Reading Comprehension Questions For IBPS Clerk
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Instructions
Read the following passage carefully and answer the questions given below it. Certain words/phrases have been printed in bold to help you locate them while answering some of the questions.

Governments have traditionally equated economic progress with steel mills and cement factories. While urban centers thrive and city dwellers get rich, hundreds of millions of farmers remain mired in poverty. However, fears of food shortages, a rethinking of antipoverty priorities and the crushing recession in 2008 are causing a dramatic shift in world economic policy in favour of greater support for agriculture.

The last time when the world's farmers felt such love was in the 470s. At that time, as food prices spiked, there was real concern that the world was facing a crisis in which the planet was simply unable to produce enough grain and meat for an expanding population. Governments across the developing world and international aid organisations plowed investment into agriculture in the early 470s, while technological breakthroughs, like high-yield strains of important food crops, boosted production. The result was the Green Revolution and food production exploded.

But the Green Revolution became a victim of its own success. Food prices plunged by some 60% by the late 480s from their peak in the mid-470s. Policymakers and aid workers turned their attention to the poor's other pressing needs, such as health care and education. Farming got starved of resources and investment. By 2004, aid directed at agriculture sank to 3.5% and 'Agriculture lost its glitter'. Also, as consumers in high-growth giants such as China and India became wealthier, they began eating more meat, so grain once used for human consumption got diverted to beef up livestock. By early 2008, panicked buying by importing countries and restrictions slapped on grain exports by some big producers helped drive prices up to heights not seen for three decades. Making matters worse, land and resources got reallocated to produce cash crops such as biofuels and the result was that voluminous reserves of grain evaporated. Protests broke out across the emerging world and fierce food riots toppled governments.

This spurred global leaders into action. This made them aware that food security is one of the fundamental issues in the world that has to be dealt with in order to maintain administrative and political stability. This also spurred the U.S. which traditionally provisioned food aid from American grain surpluses to help needy nations, to move towards investing in farm sectors around the globe to boost productivity. This move helped countries become more productive for themselves and be in a better position to feed their own people.

Africa, which missed out on the first Green Revolution due to poor policy and limited resources, also witnessed a ‘change’. Swayed by the success of East Asia, the primary poverty-fighting method favoured by many policymakers in Africa was to get farmers off their farms and into modern jobs in factories and urban centers. But that strategy proved to be highly insufficient. Income levels in the countryside badly trailed those in cities while the FAO estimated that the number of poor going hungry in 2009 reached an all time high at more than one billion.

In India on the other hand, with only 40% of its farmland irrigated, entire economic boom currently underway is held hostage by the unpredictable monsoon. With much of India’s farming areas suffering from drought this year, the government will have a tough time meeting its economic growth targets. In a report, Goldman Sachs predicted that if this year too receives weak rains, it could cause agriculture to contract by 2% this fiscal year, making the government's 7% GDP-growth target look 'a bit rich'. Another green revolution is the need of the hour and to make it a reality, the global community still has much backbreaking farm work to do.

Question 1
What is the author's main objective in writing the passage

A Criticising developed countries for not bolstering economic growth in poor nations
B Analysing the disadvantages of the Green Revolution
C Persuading experts that a strong economy depends on industrialization and not agriculture
D Making a case for the international society to engineer a second Green Revolution
E Rationalising the faulty agriculture policies of emerging countries

Answer: D

Explanation: Throughout the passage, the author is talking about the need for a second Green Revolution. He mentions that some countries missed out on the first Green Revolution and they need to be onboard for the second one. Overall, the main point of the passage is that the author is batting for the engineering of a second Green Revolution.
Question 2
Which of the following is an adverse impact of the Green Revolution?

A. Unchecked crop yields resulted in large tracts of land becoming barren
B. Withdrawal of fiscal impetus from agriculture to other sectors
C. Farmers began soliciting government subsidies for their produce
D. Farmers rioted as food prices fell so low that they could not make ends meet
E. None of these

Answer: D

Explanation:
The author says "But Green Revolution became a victim of its own success....not seen for three decades". From these statements, we can understand that the adverse impact of Green Revolution was that the prices fell very low and farmers rioted. This is best captured in option d).

Question 3
What is the author trying to convey through the phrase making the government's 7% GDP growth target look 'a bit rich'?

A. India is unlikely to achieve the targeted growth rate
B. Allocation of funds to agriculture has raised India's chances of having a high GDP
C. Agricultural growth has artificially inflated India's GDP and such growth is not real
D. India is likely to rave one of the highest GDP growth rates
E. A large portion of India's GDP is contributed by agriculture

Answer: A

Explanation:
Goldman Sachs predicted that agriculture could contract by 2% this year and the 7% fiscal growth target would be difficult to meet. So, the author means that India is unlikely to achieve its targeted growth rate by his statement. Option a) is the correct answer.

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Question 4
Which of the following factors was/were responsible for the neglect of the farming sector after the green revolution?

(A) Steel and cement sectors generated more revenue for the government as compared to agriculture.
(B) Large scale protests against favouring agriculture at the cost of other important sectors such as education and healthcare.
(C) Attention of policy makers and aid organizations was diverted from agriculture to other sectors.

A. None
B. Only (C)
C. Only (B) & (C)
D. Only (A) & (B)
Question 5
What prompted leaders throughout the world to take action to boost the agriculture sector in 2008?

A. Coercive tactics by the U.S. which restricted food aid to poor nations
B. The realization of the link between food security and political stability
C. Awareness that performance in agriculture is necessary in order to achieve the targeted GDP
D. Reports that high-growth countries like China and India were boosting their agriculture sectors to capture the international markets
E. Their desire to influence developing nations to slow down their industrial development.

Answer: B

Explanation:
Consider the statement "However, fears of food shortages...support for agriculture". It is also mentioned in the passage that the food riots made the political leaders realize the importance of food security for political stability. From this we can infer that the realization of the link between food security and political stability, as mentioned in option b), led to the world and its leaders to take note of the problems in agriculture.

Question 6
What motivated the U.S. to focus on investing in agriculture across the globe?

A. To make developing countries become more reliant on U.S. aid
B. To ensure grain surpluses so that the U.S. had no need to import food
C. To make those countries more self-sufficient to whom it previously provided food
D. To establish itself in the market before the high-growth giants such as India and China could establish themselves
E. None of these

Answer: C

Explanation:
"This also spurred the US...to boost productivity." From this we can infer that the US focussed on investing in agriculture, in those countries to which it previously provided food supplies, in order to boost their productivity. Option c) is the best answer.

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Question 7
What impact did the economic recession of 2008 have on agriculture?

A. Governments equated economic stability with industrial development and shifted away from agriculture
B. Lack of implementation of several innovative agriculture programmes owing to shortage of funds
C. It prompted increased investment and interest in agriculture

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The GDP as targeted by India was never achieved because of losses in agriculture. None of these

Answer: C

Explanation:
The recession in 2008 led to fears of food shortage throughout the world. This led to increased interest in agriculture across the globe. Many countries also increased their investment in agriculture. So, option c) is the best answer.

Question 8
What encouraged African policymakers to focus on urban jobs?

A Misapprehension that it would alleviate poverty as it did in other countries
B Rural development outstripped urban development in many parts of Africa
C Breaking out of protests in the country and the fear that the government would topple
D Blind imitation of western models of development
E None of these

Answer: A

Explanation:
Swayed by the success of Asia, the African leaders thought putting farmers into modern and industrial jobs would alleviate poverty. This is best captured in option a).

Question 9
Which of the following had contributed to exorbitant food prices in 2008?
(A) Hoarding of food stocks by local wholesalers which inadvertently created a food shortage.
(B) Export of foodgrains was reduced by large producers.
(C) Diverting resources from cultivation of foodgrains to that of more profitable crops.

A None
B Only (C)
C Only (B)
D All (A), (B) & (C)
E Only (B) & (C)

Answer: E

Explanation:
Consider the statements “By early 2008, panicked buying....reserves of grain evaporated.” From this we can infer that statements B) and C) contributed to the exorbitant food prices after the recession in 2008. Option e) is the correct answer.
Question 10
Which of the following is true about the state of agriculture in India at present?

(A) Of all the sectors, agriculture needs the highest allocation of funds.
(B) Contribution of agriculture to India's GDP this year would depend greatly upon the monsoon rains.
(C) As India is one of the high-growth countries, it has surplus food reserves to export to other nations.

A Only (A) and (C)
B Only (C)
C Only (B)
D Only (B) and (C)
E None of these

Answer: C

Explanation:
Towards the end of the passage, the author talks about how the shortage of rains might reduce the output of agriculture and thereby its contribution to the national GDP. So, statement B) is correct. Statements A) and C) are either incorrect or they are not mentioned in the passage. So, option c) is the correct answer.

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Governments have traditionally equated economic progress with steel mills and cement factories. While urban centers thrive and city dwellers get rich, hundreds of millions of farmers remain mired in poverty. However, fears of food shortages, a rethinking of antipoverty priorities and the crushing recession in 2008 are causing a dramatic shift in world economic policy in favour of greater support for agriculture. The last time when the world's farmers felt such love was in the '70s. At that time, as food prices spiked, there was real concern that the world was facing a crisis in which the planet was simply unable to produce enough grain and meat for an expanding population. Governments across the developing world and international aid organisations plowed investment into agriculture in the early '70s, while technological breakthroughs, like high-yield strains of important food crops, boosted production. The result was the Green Revolution and food production exploded. But the Green Revolution became a victim of its own success. Food prices plunged by some 60% by the late '80s from their peak in the mid-'70s. Policymakers and aid workers turned their attention to the poor's other pressing needs, such as health care and education. Farming got starved of resources and investment. By 2004, aid directed at agriculture sank to 3.5% and 'Agriculture lost its glitter'. Also, as consumers in high-growth giants such as China and India became wealthier, they began eating more meat, so grain once used for human consumption got diverted to beef up livestock. By early 2008, panicked buying by importing countries and restrictions slapped on grain exports by some big producers helped drive prices up to heights not seen for three decades. Making matters worse, land and resources got reallocated to produce cash crops such as biofuels and the result was that voluminous reserves of grain evaporated. Protests broke out across the emerging world and fierce food riots toppled governments. This spurred global leaders into action. This made them aware that food security is one of the fundamental issues in the world that has to be dealt with in order to maintain administrative and political stability. This also spurred the U.S. which traditionally provisioned food aid from American grain surpluses to help needy nations, to move towards investing in farm sectors around the globe to boost productivity. This move helped countries become more productive for themselves and be in a better position to feed their own people. Africa, which missed out on the first Green Revolution due to poor policy and limited resources, also witnessed a 'change'. Swayed by the success of East Asia, the primary poverty-fighting method favoured by many policymakers in Africa was to get farmers off their farms and into modern jobs in factories and urban centers. But that strategy proved to be highly insufficient. Income levels in the countryside badly trailed those in cities while the FAO estimated that the number of poor going hungry in 2009 reached an all time high at more than one billion. In India on the other hand, with only 40% of its farmland irrigated, entire economic boom currently underway is held hostage by the unpredictable monsoon. With much of India's farming areas suffering from drought this year, the government will have a tough time meeting its economic growth targets. In a report, Goldman Sachs predicted that if this year too receives weak rains, it could cause agriculture to contract by 2% this fiscal year, making the government's 7% GDP-growth target look 'a bit rich'. Another green revolution is the need of the hour and to make it a reality, the global community still has much backbreaking farm work to do.
Question 11
Direction: Choose the word/group of words which is most similar in meaning to the word printed in bold as used in the passage.

STARVED
A Deprived
B Disadvantaged
C Hungry
D Fasting
E Emaciated
Answer: A

Explanation:
The word is used in the sentence “Farming got starved of resources and investment.” This means farming got deprived of resources and investment. So, the meaning of the word “starved” in this context is “deprived”.

Question 12
Direction: Choose the word/group of words which is most similar in meaning to the word printed in bold as used in the passage.

SLAPPED
A Beaten
B Imposed
C Withdrawn
D Avoided
E Persuaded
Answer: B

Explanation:
“Slapped” is used in the sentence “By early 2008,...restrictions slapped on grain exports by big producers...”. This means restrictions were imposed on the grain exports. So, the meaning of the word “slapped” in this context is “imposed”.

Question 13
Direction: Choose the word/group of words which is most similar in meaning to the word printed in bold as used in the passage.

PLOWED
A Cultivated
B Bulldozed
C Recovered
D Instilled
E Withdrew

Answer: B

Explanation:
The word plowed is used in the sentence "...international aid organizations plowed investment into agriculture....". This means the international organizations put in large amounts of money into agriculture. The most suitable meaning from the options is "bulldozed".

Question 14
Direction: Choose the word/group of words which is most opposite it meaning to the word printed in bold as used in the passage.

PRESSING
A Unpopular
B Undemanding
C Unobtrusive
D Unsuitable
E Unimportant

Answer: B

Explanation:
"Pressing needs" means demanding needs. So, the opposite of the word is undemanding.

Question 15
Direction: Choose the word/group of words which is most opposite it meaning to the word printed in bold as used in the passage.

EVAPORATED
A Absorbed
B Accelerated
C Grew
D Plunged
E Mismanaged

Answer: C

Explanation:
Evaporated means "got reduced". So, the opposite of this word is "grew".

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Instructions
Directions: Read the following passage carefully and answer the questions given below it. Certain words have been printed in bold to help you locate them while answering some of the questions.

Financial Inclusion (FI) is an emerging priority for banks that have nowhere else to go to achieve business growth. The viability of FI Business is under Question, because while banks and their delivery partners continue to make
investments, they haven't seen commensurate returns. In markets like India, most programmes are focussed on customer onboarding, an expensive process which people often find difficult to afford, involving issuance of smart cards to the customers. However, large-scale customer acquisition hasn't translated into large-scale business, with many accounts lying dormant and therefore yielding no return on the bank's investment. For the same reason, Business Correspondent Agents, who constitute the primary channel for financial inclusion, are unable to pursue their activity as a full-time job. One major reason for this state of events is that the customer onboarding process is often delayed after the submission of documents (required to validate the details of the concerned applicant) by the applicant and might take as long as two weeks. By this time initial enthusiasm of applicants fades away. Moreover, the delivery partners don't have the knowledge and skill to propose anything other than the most basic financial products to the customer and hence do not serve their banks' goal to expanding the offering in unbanked markets.

Contrary to popular perception, the inclusion segment is not a singular impoverished, undifferentiated mass and it is important to navigate its diversity to identify the right target customers for various programmes. Rural markets do have their share of rich people who do not use banking services simply because they are inconvenient to access or have low perceived value. At the same time, urban markets, despite a high branch density, have a multitude of low wage earners outside the financial net. Moreover, the branch timings of banks rarely coincide with the off-work hours of the labour class.

Creating affordability is crucial in tapping the unbanked market. No doubt pricing is a tool, but banks also need to be innovative in right-sizing their proposition to convince customers that they can derive big value even from small amounts. One way of doing this is to show the target audience that a bank account is actually a lifestyle enabler, a convenient and safe means to send money to family or make a variety of purchases. Once banks succeed in hooking customers with this value proposition they must sustain their interest by introducing a simple and intuitive user application, ubiquitous access over mobile and other touch points, and adopting a banking mechanism which is not only secure but also reassuring to the customer. Technology is the most important element of financial inclusion strategy and an enabler of all others. The choice of technology is, therefore, a crucial decision, which could make or mar the agenda. Of the various selection criteria, cost is perhaps the most important. This certainly does not mean buying the cheapest package, but rather choosing that solution which by scaling transactions to huge volumes reduces per unit operating cost. An optimal mix of these strategies would no doubt offer an innovative means of expansion in the unbanked market.

**Question 16**

Which of the following facts is true as per the passage?

A. People from rural areas have high perceived value of banking services.
B. Cost is not a valid criterion for technological package selection for financial inclusion initiatives.
C. The inclusion segment is a singular impoverished, undifferentiated mass.
D. The branch timings of banks generally do not coincide with the off-work hours of the labour class in urban markets.
E. All the given statements are true.

**Answer:** D

**Explanation:**

Given paragraph is about the Financial Inclusion strategy, reasons of its current failing and strategies for improving it. Options A, B and C are opposite of what is stated in the given passage and option D is clearly stated in the last line of the 2nd paragraph. Hence our answer will be D.

**Question 17**

According to the passage, for which of the following reasons do the delivery partners fail to serve their bank's goal to expand in the unbanked markets?

(A) They do not have adequate client base to sell their financial products.
(B) They do not have adequate knowledge and skills to explain anything beyond basic financial products to the customers.
(C) They do not have the skills to operate advanced technological aids that are a prerequisite to tap the unbanked market.

A. Only (B)
B  Only (C)
C  All (A), (B) & (C)
D  Only (A)
E  Both (B) and (C)

Answer: A

Explanation:
Reason for failure of delivery partners to serve their bank’s goals is stated in the last line of the first paragraph i.e. "the delivery partners don’t have the knowledge and skill to propose anything other than the most basic financial products to the customer and hence do not serve their banks’ goal to expanding the offering in unbanked markets."

So answer will be option A

Question 18
According to the passage, for which of the following reasons is the viability of financial inclusion under question?

A  Banks always prefer the cheapest package (to cust cost) while making a choice of technology to be used.
B  The Business Correspondent Agents are highly demotivated to pursue their activity as a full-time job.
C  The investments made by banks and their delivery partners are not yielding equal amounts of returns.
D  Banks do not have adequate number of delivery partners required to tap the unbanked market.
E  Banks do not have adequate manpower to explore the diversity of the unbanked market and thereby identify the right target customers for various programmes.

Answer: C

Explanation:
The Reason for questioning the viability of financial inclusion is given in the 2nd line of the first paragraph i.e. "The viability of FI Business is under Question, because while banks and their delivery partners continue to make investments, they haven't seen commensurate returns." Hence answer will be option C

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Question 19
In the passage, the author has specified which of the following characteristics of the customer on-boarding process?

A  It involves collection of documents from the applicants in order to validate their details.
B  It involves issuance of smart cards to the customers.
C  It suffers from latency as it takes a long time after submission of documents by the customer.
D  It is an expensive process which people find difficult to afford.
E  All of the given characteristics have been specified

Answer: E

Explanation:
In the first paragraph, author clearly states the various features of customer onboarding process i.e. most programmes are focussed on customer onboarding, an expensive process which people often find difficult to afford, involving issuance of smart cards to the customers. However, largescale customer acquisition hasn't translated into
large-scale business, with many accounts lying dormant and therefore yielding no return on the bank's investment.”

And all these features are stated in the given options, hence answer will be E.

**Question 20**

What did the author try to highlight in the passage?

(A) The ailing condition of financial inclusion business at present
(B) Strategies that may help banks expand in the unbanked market
(C) Role of government in modifying the existing financial-inclusion policies

A  Both (A) and (B)
B  All (A), (B) and (C)
C  Only (C)
D  Only (A)
E  Only (B)

**Answer: A**

**Explanation:**

As it is clear that given paragraph is about the ailing condition of current financial inclusion and strategies that can help to improve it in different markets. Hence, statements A and B highlight the essence of the paragraph and answer will be option A.
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