that lower rates can sometimes prove detrimental in a **sluggish** economic environment, fuelling inflation, hurting investor confidence and reducing the appetite to borrow.

Just before the latest monetary policy announcement, banks were urging the RBI to reduce its policy repo rate, pointing out that credit growth for the banking system had slipped to a five-year low. Year-on-year credit growth for banks, which was in the double digits at 12-14 per cent util August, was down to 9.7 per cent in September, the lowest in five years.

But the presumption that low interest rates will automatically **spur** lending is too simplistic. Consider the expenditure in the past. Though most of 2007 and 2008, RBI's repo rates steadily rose from 7.75 to 9 per cent, much higher than present level of 8 per cent. During this period, with the economy growing strongly, bank credit growth remained at healthy 25-30 per cent year-on-year. Robust growth in GDP at 8.5-9 per cent fuelled strong credit demand.

1. What is the thought behind the banks and India Inc asking for lower interest rates? Answer in the context of the passage.

- (1) That lower interest rates would attract more public deposits
(2) That lower interest rates would revive economic

growth

- (3) That lower interest rates would reduce inflation
(4) That lower interest rates would attract borrowers
(5) None of these
2. What does the analysis of interest rates, GDP growth and credit offtake over the last decade show?
(A) That lower interest rates often prove harmful in a sluggish economic environment
(B) That lower interest rates sometimes increase inflation
(C) That lower interest rates detract borrowers
(1) Only (A) (2) Only (B) (3) Only (C)
(4) Only (A) and (B) (5) Only (B) and (C)
3. Why were banks urging the RBI to reduce its policy repo rate?
(1) Because the credit growth For the banking system had tapered down
(2) Because customers had started withdrawing their deposits at a rapid pace
(3) Because banks were running in loss
(4) Because customers had started investing somewhere else rather than in banks
(5) None of these
4. Find the Incorrect statement on the basis of the given passage.
(1) Lower rates make new projects more viable
(2) The credit growth was lowest in five years in Sep this year
(3) Lower interest rates always trigger either higher credit off take or new interests
(4) Banks expect lower rates to spur credit demand.
(5) None of these
5. Which of the following did not happen during 2007 and 2008? Answer in the context of the passage.
(A) RBI's repo rate increased by 1.25 per cent
(B) There was slow economic growth rate
(C) During the said period there was strong credit demand
(1) Only (A) (2) Only (B) (3) Only (C)
(4) Only (A) and (B) (5) Only (B) and (C)

Directions (6-8): Choose the word/group of words which is MOST SIMILAR in meaning to the word/group of words printed in bold as used in the passage.

6. **Clamored**

- (1) Acclaimed (2) Applauded (3) Cried

- (4) Refused (5) Decided
7. **Stimulate**
 (1) Increase (2) Goad (3) Project
 (4) Impede (5) Prohibit
8. **Spur**
 (1) Hindrance (2) Trigger (3) Curb
 (4) Impede (5) Prohibit

Directions (9-10): choose the word/group of words which is MOST OPPOSITE in meaning of the word/group of words printed in bold as used in the passage.

9. **Viable**
 (1) Practicable (2) Reasonable (3) Feasible
 (4) Impossible (5) Workable
10. **Sluggish**
 (1) Indolent (2) Alert (3) Lifeless
 (4) Slack (5) Slow

Directions (11-15): Read each sentence to find out whether there is any grammatical or idiomatic error in it. The error, if any, will be in one part of the sentence. The number of that part is the answer. If there is 'No error', the answer is 5. Ignore errors of punctuation, if any.)

11. (1) The CBI has filed a petition in a NIA court
 (2) Here seeking its permission to interrogate
 (3) A Sri Lankan national held for
 (4) Allegedly spying for Pakistan
 (5) No error
12. (1) The Government apprised the court
 (2) About instituting another committee
 (3) That would review and draft amendments
 (4) To the five key laws over environment, forest, wildlife, air and water.
 (5) No error
13. (1) In the absence of a legal guarantee of safety and privacy,
 (2) The court should not ask for sources
 (3) To be revealed, especially when the cases at stake
 (4) Involve powerful people in politics and business
 (5) No error
14. (1) Government plan to link the universal health assurance scheme
 (2) For providing medical treatment
 (3) To all citizens with Aadhar number
 (4) To check ghost beneficiaries
 (5) No error
15. (1) The Supreme court has ruled that
 (2) Citizens have no fundamental right
 (3) To carry out business in potable liquor and the state
 (4) Has the power to prohibit such trade.
 (5) No error

Directions (16-20): Each question below has two blanks, each blank, indicating that something has been omitted. Choose the set of words for each blank that best fits the meaning of the sentence as a whole.

16. Current deposit accounts are opened to ----- transactions of business and trade and hence not ----- to any interest from the bank.

- (1) Seek, authorized (2) Find, ready
 (3) Do, liable (4) Meet, entitled
 (5) Accept, obliged
17. The opening up of insurance sector has resulted in -----of new products, particularly the unit-linked products which offer both capital -----and insurance cover and have attracted the attention of the insured.
 (1) Separation, investment
 (2) Introduction, appreciation
 (3) Distinction, depreciation
 (4) Appropriation, formation
 (5) Opening, collection
18. The Reserve Bank exercises its supervisory role ----- the financial system ----- commercial and urban cooperative banks, financial institutions and NBFCs, through the Board of Financial supervision.
 (1) In, around (2) Of, for (3) About, within
 (4) For, covering
 (5) Over, Encompassing
19. It is ----- that congress leader shashi Tharoor had to lose his job as the party's spokesperson -----for praising a man who had called Tharoor's wife a Rs 50 –core girl friend.
 (1) Ironical, allegedly
 (2) Critical, particularly
 (3) Proper, formally (4) Useless, certainly
 (5) Worthless, illegally
20. More than two lakh students ----- up to two years preparing for the common Admission Test (CAT) all in the attempt to -----a seat at one of the top business school In the country
 (1) Go, have (2) Study, take (3) Spend, secure
 (4) Read, fetch (5) Wait, get

Directions (21-25): In the following questions, a sentence has been given with some of its parts in bold. To make the sentence grammatically correct, you have to replace the bold part with the correct alternative given below. If the sentence is correct as it is, give 5) as your answer (ie No correction required).

21. In the past two years, Goa witnessed high growth in household **saving and was once of the few state** where inflation declined.
 (1) Saving and was the few states
 (2) Savings and were one of the few states
 (3) Savings and was one of the few states
 (4) Savings and has one of the few states
 (5) No correction required
22. India should not tolerate Chinese **incursion of its territory** and realize that appeasement of an assertive china is a recipe for global marginalisation.
 (1) Incursion of their territory
 (2) Incursions for his territories
 (3) Incursion beside its territory
 (4) Incursion beside its territory
 (5) No correction required
23. By deciding to allow the Indian private sector to bid

for the entire lot of six submarines, the government has ended a debate.

- (1) Deciding to (2) Decision to
 (3) Through deciding (4) To decide to
 (5) No correction required
24. To illustrate my point, I have been taking the example of three cars from three different segments.
 (1) I have taken (2) I might take (3) I ever take
 (4) I could be taking
 (5) No correction required
25. The Congress working committee will be restructured and young faces will be inducted.
 (1) Will restructure
 (2) Will be restructured
 (3) Will have restructured (4) Can restructure
 (5) No correction required

Directions (26-30): Rearrange the following six sentences (A), (B), (C), (E), and (F) in the proper sequence to form a meaningful paragraph and then answer the questions given below.

- (A) The eligibility for appointment as presiding officer is a minimum of a district judge.
 (B) The government also decides their jurisdiction
 (C) Debt recovery tribunals are established by the central Government.
 (D) The term is five years or sixty-two years of age.
 (E) The tribunal consists of one member called as presiding officer appointed by the Central Government.
 (F) One or more recovery officers are provided to the tribunal by the Central Government.
26. Which of the following should be the **FIRST** sentence after rearrangement?
 (1) A (2) C (3) D
 (4) F (5) E
27. Which of the following should be the **SECOND** sentence after rearrangement?
 (1) E (2) D (3) C
 (4) B (5) A
28. Which of the following should be the **THIRD** sentence after rearrangement?
 (1) E (2) B (3) F
 (4) A (5) C
29. Which of the following should be the **FOURTH** sentence after rearrangement?
 (1) B (2) D (3) A
 (4) F (5) B
30. Which of the following should be the **LAST (SIXTH)** sentence after rearrangement?
 (1) D (2) A (3) B
 (4) C (5) F

Directions (71-80): In the following passage, some of the words have been left out, each of which is indicated by a number. Find the suitable word from the options given against each number and fill up the blanks with appropriate words to make the paragraph meaningfully complete.

By choosing Jean Tirole for the 2014 Nobel prize in

economics, the Nobel committee tips its hat at regulation of economic activity. Tirole had made fundamental **(31)** to the branch of economics called industrial organization, which **(32)** insights into regulations, apart from other things. **(33)** With degrees in engineering and mathematics before getting his PhD in economics in 1981, Tirole was eminently **(34)** to deploy game theory to model the inventive of the government, the regulator and the regulated **(35)** under different conditions of information **(36)** to give a formal, unified basis for coherent regulation.

Newspapers are spared charges of predatory pricing, thanks to Tirole's **(37)** of platform business, a case of what economists call two-sided markets. Low cover prices – TV channels are often free, as are search engines and social media platform – go hand in hand with higher advertising **(38)**. So a business case **(39)** sustained pricing below the cost of production, rather than, **(40)** desire to kill the competition. Along with long-time collaborator Jean-Jacques Laffont, Tirole has used formal analysis not only to validate intuitive judgments on optimal regulation but also to institute counter-intuitive insights.

31. (1) Opposition (2) Contributions (3) Regulation
 (4) Substitution (5) Convention
32. (1) Brings (2) Furnish (3) Comply
 (4) Yields (5) Supply
33. (1) Occupied (2) Strengthened (3) Known
 (4) Famous (5) Kept
34. (1) Placed (2) Informed (3) Known
 (4) Famous (5) Kept
35. (1) Thing (2) Body (3) Authority
 (4) Scheme (5) Entity
36. (1) Distribution (2) Sharing (3) Allotment
 (4) Assignment (5) Giving
37. (1) Investigation (2) Abstract (3) Analysis
 (4) Reading (5) Summary
38. (1) Revenue (2) Profit (3) Reward
 (4) dividends (5) Tariff
39. (1) Indices (2) Inspires (3) provokes
 (4) Influences (5) Motivates
40. (1) Some (2) Few (3) No
 (4) Any (5) More

EXPLANATIONS

1. (2) 2. (5) 3. (1) 4. (3) 5. (2) 6. (3) 7. (2) 8. (2) 9. (4) 10. (2)
11. (1) Replace 'a' with 'an' 12. (2) Replace 'about' with 'of' 13. (5)
14. (1) Replace 'Plan' with 'plans' 15. (3) Replace 'out' with 'on' 16. (4)
17. (2) 18. (5) 19. (1) 20. (3) 21. (3) 22. (4) 23. (5) 24. (1) 25. (2)
(26- 30) : CBEADF
26. (2) 27. (4) 28. (1) 29. (3) 30. (5)
31. (2) 32. (4) 33. (3) 34. (1) 35. (5) 36. (2) 37. (3) 38. (1) 39. (5) 40. (4)

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