

**Directions (1-8): Read the following passage and answer the following questions based on the given passage.**

The humble onion almost halted the onward march of the Reserve Bank of India (RBI) in its **endeavour** to bring down financial costs in the economy. Almost, because the RBI, despite finding its hands tied by rising inflation thanks to onion prices, found other means to drive down interest rates in the market, and in the system, in its monetary policy announcement on Thursday. At the press conference after the announcement, Governor Shaktikanta Das declared, only half in jest, that the proceedings of the Monetary Policy Committee, which decided to hold rates, had already been discounted by the market. “But don’t discount the RBI,” he warned, pointing out that the central bank had at its disposal various instruments. True to the statement, the RBI unleashed several measures that had an electric effect on the markets, driving down bond yields by 10-20 basis points in a matter of a minute. The exemption to banks from providing for cash reserve ratio on fresh retail loans disbursed after January 31 to purchase automobiles and residential houses, and to MSMEs, will help banks shave off a part of their costs. The hope is that they will pass on at least a part of that saving to borrowers as lower rates. Second, the introduction of one- and three-year term repos at policy rate of 5.15% for a total of ₹1 lakh crore is also aimed at prodding rates downward as banks now pay 6%-6.5% on deposits. Third, the RBI has fine-tuned its liquidity management process in a manner designed to help banks manage their interest costs better.

Whether banks really do what the RBI has signaled to them — transmit lower rates to borrowers — depends on various factors, not the least of which is demand for credit. The RBI’s statement that it would maintain an **accommodative** stance “as long as necessary to revive growth” clearly signals its commitment to growth. By explicitly saying that there is “policy space available for future action”, the RBI has signalled that there could be at least one more cut in the months ahead in this rate-easing cycle. The decision to extend the one-time restructuring of MSME loans, linking pricing of loans to medium enterprises to an external **benchmark**, and the nod for permitting extension of date of commencement of commercial operations for loans to commercial real estate are all welcome measures that raise questions of excessive forbearance but will certainly help the industry. The inflation projection — 6.5% in the current quarter and 5.4%-5.0% in the first half of 2020-21 — reflects the current realities. The projected GDP growth of 6% for 2020-21 appears achievable, assuming that the nascent signs of recovery sustain. The RBI has gone on the front foot to boost growth in this policy after the conservative Budget presented last week. It is to be hoped that these steps will change the sentiment in the economy.

Q1. What are the various ways RBI opted which have an immediate effect on the market?

- (a) Exempting banks from providing for cash reserve ratio on fresh retail loans to purchase automobiles and residential houses, and to MSMEs
- (b) Introduction of one- and three-year term repos at policy rate of 5.15% for a total of ₹1 lakh crore.
- (c) Tightening the liquidity management process of the banks.
- (d) Only (a) & (b)
- (e) All (a), (b) & (c)

Q2. What is the core intent in exempting the banks from providing for cash reserve ratio to MSME?

- (a) Lenders have started considering restructuring loans to stressed small businesses.

- (b) It will avoid bankruptcy and the lenders typically receive more than what they would through a bankruptcy proceeding.
- (c) It will help banks to shave off a part of their costs.
- (d) It will reduce bank debt levels by converting debt into equity eventually will increase confidence in the financial system.
- (e) None of these.

Q3. What is the need of introducing one- and three-year term repos at 5.15%?

- (a) The introduction of one- and three repos was introduced in lieu with the global compliance with the policy rates.
- (b) The Bond market immediately reversed its bearish trend after the introduction of Repo rate.
- (c) Banks have to provide higher interest now.
- (d) It will target the medium term inflation at 4% levels.
- (e) None of these.

Q4. Which of the following measures mentioned in the passage that will eventually help the industry?

- (a) Extending the one-time restructuring of MSME loans
- (b) Bond yields climbed, which allows banks to charge higher interest rates on mortgages and other loans.
- (c) Linking pricing of loans to medium enterprises to an external benchmark.
- (d) Permitting extension of date of commencement of commercial operations for loans to commercial real estate.
- (e) Only (a), (c) & (d)

Q5. What could be the appropriate title for the above mentioned passage?

- (a) Govt overdraft from RBI hints at worries on finances
- (b) The RBI's efforts to boost growth could change the sentiment in the economy.
- (c) Federal Reserve Holds Benchmark Rate Steady
- (d) RBI Plans to set up Alternative Retail Payments System
- (e) None of these.

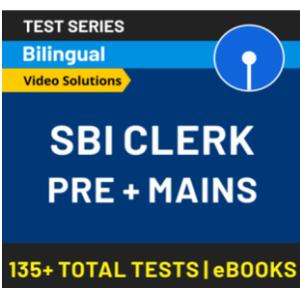
**Directions (6-7): Choose the word/group of words which is most SIMILAR in meaning to the word/group of words printed in bold as used in passage.**

Q6. **Endeavour**

- (a) Entertainment
- (b) Inactivity
- (c) Attempt
- (d) Obligation
- (e) None of these.

Q7. **Accommodative**

- (a) Exemption
- (b) Presence
- (c) Slowdown
- (d) Distribution
- (e) Reconciling



**Directions (8): Choose the word/group of words which is most OPPOSITE in meaning to the word/group of words printed in bold as used in passage.**

**Q8. Benchmark**

- (a) Standard
- (b) Insignificance
- (c) Service
- (d) vociferous
- (e) propitious

**Directins (9-15): Given below the sentences each of which has been divided into four parts. Each of the questions is then followed by the five options which give the sequence of the rearranged parts. You must choose the option which gives the correct sequence of the parts. If the sentence is already arranged in the correct sequence or the correct sequence doesn't match with any of the given sequence, mark option (e).i.e. "None of the above" as your answer.**

Q9. fast track since listing, they got a (A)/ by about 180% in the December quarter (B)/ further boost after profits jumped (C)/ while IRCTC shares have been on a (D).

- (a) ADCB
- (b) DCBA
- (c) ABDC
- (d) DACB
- (e) None of the above

Q10. The history of economic development suggests (A)/ to becoming developed nations, (B)/have done so on the basis of a manufacturing-led exports revolution (C)/most countries that have gone from being developing (D).

- (a) ADBC
- (b) ACDB
- (c) BDAC
- (d) DABC
- (e) None of the above

Q11. attacks to justice for years (A)/ Pakistan to bring the (B)/India has been urging (C)/ perpetrators of the Mumbai (D).

- (a) ADCB
- (b) DCBA

- (c) CBDA
- (d) DABC
- (e) None of the above

Q12. of the laboratories of the Defence Research and Development Organization (A)/ field of snow and avalanches and to provide avalanche control measures (B)/ located at Chandigarh with its primary function to do research in the (C)/Center for Snow and Avalanche Study Establishment (SASE) is one (D).

- (a) ADCB
- (b) DCBA
- (c) DACB
- (d) DABC
- (e) None of the above



Q13. Molecules synthesised by autotrophs (A)/ obtain energy from abiotic sources (B)/ Heterotrophs are organisms that cannot (C) / and rely on energy-rich organic (D).

- (a) BDAC
- (b) DCBA
- (c) CBDA
- (d) DABC
- (e) None of the above

Q14. expensive domestically produced products (A)/Domestic inflation in mobile phone handsets (B)/ people are being forced to buy more (C)/ has risen over the years, showing that (D).

- (a) ADCB
- (b) CDBA
- (c) BDCA
- (d) DABC
- (e) None of the above

Q15. judiciary to complete the legal process without undue delay (A)/ are required to find the culprits briskly and the (B)/ weighs upon legal institutions, as the police (C)/ the societal pressure for justice invariably (D).

- (a) ADCB
- (b) DCBA
- (c) ABDC

- (d) DABC
- (e) None of the above

Directions (16-20): **In the following questions, a sentence is given with a blank. The sentence is then provided with five options which consist of the words that can fill the given blanks. Choose the option as your answer which can fill the given blank to make it a grammatically correct and contextually meaningful sentence. If none of the given options fills the given blanks then choose option (e), 'None of these' as your answer.**

Q16. Ireland has experienced severe shortfalls in affordable housing and health-care delivery, potentially \_\_\_\_\_ the party's return to government politically more delicate.

- (a) Exhibition
- (b) Economically
- (c) Rendering
- (d) Deserted
- (e) None of these

Q17. Vegetables remained \_\_\_\_\_, showing a 50% inflation rate, despite the recovery in onion prices.

- (a) Mitigate
- (b) Retribution
- (c) Costly
- (d) Undermines
- (e) None of these

Q18. As India aims to become a \$5-trillion economy, the banking sector has to start preparing for the next big leap.

- (a) Benefit
- (b) Transparent
- (c) Unsociable
- (d) Preparing
- (e) None of these

Q19. Twitter is an excellent medium to quickly \_\_\_\_\_ information, particularly for the WHO which has 5.1 million people followers.

- (a) Harnessing
- (b) Expansion
- (c) Disseminate
- (d) Extravagant
- (e) None of these

Q20. The procedure to convert a single screen theatre to a multiplex is \_\_\_\_\_ and costly.

- (a) Tedious
- (b) Time

- (c) Clownish
- (d) Unharmed
- (e) None of these



### Solutions

S1. Ans. (e)

Sol. Referring to the lines of the first paragraph, it is clear that all the options holds true. This makes our correct answer choice option (e) our answer. This can be inferred from the lines of the passage. "The exemption to banks from providing for cash reserve ratio on fresh retail loans disbursed after January 31 to purchase automobiles and residential houses, and to MSMEs, will help banks shave off a part of their costs. The hope is that they will pass on at least a part of that saving to borrowers as lower rates. Second, the introduction of one- and three-year term repos at policy rate of 5.15% for a total of ₹1 lakh crore is also aimed at prodding rates downward as banks now pay 6%-6.5% on deposits. Third, the RBI has fine-tuned its liquidity management process in a manner designed to help banks manage their interest costs better".

S2. Ans. (c)

Sol. Referring to the lines of the first paragraph, *"The exemption to banks from providing for cash reserve ratio on fresh retail loans disbursed after January 31 to purchase automobiles and residential houses, and to MSMEs, will help banks shave off a part of their costs. The hope is that they will pass on at least a part of that saving to borrowers as lower rates."* This makes our correct answer choice option (c) our answer.

S3. Ans. (c)

Sol. Referring to the lines of the first paragraph, Second, the introduction of one- and three-year term repos at policy rate of 5.15% for a total of ₹1 lakh crore is also aimed at prodding rates downward as banks now pay 6%-6.5% on deposits. This makes our correct answer choice option (c) our answer.

S4. Ans. (e)

Sol. Referring to the lines of the first paragraph, "The decision to extend the one-time restructuring of MSME loans, linking pricing of loans to medium enterprises to an external **benchmark**, and the nod for permitting extension of date of commencement of commercial operations for loans to commercial real estate are all welcome measures that raise questions of excessive forbearance but will certainly help the industry". There is nothing mentioned about the option (b). This will make our correct answer choice option (e).

S5. Ans. (b)

Sol. While going through the passages, it is clear that the only viable option that fits the passage would be option (b).

S6. Ans. (c)

Sol. The correct option is option (c).

Endeavour means try hard to do or achieve something.

This is similar to that of 'Attempt'.

Obligation means - the condition of being morally or legally bound to do something.

S7. Ans. (e)

Sol. The correct option is option (e).

The word Accommodative means tending to reconcile or accommodate; bringing into harmony.

This is similar to that of 'reconciling'.

S8. Ans. (b)

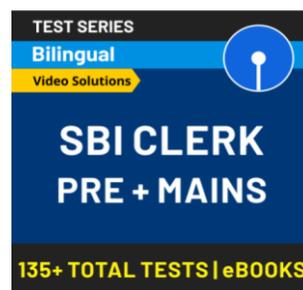
Sol. The correct option is option (b).

The word Benchmark means a standard by which something can be measured or judged.

This is similar to that of 'reconciling' which is an antonym of 'insignificance'

Vociferously means - conspicuously and offensively loud; given to vehement outcry.

Propitious means -presenting favorable circumstances; likely to result in or show signs of success.



S9. Ans. (d)

Sol. The correct sequence is DACB. The sentence after rearrangement is, "While IRCTC shares have been on a (D)/ fast track since listing, they got a (A)/ further boost after profits jumped (C)/by about 180% in the December quarter (B)".

Hence, option (d) is the right answer choice.

S10. Ans. (a)

Sol. The correct sequence is ADCB. The sentence after rearrangement is, "The history of economic development suggests (A)/most countries that have gone from being developing (D)/ to becoming developed nations, (B)/have done so on the basis of a manufacturing-led exports revolution (C)".

Hence, option (a) is the right answer choice.

S11. Ans. (c)

Sol. The correct sequence is CBDA. The sentence after rearrangement is, "India has been urging (C)/Pakistan to bring the (B)/perpetrators of the Mumbai (D)/attacks to justice for years (A)".

Hence, option (c) is the right answer choice.

S12. Ans. (c)

Sol. The correct sequence is DACB. The sentence after rearrangement is, "Center for Snow and Avalanche Study Establishment (SASE) is one (D)/ of the laboratories of the Defence Research and Development Organization (A)/located at Chandigarh with its primary function to do research in the (C)/ field of snow and avalanches and to provide avalanche control measures (B)".

Hence, option (c) is the right answer choice.

S13. Ans. (c)

Sol. The correct sequence is CBDA. The sentence after rearrangement is, "Heterotrophs are organisms that cannot (C) /obtain energy from abiotic sources (B)/and rely on energy-rich organic (D)/molecules synthesised by autotrophs (A)."

Hence, option (c) is the right answer choice.

S14. Ans. (c)

Sol. The correct sequence is BDCA. The sentence after rearrangement is, "Domestic inflation in mobile phone handsets (B)/ has risen over the years, showing that (D)/ people are being forced to buy more (C)/ expensive domestically produced products (A)".

Hence, option (c) is the right answer choice.



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S15. Ans. (b)

Sol. The correct sequence is DCBA. The sentence after rearrangement is, "The societal pressure for justice invariably (D)/weighs upon legal institutions, as the police (C)/are required to find the culprits briskly and the (B)/judiciary to complete the legal process without undue delay (A)."

Hence, option (b) is the right answer choice.

S16. Ans. (c)

Sol. 'rendering' can fill in the blank to make it a grammatically correct and contextually meaningful sentence. Hence, **option (c)** is the right answer choice.

S17. Ans. (c)

Sol. **Costly** can fill in the blank to make it a grammatically correct and contextually meaningful sentence. Hence, **option (c)** is the right answer choice.

S18. Ans. (d)

Sol. 'Preparing' can fill in the blank to make it a grammatically correct and contextually meaningful sentence. Hence, **option (d)** is the right answer choice.

S19. Ans. (c)

Sol. **Disseminate** can fill in the blank to make it a grammatically correct and contextually meaningful sentence. Hence, **option (c)** is the right answer choice.

S20. Ans. (a)

Sol. Tedious can fill in the blank to make it a grammatically correct and contextually meaningful sentence. Hence, **option (a)** is the right answer choice.

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