

Passage Completion

In this type of questions, a small paragraph will be given with a deleted sentence. This sentence can be at last or at the beginning or in between the passage. A student needs to identify the best sentence which completes the paragraph from the answer options. Even though there are several general principles and some ideas about answering these questions, most of the times a student finds the so called rules may not apply to these questions. In several instances, besides, identifying the author's style, way of thinking, tone will be difficult with just one paragraph. So it requires a lot of concentration to answer the paragraph completion questions.

In a test of English language in Bank Exams for PO, this question type is a new introduction; passage completion plays a very important role as it has a significant role in the verbal section of the test with 5 questions. Once you have spent crucial exam time on these, there is no logic to answer it incorrect. Hence a lot of practice should be done to attempt these questions with accuracy and speed.

It tests the ability of a student to logically connect the different parts of a passage. It also tests certain reasoning skills

of the student. Para-completion is nothing else but a test of your comprehension skills. All it asks of you is to complete a missing line from a paragraph. Following tips can be followed while solving these questions-

- Identify the theme of the passage.
- Identify the continuing flow of thought.
- Continue the thread of thought keeping in mind the already discussed matter.
- Try to connect the thoughts of passage.
- Judge your option on location of blank space.
- Relate the missing part with preceding and following sentences.
- Do not introduce new things.
- Do not deviate from the real issue of the passage.
- Judge the passage tone and compare it with the tone of the option.

Sufficient number of good questions is given with detailed solutions to increase your proficiency in this section.

EXERCISE

Directions (Qs. 1-49): In each of the following questions a short passage is given with one of the lines in the passage missing and represented by a blank. Select the best out of the five answer choices given, to make the passage complete and coherent.

1. There are many industries where India has an advantage because of relatively lower Costs of all forms of manpower—whether it is professional or factory labour. However, while this can give initial advantage, it should not be taken for an enduring advantage due to the following reasons. One as products become more sophisticated, labour as cost factor becomes less and less important. Two, the differences in costs are narrowed down through higher level of automation. There, in processes that require large number of cheap labour, the industry is bound to shift its operation along; the line of the ever-declining scale of poorer countries. So a poorer country than India can eventually overtake us with yet cheaper labour. Therefore, when one has established an export market on the basis of cheaper manpower
 (a) One has to be vigilant to make sure that one builds up other advantages to compensate for the inevitable loss of this temporary advantage.
 (b) One has to be vigilant to make sure that this advantage should not be given away
 (c) One need not be vigilant as there is no competition in near future
 (d) There is need of caution to see the variations in labour charges of other countries
 (e) There is need to build this cheap labour on regular basis
2. Standards and standardization, quality systems, certification and inspections, measurement systems, testing laboratories, their accreditation and calibration service, production and supply of standard reference materials etc, are all important building blocks. Quality control through the agency of the Export Inspection Agency leaves much to be desired. It is often alleged that EIA is actually playing a retrograde role, although inadvertently.
 (I) The list of items subject to compulsory export inspection need to be reviewed and shortened. A trimmer EIA list essential for a modicum of efficiency. (II) EIA should use international agencies to train people and update the equipment available for those limited items. (III) The quality development process need to be professionalized by making use of quality development skills and managerial methods available around the world. Overall, per-export inspection needs to be greatly simplified, both in the interests of speedier clearance and less harassment for the exporters as well as better administration.
 (a) EIA is to be scrapped and new council should be made with following improvements.

- (b) This is happening in absence from a guiding international agency which can suggest a number of measures.
- (c) This needs to be corrected.
- (d) EIA is short of experience and therefore such a negative effect.
- (e) Why was EIA formed in the first place ...?
3. The International Monetary Fund (IMF), the World Bank and the International Trade Organization were conceived at the Breton woods Conference in July, 1944 as institutions to strengthen international economic cooperation and to help create a more stable and prosperous global economy. While the IMF and the World Bank come into existence and started functioning from 1946, the International Trade Organization could not be set up. Instead, the General Agreement on Tariffs and Trade (GATT) was set up in 1947. Through successive round of negotiations, the GATT got transformed into what has come to be known as the World Trade Organization (WTO) that started functioning from January 1, 1995. The various institutions have set up to govern international economic relations. While all the institutions work in close coordination with each other.....
 (a) Each of the institutions is independent
 (b) Each of these institutions works with different focus in different direction
 (c) Each of these institutions has its own specific area of responsibilities
 (d) Each of these institutions has major role to play in each other's work
 (e) Each of these institutions has imprint of its work on other's performance
4. ADB finances principally specific projects in the region. It may make loans to or invest in the projects concerned. It may also guarantee loans granted to the projects. Most of the loans granted are hard loans or tied loans. However, loans form special funds set aside by the ADB up to 10 per cent of its paid-up capital are granted under soft loan term for which purpose it has set up a separate window known as the Asian Development Fund (ADF). Soft loans are normally granted to projects of high development priority requiring longer periods of repayment with lower rates of interest. ADB normally finances foreign exchange cost of the project and the loan is repayable in the currency in which it is made. India has been eligible for assistance both under the ADB and its soft loan window, ADF.....
 However, it has been getting large assistance under the ADB.
 (a) But India does not need any assistance from ADB.
 (b) But India is not a member of ADB
 (c) But India is not interested in ADB aids.
 (d) But India has stayed away from the ADB
 (e) But India is against ADB.

5. In the planned economy of India, foreign capital has been assigned a significant role, although it has been changing over time. In the earlier phase of planning, foreign capital was looked upon as a means to supplement domestic investment. Many concession and incentives were given to foreign investors. Later on, however, the emphasis shifted to encouraging technological collaboration between India entrepreneurs and foreign entrepreneurs. In more recent times, efforts are on to invite free flow of foreign capital
- It would be instructive in this background to examine the Government's policy towards foreign capital.
 - It would be instructive in this background to examine the World Bank's policy towards foreign capital in India
 - Let us keep our fingers crossed and look for the next parliamentary session for debate on the issue
 - Issue of Foreign capital is fragile and can be discussed only with relevant statistical figures in hand
 - New changes are waiting in the line.
6. FDI may actually be harmful to the recipient country if the economy is highly protected and foreign investment takes place behind high tariff walls. This type of investment is generally referred to as the tariff-jumping' variety of foreign investment, whose primary objective is to take advantage of the protected markets in the host country. The longer the Government shields its home market with tariffs..... and more acute will be the conflict between it and the domestic entrepreneur. In view of this, an appropriate policy framework must respond to two conflicting objectives: the need to liberalize rules governing such investment in view of the growing integration of the world economy, and the need to ensure that such investment has positive effects on the country's economy and does not lead to negative welfare effects.
- The more the foreign countries to apply pressure on India
 - The more the foreign money to come in India
 - The more the foreigner will come to exploit that protected market
 - The more the foreigner to protest against that government
 - The more the foreigner will raise the issue on international platform
7. The Indian constitution provides for demarcation of functional responsibilities and finances between the Centre and the States. The provision of public services has been largely entrusted to the States. These mainly relate to law and order, public health, sanitation, water supply and agriculture. The States have to concurrently take certain functions in areas such as education, infrastructure. Their share in combined expenditure (Centre and States) on social services is about 85 per cent, while in the case of economic services; it is about 60 per cent. Thus, the States have the primary responsibility to undertake tasks pertaining to developing social and economic infrastructure. However, their ability to undertake such development functions is critically determined by their financial position. The growing importance of state finances in the macro-economy is evident from the fact..... The size of overall development expenditures of the states has always been higher than that of the Centre and the difference has got widened rather significantly in the 1990s.
- That the States have overrun their planned expenditures and lacking freedom of further development
 - That the States have reached at the peak of their finances and overtaken Centres in revenues
 - That Centre borrows money from the states for its expenditures on educational and social welfare programmes
 - That the total expenditures of State governments has even undertaken those of the Centre
 - That the total expenditures of State and Center has widened unprecedentedly in 1990s.
8. A budget is a statement containing a forecast of revenues and expenditures for a period of time, usually a year. It is a comprehensive plan of action designed to achieve the policy objectives set by the Government for the coming year. A budget is plan and a budget document is reflection or what Government expects to do in future. While any plan need not be a budget, a budget has to be necessarily a pan. It shows detailed allocation to resources and proposed taxation or other measures for their realization. A budget is, however, not a balanced sheet (exhibiting total assets and liabilities) of the Government on a particular date- is a financial blueprint for action and is, therefore, of great advantage to Government departments, legislatures and citizens. The budget of government expresses its total activity in figures.....
- A budget reflects what the Government is doing or intends to do.
 - A budget is a legal document
 - A budget is a promise of Government to its people
 - A budget is a guideline for State Governments
 - A budget is only a plan on papers that have never been achieved
9. For a federal country like India, the budget of the Government of India is the most important instrument for implementing various economic and social objectives. The budgets of state government affect local activities. The Government of India budget influences the whole economy. The latter tries to bring about growth with social justice through its budget; it influences regional, functional and overall distribution of income and wealth through its expenditure (transfer) payments, investments and tax policies. The provisions of grants and loans to State governments and Union Territories and to the private sector and various subsidies (such as for export promotion, food grains distribution, etc.) are some of the elements of Central government budget policy for promoting growth and income distribution. Its significance lies in its ability to promote the various objectives of a modern state which has assumed the role of a welfare state and of a catalytic agent for promoting growth with social justice.
- A budget in modern times should, therefore not be judged sound or otherwise merely on the basis of its 'deficit' or 'surplus' or 'balanced' position

- (b) A budget is therefore not only instrument of implementing the economic and social objectives but it is also about growth with social justice
- (c) A budget is a reflection of success or failure of a government
- (d) A budget in modern times should, therefore not be judged on its face value
- (e) A budget in this turbulence time cannot be judged on basis of monetary indices of 'surplus' or 'deficits'
10. After the East Asia crisis, the World Bank conducted a study on the underlying reasons for the crisis. It was found that at least a major part of the fundamental responsibility was on banks, which had understated their non-performing accounts by as much as 47%. Since this was a study and not an investigation..... Nevertheless, the Basel committee on supervision did take cognizance, and issued circulars and directives not only on supervision, but also on Internal Functional Management. It will be remembered by those interested that Basel committee had also acted expeditiously after the Barring Bank's failure, to separate treasury and lending operations from the decision making processes. Bank failures are nothing new in the world, although we in India have been insulated from such traumas for more than two decades.
- (a) The findings were not taken note of
- (b) The findings were not taken seriously
- (c) The findings were not legally binding on any one
- (d) The fallout from this revelation was only taken note of
- (e) The fallout from this revelation was seriously taken
11. Whether the Government is right in bailing out a private sector bank is an issue that is decided more than by the long term social security policy of the Government, than by economic reasons alone..... Nevertheless, in a situation of scarcity of resources, bailing out somebody means the denial of resources to others. The irony of it is that in performing its duties of proper governance to the larger society through the process of bailing out, Government excuses the lack of corporate governance in banks.
- (a) Economists world over learnt it hard way during the Great depression
- (b) This is elementary principle of economics taught in schools
- (c) Reasons are not limited to these two but extend to debts, liquidity & credit ratings issues
- (d) It was unexpected and came like a bolt from the blue
- (e) Particularly true for the Asian countries like India and China
12. But no depreciation is allowed on Live Stock i.e. Horses. Although the horses are in the nature of fixed assets in the hands of the owner, no depreciation is allowed under Income Tax Act. Instead when the animal dies or becomes permanently useless the entire value of the horse can be written off as revenue loss in the year in which it dies or becomes permanently useless. When the gross income exceeds the total expenditure, it results in net profit which will be taxable at usual rates of tax applicable to the person. Although the live stock is in the nature of fixed assets of the owners, buy them, maintain them, train them, and participate in races and Sell them or send them away to studs when they are useless.
- (a) But when the gross income is less than the expenditure, then results in loss
- (b) But when the gross income is higher than the expenditure, then results in loss
- (c) But when the gross income is equal to expenditure then result is loss
- (d) But when the gross income is there loss is the result
- (e) But when the gross income is increasing then result is becoming evident
13. Aggregation of risks is somewhat quite new to banks in India. While some banks have started thinking in that line by trying to put integrated limits framework and integrated risk policies as well as using CBS solutions for technological integration, the effort required is beyond such requirement. Risk aggregation would mean aggregating the individual risk measures to decide most appropriate assets class that would contain the risk to the desired level dictated by the risk appetite .Capital allocation (about how much) would be based on such strategies.....
- (a) Most banks are yet to conceptualize the same in their processes
- (b) Most banks have already integrated it in their functioning; it is working over the years satisfactorily.
- (c) Which would in long run prove to be the growth impeding
- (d) Of risk aggregation which is really a new concept to Indian banks
- (e) On expected lines of the regulation conditions laid down in the manual of the bank
14. However, it is possible that the non-resident entity may have a business connection with the resident Indian entity. In such a case, the resident Indian entity could be treated as Permanent Establishment of the non-resident entity. During the last decade or so, India has seen a steady growth of outsourcing of business processes by non residents or foreign companies to IT-enabled entities in India. Such entities are either branches or associated enterprises of the foreign enterprise or an independent India enterprise. The non-resident entity or foreign company will be liable to tax in India only if the IT -enabled BPO unit in India constitutes its Permanent Establishment.
- (a) The tax treatment of the Permanent Establishment in such a case is under consideration
- (b) How would the profit would be shared is not decided yet?
- (c) A lengthy and cumbersome process requiring a lot of application of mind and revenue principles is ahead for the tax department of India
- (d) A new trend is seen in last decade.
- (e) Indian companies have a lot on stake as competition increases.
15. The Finance Commission is entrusted with periodic review and resolution of Central- State fiscal problems. It was the clear intention of the father of the India Constitution that all matters pertaining to normal Central-State financial adjustment should be scrutinized by the Finance commission..... An incidental and by no means

- insignificant advantage of the appointment of a Finance Commission has generally been to rekindle interest in issues pertaining to financial relations between the Centre and the States and to promote an enlightened national debate on the several facets of India's federal fiscal set-up. The role of the Indian Finance Commission is unique in many ways. It is one of few commissions provided in the constitution.
- which was given a pre-eminent role in the resolution of problems in fiscal federalism
 - Which was constituted with the vision of a modern India with modern facilities
 - Which was a dream of Father of Nation also
 - Which was to be unique in its ways and a constitutional body
 - Which was introduced as a backbone for Indian Economy
16. The art of medicine is the art of healing, not just treating, and not even just curing. Yet it is only when the art and science join hands that healing is best accomplished. The author then adds, remember that the practice of medicine is an art, not a trade, a calling, not a business, a calling in which your heart will be exercised equally with your head. This book is rare work of the art of medicine, from a very rare practitioner of the science of medicine.
- "mankind depends on science as equally on the art"
 - "for the mercy's sake let us have little less science and a little more art"
 - "let us consider science at par with art"
 - "let us forget what is art and what is science"
 - "do not blame medicine for it"
17. The thirteen Finance commissions cover a span of more than 60 years during which many conditions have changed. Correspondingly, the approach of the later commissions may be expected to be different in several respects from the earlier ones. Nevertheless, it is possible to discern certain common elements in the thinking of the successive Finance Commissions. Which have come to evolve gradually what may be called 'the Indian Finance Commission's approach to federal finance..... According to this approach, States' share of Central taxes is not allocated strictly on the basis of need. These problems and shortcomings come later in light but have caused what was not accounted at that time.
- And it happened to be in that way
 - There are several inadequacies in the approach of the Finance Commissions
 - Evolution is a long process and it is a same story for commissions
 - But they differ completely from them and each time new approach was looked for
 - This was based on the tax sharing basis principle of commissions
18. The Parihar is, for all practical purposes, a functional, fully fitted out submarine. After this brief ceremony, the submarine is to be towed out for the first time across the naval dockyard and moored in an enclosed pier called Site BravoOver the next few months, it will commence a series of harbour trials. The primary system, a nuclear reactor, generates the heat which drives the secondary system, a steam turbine which spins the submarine's propeller, is to be tested separately. First, the steam turbine is to be jumpstarted with shore based supply. The next significant step will be starting up the submarine's nuclear reactor where Zirconium rods in the core of the submarine's pressurized water reactor will be slowly raised.
- It is the advent of new technology in India
 - It has entered in chain reaction chamber
 - It is like coming out from maternity ward to nursery
 - It is unprecedented step to start such a sequence of processes
 - It is very critical for a nuclear submarine
19. For all those women who perpetually complained about how all cars are designed for men, company is out with a car especially suited for them. The Your Concept Car..... is a dream come true. It has a keyless entry, additional storage space, a lower hood and the back seat screen going all the way till the rear end so that you know exactly where the car ends. Add to this a parking aid for parallel parking and their most advanced technology, Ergo vision that scans the body at the dealership, stores the data and every time you hop into the car, automatically adjusts the height of the seat, the steering wheel, the distance between them and everything else to your specifications. Even though it is a concept car that will not hit the roads, its women-friendly features have been incorporated in some of the other cars.
- The first to be designed by experts
 - The first to be launched by company
 - The first to be the concept car
 - The first to be designed by all women team
 - The first to with so many features
20. The growing importance of Union excise amongst the shared taxes and the ascendancy of population as the principal basis of distribution are the two salient features of tax-sharing determined by the Finance Commissions. The finance Commission is called upon to determine the State that would be in need of grant-assistance of the quinquennium under reference and the amount of such assistance in each case. The first Finance Commission laid down some important principles governing the determination of grants -in-aid for States.
- These principles have been generally, endorsed by all the subsequent Commissions.
 - These principles have been discarded by subsequent commissions
 - These principles were taken from the Finance commissions of the other countries
 - These principles were derivations from the elementary formulas of text books
 - These principles cannot be changed and are fixed
21. The biggest attraction of the public sector is that, for women with the same qualifications and skills it almost always pays better than does private industry. For men the differences are much less pronounced..... Figures are hard to come by, but in rich countries women typically hold 30-40% of senior managerial posts in central government. Hours and conditions too are usually more congenial and maternity arrangements more generous. So with better pay, conditions and promotion prospects, it is no wonder that the public sector is the employer of the choice for so many women.

- (a) The public sector is also more likely to promote women to senior jobs
- (b) The public sector provide safe working environment for the women.
- (c) Women are paid more than men in public sector
- (d) Public sector is better pay master than private banks for women
- (e) There is no issue in making a choice for women
22. The fiscal position of the Indian Governments - both Centre and States -has been under stress since the mid -1980s. The stress stems from the inadequacy of receipts in meeting the growing expenditure requirements. Reflecting the fiscal stress, the expenditure for development activities, which are directly related to growth, has suffered. On the other hand, expenditure on non-developmental purposes, largely committed, has witnessed a steady rise.in favour of developmental expenditure in order to enable higher growth. That the state of finances of States is in disarray is beyond dispute. The state finances have not been properly managed not only by the states but also by the planning commission and the central Government, which include economists who do not see states as autonomous responsible organizations.
- (a) The crucial issue, therefore, is to bring about improvement in the finances with a view to restructuring expenditure
- (b) The crucial issue, therefore, is to analyze the finances with a view to see what can be done to expenditure
- (c) Hence, it can be said that management of finances is important vis-à-vis management of expenditures
- (d) Therefore, Governments have to mend their way and balance the finances and the expenditures
- (e) What is expected in this scenario is a policy shift
23. Under taxation is at the roots of the Indian fiscal problems. The available evidence shows that the tax -GDP ratio in India is lower than the level it should have for its per capita GDP by at least 2.5 percent. It is, therefore important to focus reform efforts to increase the tax ratio. Of course, this does not mean that strategy to increase the tax ratio lies in increasing the tax rates. The strategy is to reiterate that tax administration is tax policy. All exemptions will not go. Politically, it is not possible. The world over, there was a time when we thought that equity in tax policy meant reducing the incomes of the rich. But today's tax philosophy is that equity in tax policy is increasing the incomes of the poor. The incomes of the poor cannot be increased by reducing those of the rich.....
- (a) As they are the central point of any economy their importance is preeminent
- (b) As they have the real remote control in their hands and poor cannot see that
- (c) As they have the capital for investment and give employment to the poor
- (d) As they have lobbying power to decide the fate of the poor
- (e) As they are capital rich and cannot be compared with poor
24.Enterprises worldwide are therefore, now putting in place an integrated framework for risk management, which is proactive, systematic and covers the entire organization.
- Banks in India are also moving from the individual silo system to an enterprise -wide risk management system. This is placing greater demands on the risk management skills in banks and has brought to the fore the need for capacity building. While the first mile-stone would be risk integration across the entity, banks would do well to aggregate risk across the group both in the specific risk areas as also across the risks.
- (a) Banks are most risk prone of all the financial institutions.
- (b) Banks were managing each risk independently, in isolation, which is no longer inadequate
- (c) It is about risk level at which an enterprise is operating to have or not have risk management system
- (d) Risk management in India is lagging for banks in comparison with other parts of world
- (e) What if risk becomes unmanageable and looks right in your face?
25. One of the most stubborn fallacies about inflation is the assumption that it is caused, not by an increase in the quantity of money, but by a "shortage of goods." It is true that a rise in prices (which, as we have seen, should not be identified with inflation) can be caused either by an increase in the quantity of money or by a shortage of goods or partly by both. Wheat, for example, may rise in price either because there is an increase in the supply of money or a failure of the wheat crop. But we seldom find, even in conditions of total war, a general rise of prices caused by a general shortage of goods." that even in the Germany of 1923, after prices had soared hundreds of billions of times, high officials and millions of Germans were blaming the whole thing on a general "shortage of goods"- at the very moment when foreigners were coming in and buying German goods with gold or their own currencies at prices lower than those of equivalent goods at home.
- (a) Yet so stubborn is the fallacy that inflation is caused by a "shortage of goods"
- (b) Yet people believe on such fallacy to unimagined level
- (c) Yet so wide is acceptance
- (d) Yet so timely and abrupt is response to fallacy
- (e) Yet more and more people started to believe on 'shortage of goods' fallacy
26. The cure for inflation, like most cures, consists chiefly in removal of the cause. The cause of inflation is the increase of money and credit. It is as simple as that. Although simple in principle; this cure often involves complex and disagreeable decisions on detail. Let us begin with the Federal budget. It is next to impossible to avoid inflation with a continuing heavy deficit. That deficit is almost certain to be financed by inflationary means-i.e., by directly or indirectly printing more money. Huge government expenditures are not in themselves inflationary-provided they are made wholly out of tax receipts, or out of borrowing paid for wholly out of real savings. But the difficulties in either of these methods of payment, once expenditures have passed a certain point, are so great that there is almost inevitably a resort to the printing press.

- (a) The cure for inflation, in brief, is to stop inflating
 (b) The cure for inflation, in brief, is to think positively
 (c) The cure for inflation is planning small things with little thoughts
 (d) The cure of inflation lies in inflation itself
 (e) The cure of inflation is hidden in understanding the cause of inflation.
27. The India Union has had more than 55 years of experience with fiscal federalism operating within the framework of the parliamentary democracy and planned economic development. A comprehensive review of fiscal federalism in independent India is, therefore, overdue. There have been feeble protests in form to time about the sprawling powers of the Central government eroding the foundations of fiscal federalism.....Now that single party has been dislodged from power in some of the States and parties of different hues and colours are holding office, a candid and comprehensive review of all the aspects of Centre- State relations and the working of fiscal federalism in particular is important and necessary.
- (a) But these voices were curbed by all parties.
 (b) But democracy does not allow a mechanism to redress this problem
 (c) But fiscal federalism is all about ignoring and moving on with protests
 (d) But these voices were drowned by the overwhelming influence of the same party at the centre and the States
 (e) But these protests died in with time for their feebleness
28. Do firms need banks, or can they make do with stock markets? Do firms need stock markets, or can they make do with banks? Alexander Gerschenkron long ago argued that economically "backward" countries could not trust decentralized capital markets to provide their largest firms sufficient funds..... More recently, finance theorists have reasoned from agency theory and the economics of information to much the same result. And the transition in Eastern Europe has given the issue a programmatic touch: what should scholars tell the new finance ministers to do about banks and stock markets?
- (a) Instead, they needed banks
 (b) Instead, they needed centralization mechanisms only
 (c) Hence banks and Stock markets are not needed
 (d) Therefore Banks score over Stock Markets for them
 (e) Banks or Stock markets both are not needed simultaneously
29. The Japanese economy is one of the third largest in the world The Japanese currency is the Yen. Japan's main export goods are cars, electronic devices and computers. Most important trade partners are China and the USA, followed by South Korea, Taiwan, Hong Kong, Singapore, Thailand and Germany. Imports: Japan has a surplus in its export/import balance. The most important import goods are raw materials such as oil, foodstuffs and wood. Major supplier is China, followed by the USA, Australia, Saudi Arabia, South Korea, Indonesia and the United Arab Emirates. Industries: Manufacturing, construction, distribution, real estate, services, and communication are Japan's major industries today. Agriculture makes up only about two percent of the GNP.
- Most important agricultural product is rice. Resources of raw materials are very limited and the mining industry rather small.
- (a) And it is going to achieve number one status sooner
 (b) It is eyeing for number one spot in world economy riding on its recent technological developments
 (c) Japanese Economy is going through recession and is bound to slip to lower stands in world economy
 (d) Only USA and China have a higher GNP.
 (e) It is only in terms of growth rate not in terms of GDP.
30. The prospect of renewed war between India and China is, for now, something that disturbs the sleep only of virulent nationalists in the Chinese press and retired colonels in Indian think-tanks. Optimists prefer to hail the \$60 billion in trade the two are expected to do with each other this year. But the 20th century taught the world that blatantly foreseeable conflicts of interest can become increasingly foreseeable wars with unforeseeably dreadful consequences. Relying on prosperity and more democracy in China to sort things out thus seems unwise. Two things need to be done. First, the slow progress towards a border settlement needs to resume. The main onus here is on China. It has the territory it really wants and has maintained its claim to Arunachal Pradesh only as a bargaining chip. It has, after all, solved intractable boundary quarrels with Russia, Mongolia, Myanmar and Vietnam
- (a) Surely it cannot be so difficult to treat with India?
 (b) Surely it will be more difficult with India?
 (c) Can it solve dispute with India with its non democratic values?
 (d) With India intentions are not clear.
 (e) In Indian markets, Chinese presence is increasing.
31.and the proponents of market reforms have no plans for those who do not have the resources and income to buy even two meals a day. The signals are clear that those who cannot pay for their food have no right to survive. These poorer sections of society are reduced to mere victims, beneficiaries, clients and recipients. In this dichotomous relationship, the state is seen as the 'dole giver' and the people the 'dole receiver'. It must be recognized that irrespective of market-governed politics, people remain bound to survival, livelihood and identity issues.
- (a) The governments have ceased to govern.
 (b) When the market is allowed to govern, the government becomes powerless to effect any radical social changes.
 (c) Elections have failed to make democracy distributive and justice oriented.
 (d) It is about market reforms and absence of plans for the poorest of the poor.
 (e) A patron-client relationship defines modern governments and the masses.
32. To succeed in today's crowded marketplace where most of the products and advertising look exactly the same, a small business owner must stand out, shouting above the din with a message so clear and compelling that prospects stop and take notice. It's a matter of business survival. Unfortunately, most entrepreneurs quickly retreat to the supposed security of sameness, soon to be lost in a sea of anonymity and a tidal wave of frustration. In effect, albeit at a subconscious level, they are saying, "I don't want to be different".

- In back room offices and store fronts everywhere, salespeople are telling business owners they should do this or that kind of ad because it worked so great for their competitor. The owners nod and sign on. It's already proven to be a winner, right? WRONG.
- (a) To make your advertising work, follow the principle if your competition is doing it, don't.
- (b) Following your competitor is a sure recipe for disaster.
- (c) Win the battle without a fight.
- (d) It will fill people with a sense of déjà vu.
- (e) You will do it at your own peril.
33. Google, the internet powerhouse, seeks to organize the entire world's information. The company has told publishers it will delay until November its work on copyrighted texts and will not scan any items that the copyright owner does not want included. The Assn. of American Publishers was outraged by this offer, saying Google is trying to turn copyright law inside out. Google should have to ask permission to copy a book for its database, they say, it shouldn't be up to publishers to object. Google argues that it is making a fair use of the books. The dispute could easily wind up in the courts. Building a guide to the contents of books is hardly the same as making bootlegged copies or plagiarizing. It's a monumental and costly task, and publishers have given no reason to believe they can do it for themselves. Unless their works are as well integrated with the Net as other forms of information and entertainment, they may be left waiting on the shelves for an audience that no longer bothers to walk through the stacks.
- (a) This has put both the internet search engine and the publishers on an unwarranted collision course
- (b) Since the case might drag on for years to the detriment of both the parties, an out of court settlement is well advised
- (c) Isn't it rather difficult, or even in fructuous to protect copyright on published text in this internet age?
- (d) Perhaps both the parties ought to try and appreciate the other's viewpoint, as well as legitimate apprehensions, but with the overall goal of the public good in mind.
- (e) Meanwhile, Google should show more respect for publishers' rights - and publishers should not make the mistake of using the strictures of copyright law to tie their own hands
34. Relations between the factory and the dealer are distant and usually strained as the factory tries to force cars on the dealers to smooth out production. Relations between the dealer and the customer are equally strained because dealers continuously adjust prices - make deals - to adjust demand with supply while maximizing profits. This becomes a system marked by a lack of long-term commitment on either side, which maximize feelings of mistrust. In order to maximize their bargaining positions, everyone holds back information - the dealer about the product and the consumer about his true desires.
- (a) As a result, 'deal making' becomes rampant, without concern for customer satisfaction.
- (b) As a result, inefficiencies creep into the supply chain.
- (c) As a result, everyone treats the other as an adversary, rather than as an ally
- (d) As a result, fundamental innovations are becoming scarce in the automobile industry.
- (e) As a result, everyone loses in the long run.
35. The tax system of India encourages borrowing by granting its taxpayers tax relief for interest paid on loans. The system also discourages saving by taxing any interest earned on savings. Nevertheless, it is clear that India's tax system does not consistently favour borrowing over saving, for if it did, there would be no _____
- (a) tax relief in India for those portions of a taxpayer's income, if any, that are set aside to increase that taxpayer's total savings
- (b) tax relief in India for the processing fees that taxpayers pay to lending institutions when obtaining certain kinds of loans
- (c) tax relief in India for interest that taxpayers are charged on the unpaid balance in credit card accounts
- (d) taxes due in India on the cash value of gifts received by taxpayers from banks trying to encourage people to open savings accounts
- (e) taxes due in India on the amount that a taxpayer has invested in interest-bearing savings accounts
36. Unemployment typically continues to rise even after GDP starts to increase, so pain for workers is far from over. Already 9.5% of the workforce is unemployed, and all of country's metropolitan areas reported unemployment rates of at least 10% in June. More jobless will probably mean less shopping and a slower recovery. The latest consumer-confidence numbers show that people are jittery. The quarterly GDP report also makes it clear that consumer spending, which rose slightly in the first quarter, dropped again in the second, by 1.2%. The good news, therefore, was more a result of government stimulus than evidence of a real, sustainable recovery in private demand.
- (a) A greater worry is the bleeding in country's labour market.
- (b) The Finance Department has revised its estimates of just how bad 2008 really was.
- (c) Figures released by Commerce Department confirmed what most had been expected
- (d) New GDP figures suggest some hope for country's economy. But the pain is far from over.
- (e) House prices still have a long way to go before they return to the level of a year ago
37. Everything in New Delhi is extreme. It is a city of the incredibly rich and the miserably poor. For the rich, there are expensive private schools and hospitals, concert halls and theatres - although fewer of those than formerly - and restaurants. The poor are on a hiding to nowhere: all public facilities, schools and hospitals and housing, are deteriorating. But then there are some world known social workers in it. There are thousands of heroin addicts, and an equal number of carriers of the Aids virus. This is Delhi for you.
- (a) But then there are thousands of people who are social workers
- (b) But then some of rarest examples of humanity come from this city

- (c) But then there is a faith in the City
(d) But then there are people addict to charity and altruism also.
(e) But then there are people who are totally against the drugs and faithful to their partners
38. Computers are used in banks for a variety of reasons. They help bank personnel operate more efficiently and effectively. Computers are used to track certain transactions and they help process other customer information as well. Without computers, it would be very hard for a bank to offer good customer service day in and day out. Computers help a bank save time and money, and can be used as an aid to generate profits. In nutshell they have become indispensable part of the banks. Bank personnel become so helpless in absence of their machine that nervousness is evident on their faces while technical glitch renders the computer systems dysfunctional for a small period of time. once again queues starts to move and crowd starts to thin with fingers starting to work on keyboards; nervousness has made way for confidence of knowing everything at just a click of mouse.
(a) Crowd starts to swell and nervousness starts to turn in fear of failure.
(b) A sense of relief spreads as the problem gets rectified.
(c) There is a condition of traffic jam in banks and everything comes to a halt.
(d) It is not their fault and they are excused for it.
(e) Technology comes with its own disadvantages.
39. Some of the world's most expensive land can be found in central Mumbai. However, housing costs are distinctly lower in Mumbai's suburbs, surrounding prefectures and in other regions and cities of India. Additional commuting costs are often more than compensated by the savings on the rent, especially as many companies pay part or all of their employees' commuting expenses. If you prefer to live close to city centers, rented houses are an inexpensive option to consider. Utilities such as gas, water and especially electricity are expensive, and phone rates are high. For international calls, consider internet phones, callback services and other offers for the expat community.
(a) Consequently, even tiny apartments in the city center are very expensive
(b) This land is unauthorized land usurped by Land Mafia in the city
(c) A new bubble - Reality bubble similar to housing bubble of West is waiting to burst
(d) City is breathing on its seams
(e) The prices will continue to rise till Government comes out with an effective policy for reality prices in coming months
40. Now digest the main historical event of this week: China has officially become the world's second-biggest economy, overtaking Japan. In the West this has prompted concerns about China overtaking the United States sooner than previously thought. But stand back a little farther, apply a more Asian perspective. These two Asian giants, which until 1800 used to make up half the world economy, are not, like Japan and Germany, mere nation states. In terms of size and population, each is a continent-and for all the glittering growth rates, a poor one.
(a) China's longer-term contest is with that other recovering economic behemoth: India
(b) China's longer term contest with USA is going to end in near future
(c) China is now focusing on Asian Market space more than other markets
(d) China is going in tandem with other Asian economy - India
(e) China's long term border dispute with India affects Asian economy's growth rate
41. North India lies in the Indo-Gangetic plain. Towards the North is the Himalayas, which separates the country from Central Asia. The Vindhya ranges separate the North from the South. South India is situated in the Peninsular Deccan Plateau. This region has the Arabian Sea in the west, Bay of Bengal in the east and Indian Ocean in the south. When talking about the racial differences, the North Indians are termed as Aryans, and the South Indians as Dravidians. In physique as well, there are many differences between the people of the South and North. The North Indians are taller, and more strongly built than the South Indians. The South Indians are a bit darker than the North Indians. Salwar Kamiz is the widely used dress by North Indian women. On the other hand, women in the South wear saris. While men in the North wear Salwar, the men in South prefer dhotis. Another difference that can be seen between North and South India is their food. When compared to the North Indian food, the South Indian food is spicier. The South Indians use more tamarind and coconut when compared to North Indians. The North Indians use more milk products when compared to the people of South India. When talking about the culture, there is vast difference between North and South India. One can come across differences in their music (Northern Hindustani and Southern Carnatic), dance forms and folks.
(a) A big difference is in their style of living
(b) A big difference is in their fashion statements
(c) A big difference can be seen in their dressing styles
(d) A big difference arises in their taste for clothes based on their earnings
(e) A big difference can be seen in their climate that demands different dressing styles
42. An open economy is an economy in which there are economic activities between domestic community and outside, e.g. people, including businesses, can trade in goods and services with other people and businesses in the international community, and flow of funds as investment across the border. Trade can be in the form of managerial exchange, technology transfers, all kinds of goods and services. Although, there are certain exceptions that cannot be exchanged, like, railway services of a country cannot be traded with another. To avail this service, a country has to produce its own. This contrasts with a closed economy in which international trade and finance cannot take place. The act of selling goods or services to a foreign country is called exporting. The act of buying goods or services from a foreign country is called importing.

- There are a number of advantages for citizens of a country with an open economy. One primary advantage is that the citizen consumers have a much larger variety of goods and services from which to choose. Additionally, consumers have an opportunity to invest their savings outside of the country. In an open economy, a country's spending in any given year need not to equal its output of goods and services. A country can spend more money than it produces by borrowing from abroad, or it can spend less than it produces and lend the difference to foreigners. There is no closed economy in today's world.
- (a) Together exporting and importing are collectively called trade
 - (b) Exporting and Importing are exclusive classes of trade
 - (c) Both are independent of each other and do not constitute the term 'trade'.
 - (d) Together they make GDP of a country
 - (e) Together they are indicators of influence of a country on world map
43. A no budget film is a produced film made with very little, or no money. Young directors starting out in filmmaking commonly use this method because there are few other options available to them at that point. All the actors and technicians are employed without remuneration, and the films are largely non-profit,..... or uses a very minimum "crew" of volunteers to assist him/her on such projects where no money or financing is available, not including the cost of film. No-budget films are made every day with video tapes and consumer cameras.
- (a) Usually the director works alone on such films
 - (b) These films are huge employers in entertainment industry
 - (c) A team of experts two or three in number starts without any significant infrastructure
 - (d) Director is the cameraman, lightman, scriptwriter, screen player and sometimes even act himself in the film
 - (e) It is difficult task to find suitable people with desired skills, hence director works alone on such films
44. In finance, the term 'yield' describes the amount in cash that returns to the owners of a security. Normally it does not include the price variations, at the difference of the total return. Yield applies to various stated rates of return on stocks (common and preferred, and convertible), fixed income instruments (bonds, notes, bills, strips, zero coupon), and some other investment type insurance products (e.g. annuities)..... It can be calculated as a ratio or as an internal rate of return (IRR). It may be used to state the owner's total return, or just a portion of income, or exceed the income. It may be used for production output in other industries. Because of these differences, the yields from different uses should never be compared as if they were equal.
- (a) The term is a misnomer
 - (b) The term is understood differently by different people
 - (c) The term has no definite meaning
 - (d) The term is used in different situations to mean different things
 - (e) The term slightly differs in meaning from the textbook definitions
45. Market trends are fluctuated on the demographics and technology. In a macro economical view, the current state of consumer trust in spending will vary the circulation of currency. In a micro economical view, demographics within a market will change the advancement of businesses and companies. With the introduction of the internet, consumers have access to different vendors as well as substitute products and services changing the direction of which a market will go. Despite that, it is believed that market trends follow one direction over a matter of time, there are many different factors that can change this idea. Technology s-curves as is explained in the book The Innovator's Dilemma. It states that technology will start slow then increase in users once better understood, eventually levelling off once another technology replaces it.....
- (a) This proves that change in the market is actually consistent
 - (b) Change is inevitable
 - (c) Fluctuations with these changes do not last long
 - (d) Be prepared for the change
 - (e) Changing changes the fortunes
46. The financial year 2015-16 witnessed a slew of acquisitions across diverse sectors of the economy in India..... Of all sectors, steel was the most dominant in terms of stake sales as deals valuing \$ 3.862 billion took place in Q1 of 2015-16 by the Indian companies in the global arena. Energy ranked second, with automotive and auto components close on its heels. In the domestic segment, iron ore, aviation and steel were the most prolific in terms of mergers and acquisitions. With Indian corporate houses showing sustained growth over the last decade, many have shown an interest in growing globally by choosing to acquire or merge with other companies outside India. One such example would be the acquisition of Britain's Corus by Tata an Indian conglomerate by way of a leveraged buy-out. The Tata's also acquired Jaguar and Land Rover in a significant cross border transaction. Whereas both transactions involved the acquisition of assets in a foreign jurisdiction, both transactions were also governed by Indian domestic law.
- (a) These acquisitions are purely Indian but covering diverse sectors ranging from automobiles to Steel
 - (b) Acquisitions are like a big shark swelling a small fish without noticeable fight put up by the latter
 - (c) Unlike in the past, such activity was not limited to acquisitions within India or of Indian companies
 - (d) Globalization has brought this trend to India and Indian companies are no longer isolated from its effects
 - (e) International law of acquisitions holds true for all the countries and binding on each member
47. But there is, in fact, a vast difference. Merger generally refers to a circumstance in which the assets and liabilities of a company (merging company) are vested in another company (the merged company). The merging entity loses its identity and its shareholders become shareholders of the merged company. On the other hand, an amalgamation is an arrangement, whereby the assets and liabilities of two or more companies (amalgamating companies) become vested in another company (the amalgamated company).

The amalgamating companies all lose their identity and emerge as the amalgamated company; though in certain transaction structures the amalgamated company may or may not be one of the original companies.

- (a) Very often, the two expressions “merger” and “amalgamation” are used synonymously
 - (b) ‘Merger’ and ‘amalgamation’ are terms that can be used interchangeably but up to a limit
 - (c) ‘Merger’ and ‘amalgamation’ are synonymous to each other
 - (d) ‘Merger’ and ‘amalgamation’ are not synonymous to each other
 - (e) Words ‘merger’ and ‘amalgamation’ should be used cautiously
48. Being one of the central banks which was involved in the exercise of drawing up the Core Principles, the Reserve Bank of India had assessed its own position with respect to these Principles in 1998. The assessment had shown that most of the Core Principles were already enshrined in our existing legislation or current regulations. Gaps had been identified between existing practice and principle mainly in the areas of risk management in banks, inter-agency cooperation with other domestic/international regulators and consolidated supervision. Internal working groups were set up to suggest measures to bridge these gaps and their recommendations have been accepted by the Board for Financial Supervision and are now in the process of being implemented. Given the spread and reach of the Indian banking system, with over 60,000 branches of more than 100 banks..... However, the Reserve Bank of India is committed to the full implementation

of the Core Principles. The Bank also serves on the Core Principles Liaison Group of the BCBS, which has been formed “to promote the timely and complete implementation of these principles worldwide”.

- (a) implementation is a challenge for the supervisors
 - (b) implementation is impossible
 - (c) implementation should be done on trail basis
 - (d) implementation is a problem for supervisors
 - (e) implementation is a long process to take years
49. Indian banks having overseas operations are required to lay down internal guidelines on country risk management and fix limits based on risk rating of the country. Limits should also be fixed for a group of countries in a particular risk category subject to a maximum ceiling fixed by RBI. In the normal course, prudential exposure norms apply to all loans and investments overseas including loans to sovereign entities Adequacy of the bank’s policy on identification, measurement and control of country risk is assessed during onsite inspection by host country representatives. It is also monitored through a quarterly return on country-wise counter party exposure.
- (a) The overseas branches are governed by the host country regulations also
 - (b) Host country is speculative for the success of these branches
 - (c) Banks and host countries conduct joint audits in branches in that country
 - (d) Host country regulations do not bind on these overseas branches
 - (e) Success of overseas branches depend on only the policies of host countries

ANSWER KEY

1	(a)	6	(c)	11	(a)	16	(b)	21	(a)	26	(a)	31	(b)	36	(d)	41	(c)	46	(a)
2	(c)	7	(d)	12	(a)	17	(b)	22	(a)	27	(d)	32	(b)	37	(d)	42	(a)	47	(a)
3	(c)	8	(a)	13	(a)	18	(c)	23	(c)	28	(a)	33	(d)	38	(b)	43	(a)	48	(a)
4	(d)	9	(a)	14	(a)	19	(d)	24	(b)	29	(d)	34	(d)	39	(a)	44	(b)	49	(a)
5	(a)	10	(d)	15	(a)	20	(c)	25	(a)	30	(a)	35	(a)	40	(a)	45	(a)		

Hints & Explanations

- (a) Passage is about the cheap labour and its advantage while competition from the other countries with even cheaper labour is there. Part before the blank space discusses the same thing like overtaking from these cheaper countries. Next part should have something (as sentence starts with 'therefore') that makes India vigilant about the fact and option (a) is having that part additionally it contains the information how India should build on the advantage it had of cheap labour as discussed in major part of the passage; hence, this is the best sentence to finish the passage. From the other options, (b) is second best and can be an option in absence of (a). Option (c), (d), (e) are not logical.
- (c) Option (a) is wrong as scrapping of the EIA is not discussed in any part of the passage. Rather improvement is discussed in subsequent part after the blank space. Option (b) and (e) are totally out of place as these do not go in with theme of passage. Only option which is brief and accurate for the blank space and connects two parts of passage is (c). As this is a general statement and can be inserted in without affecting the sense in which passage is flowing. Option (d) is also not right for its negative approach.
- (c) It has been already given that all the institutes work in coordination; so, option (d) and (e) is redundant and repeating same thing in different manner. Sentence indicates that though these institutions work in coordination these are having different responsibilities to shoulder. But again there are two options which are nearly saying same thing - option (b) and Option (c). But in option (b) 'different direction' is not right. If they are working in different directions, then what is the need of coordinating? Option (a) is not correct for the context.
- (d) Statement after the blank space contradicts what is said in the option (a). So it is not right. Membership is not being discussed here so option (b) is also not right. Reason of option (a) goes with option (c) also. Option (e) is totally wrong. Only option which comes appropriate with the passage content and position of blank space is option (d).
- (a) Option (e) is too general and can be avoided. Option (b) is not right as Issue is related to the India not the world, so role of World Bank looks irrelevant in this context. Discussion in parliament is too farfetched in option (c). Option (a) rightly indicates that Indian Government's policy for the matter discussed in passage would be instructive. Option (d) is out of context for its deviation from the topic.
- (c) Market is being discussed here not the countries. Option (e) is fit for the context but not for the place of the blank space where immediately before it shielding the markets is being described and immediately after conflict between the Indian and foreign entrepreneur is given. Conflict of countries is not given. So this open is too wide in its scope for the blank space and hence cannot be appropriate. Other options are inappropriately distant from the context.
- (d) Passage is a comparison of Centre and State Government's plans, finances and expenditures. In this particular portion of passage which has the blank part, it is mentioned that State finances are increasing at rapid rate and now they have more liberty for spending on expenditures; meanwhile, a comparison is also done with centre's expenditures in part following the blank space; so, option (d) which encompasses this sense of part of passage is correct filler. Option (a) is opposite of what is being said in the passage. Option (b) and (c) discusses revenues and borrowing of centre which is not mentioned or intended in the passage so these are incorrect. Option (e) is repetition of what is given in statement after the blank space.
- (a) Option (e) is doubtful as it seems to be judgment than a closing sentence. Legality of budget cannot be ascertained through the passage. It is not a promise either. Only option (a) captures the theme of passage in single sentence. Hence it is the finishing sentence.
- (a) Blank part should take some common perception of budget as the passage wants to indicate that the budget is not this.... but it is that..... and option (a) in best captures the essence of this logic.
- (d) As a study report is not a legal document it is not binding on anyone. Sentence represents study in a

- lighter vein so it must not be taken seriously but as the study is done there must be some purpose of it and results at least is taken note of. This logic brings to the option (d) which is correct part to complete the incomplete sentence of passage.
11. (a) Only option (a) seems to be logical for the context. As subsequent part of passage shows how it was a problem to bail out one and to deny other the same resources. Option (d) and (e) are out of place.
 12. (a) It is only logical option, other options do not follow any logic. If income is less than expenditure then there is definitely a loss.
 13. (a) As the passage says that risk aggregation is new at the beginning of passage it can be inferred that most banks are yet to conceptualize it in their processes. Hence option (a) is correct. Option (c) is farfetched conclusion. Option (d) is repetition of what is being stated in passage earlier. So it cannot be the answer.
 14. (a) Passage is about non-resident Indian entity and its tax deduction. Other options are not in the context of passage as they talk about the things which are not given or can be inferred from the passage.
 15. (a) Before the blank space, centre-state problems are discussed and after the blank, advantage of finance commission is given in this regard. So option (a) in right approach has shown finance commission in connection with both the problems and its own advantage. Option (c) is out of context. Option (d) is also mentioned in passage in later parts. Option (e) can be true but not the best answer.
 16. (b) Option (b) is right as it has connection with what is said in the passage after the blank space. Mercy in this option connects well with not a trade, not a business etc.
 17. (b) Last part of passage is about shortcomings given in the statement of option (b). New approach in option (d) can fit but leaves the passage stranded and two parts before the blank and after the blank cannot be joined through this option.
 18. (c) The submarine is newly developed and introduced. It is like coming out from maternity ward to nursery.
 19. (d) As this car is specially designed for the women it can be said that car is designed by all women team. This is the best option which emphasizes the point of passage.
 20. (c) First finance commission laid down some of the principles which were followed by subsequent commissions is a positive statement which is the tone of passage. Passage presents the finance commission in positive light. Option (e) and (d) are doubtful and cannot be reached from the passage.
 21. (a) In this part of passage a comparison of women with men in public or private sector is given with balance tilting to side of women. When preference is given to women in a particular sector then promotion to senior position is also imminent. Hence this option is best one to choose.
 22. (a) Passage portion is not about the management of finances but the improvement in finances and restructuring of expenditures. Mending the ways of government is too strong a statement and does not apply here.
 23. (c) Only option (c) is logical and sensible as rich cannot be centre point of any economy. They do not have the remote control either. Option (e) is just general statement and not in sync with passage. Fate of poor in the hands of rich seems irrational.
 24. (b) Certain words in other options make them doubtful - 'most' in option (a); 'Risk level' in option (c). Comparison with other parts of world is not intended here as given in option (d).
 25. (a) All options can fit. But the best one is (a) because It emphasizes the point said initially in the passage with word 'stubborn'. It relates with German issue coherently. It has detail definition of fallacy which is a requirement when one thing is being discussed again after a long gap in passage.
 26. (a) Next sentence after the blank space suggests that blank should have something simple about the inflation. This simple thing should be logical and sensible. Option (a) is simple and goes well with the flow of passage. Option (d) is not right as cure cannot lie in inflation itself. Option (e) is repetition of what was said in the introduction of passage.
 27. (d) Options like (e) and (b) are doubtful as passage does not mention such a thing in any of its part. Option (a) talks about all parties but the next statement after the blank space is contradicting it. Option (c) is negative and for fiscal federalism, passage discusses its plight not its shortcoming or of democracy as given in option (b). Only option that can fill the blank for matching with the content of passage is option (d). This sentence and next sentence both are a combination and coherent in flow.
 28. (a) Other options cannot be inserted in the blank space as they are not logical and in sync with passage. Option (b) can be right if 'only' is removed from it. Use of 'only' makes it incorrect. Banks and Stock markets are decentralization agents and hence are needed as per passage in this way option (c) is against the passage. Then option (d) unnecessarily will introduce comparison between banks and stock markets while passage presents both in as a pair. Option (e) is also wrong on the basis of this logic.
 29. (d) This question is to be solved by reading whole passage as no immediate connections can be derived with sentence preceding the blank space and one following it. If Japan is third then which one are two other - it is answered in option (d). USA and China are referred to in the entire passage. So they can be the other two. Option (a) is hypothetical in nature and needs some explanation to follow after it. Option (b) also needs some base. This is the case with option (c) and option (e).

30. (a) Last sentence shows that China has solved border dispute with a number of countries, while the passage is mainly about the relationship of India and China. This indicates that finishing statement should also be about improvement in relationships of India and China. This is given in all options. But option (a) poses a valid question as passage shows that relationships between two countries are improving. From the other options (d) is not correct as positive improvements are illustrated in passage. Markets of option (e) are not discussed here in passage. Option (b) is opposite to the spirit of the passage.
31. (b) As per the passage in starting portion, it has been given that market oriented people do not have plans for poor people or in other words no social agenda which is definitely the priority of any government. But if power of government is transferred to others (market forces in this case), then there would not be any radical social change. From the other options, (c) discusses elections but there is nothing related to elections in the passage. Option (d) is contradicting what is said in the statement following the blank space. Option (e) seems to be a finishing sentence rather than an opening sentence as it is related to last part of passage not with the starting part.
32. (b) Option (b) vehemently represents the sense of the passage; additionally it contains a message that author wants to convey. One more point that supports this option is it fits well with the capitalized word (which is of course used to emphasize) WRONG. Hence strong message should follow it.
33. (d) This option is right as it does not judge or present an opinion rather it comes up with a possibility with right approach i.e. positive and covers legal aspect of matter as well. Other options are more or less judgments or opinions that do not qualify as finishing /closing statement.
34. (d) All other options except (e) are rephrasing of already discussed facts of passage. But Option (e) is incomplete as it does not show what can be the loss specifically. But option (d) shows it. It can be inferred that holding back information would lead to lack of innovations in auto industry, these innovations can be in supply chain for dealers, new car models with improved performance at cheap pricing for customers/ end users and increased profit for company.
35. (a) Understand it this way - Although savings is discouraged, borrowings are not encouraged for a longer (persistent) period. This question is a difficult one. Best method to solve these types of questions is to use elimination method. Option (c) is out of context as talking about credit cards is rejected. Option (d) involves giving gifts by banks for opening saving account which seems to be giving triviality to the matter of paragraph. Option (e) is second best option. But contradicts what is said in passage.
- Option (a) is best answer for the blank space as it supports only what is given in passage.
36. (d) Passage shall start with a hope in the GDP figures as in next sentence that hope fades away. See the use of word 'even after' this indicates that incident detailed here should have happened before it. Another thing that goes in favour of option (d) is that it shows the pain of unemployment and its sustenance which is a major issue highlighted in paragraph.
37. (d) 'Also' of this statement connects well with the preceding sentence. Passage presents Delhi in two different shades. And this statement complements the negative statement just before the blank space. The same example is given earlier in passage - on one hand, social amenities deteriorating while on the other hand world known social workers are also working in Delhi. In the same sense while there are people with addiction for wrong things, there are also people with addiction to right things.
38. (b) Passage can be divided in two parts - one before the blank space and another after the blank space. First part says that bank people are nervous as computer systems are not working. Second part says that queues get thinner. It means problem mentioned in first part gets rectified and effect of it is seen in second part.
39. (a) This option connects well with the opening statement. Second option cannot be reached through passage. Third option also needs some mentioning in the passage. In absence of this linkage it does not qualify for the correct answer. Option (d) is irrelevant. Option (e) is again introducing governance issue that in absence of any elaboration in further reading of passage becomes inappropriate.
40. (a) 'These two Asian giants' hints reference of some Asian country in previous line. On this basis Option (b) is wrong. Option(c) is about only the China, Option (e) gives new dimension to passage by introducing border dispute which is unwarranted. Fight is between Option (d) and Option (a); latter scores over former as word 'behemoth' complements 'giants' of subsequent sentence.
41. (c) After the blank space two or three sentences are about the dressing styles of North and South Indians. It is not about the climate or earning based choice or fashion. Rather it is just the difference on general basis.
42. (a) This question is more of a checking of logic and sense than an understanding of the passage. Only export and import do not make GDP of a country. They are not the only indicators of influence of a country on world map. Option (c) is not logical and no sense prevails through it.
43. (a) Option (b) is not correct as it goes against the passage. Option (e) is illogical and does not fit as there is no reason why skilled people are not available. Option (d) seems frivolous on the basis of its impossibility. Experts are not discussed in passage. Only option which fits well in the context is director working alone on such films of low budget.

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| <p>44. (b) See the part of passage after the blank space - this gives a number of meanings of term 'yield' taken in different fields. This is the same thing which is stated in the passage. From the other options, text definition angle is wrong in (e). Option (d) is linking the term with situations which is not correct. Option (a) and (c) are false.</p> <p>45. (a) This is best option which expresses the fact illustrated in passage that the market is ever changing. Other options are generalized statements with no special linkage to passage.</p> <p>46. (a) Let us examine the validity of each and every option one by one - Only Indian is not right; overseas acquisitions are also discussed in passage. Acquisitions are not hostile always. This can be verified with the subsequent content of the passage. Globalization is not given in passage. This option is totally out of context.</p> <p>47. (a) In option (b) 'limit' is doubtful. Option (c) and Option (d) are incorrect and cannot be defined from the</p> | <p>passage. Option (e) applies too much caution which is not intended here. Option (a) is only option which in combination with next statement and is sensible.</p> <p>48. (a) Implementation can be a challenge for such a wide banking system of India but it cannot be impossible or problem (supervisors are there to implement). It is foolish to implement on trail basis on a vast scale. Option (e) can be true or false as passage does not elaborate on it.</p> <p>49. (a) A little reasoning is required to solve the question. If a foreign bank is operating in a country, then it shall be governed by the regulations of that country along with its original county. Then only that country will allow it to operate. On this logic option (d) can be rejected. Little extension of this logic discards the possibility of audit in country of origin. Hence rule out (c). Success does not depend on only policies of a country it demands a lot of other ingredients. Reject (e). Option (b) is inappropriate as passage does not support it.</p> |
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