

Reading Comprehension Questions For SBI PO 2021



Direction (1 – 5) : Read the following passage carefully and answer the questions.

These are difficult times for America's free-traders. There is anger at 'globalism'. Even Americans who were in favour of the Trans-Pacific Partnership (TPP)-an ambitious new agreement between 12 Pacific-rim-countries- have turned against it. This may be linked to a globalisation of supply chains. Production of traded goods has become 'unbundled'. Firms once tended to design new gadgets and order the supplies needed to build them in a single factory or city. In the past few decades, more efficient global shipping and improvements in communications allow firms to spread production across far-flung locations to design a phone in America, source parts from several Asian economies, and assemble it in China. The share of parts and components in trade rose from 22% to 28% between 1980 and 2000. In 2005, trade in 'intermediate inputs' accounted for an estimate 56% of trade in goods and 73% in services across rich countries. This contributed to a dramatic acceleration in global trade growth. It also changed the way money workers view trade. As production has spread around the world, countries have specialized in different segments of the supply-chain. While those, such as China, with lots of low-cost labour, focused on manufacturing and assembly, more advanced economies followed a different path. Cities like New York and San Francisco enjoyed an initial advantage in the most lucrative bits of the modern supply chain: research and development, engineering and finance. As a result, growth in supply-chain trade has been a boon for the powerful and profitable firms with headquarters in those cities, and for the highly skilled, well compensated workers they employ. America's lot in this new world is, on the whole, a happy one. Many countries envy its fortunate position as a hub for innovative cities. Most studies of the potential effects of TPP conclude that the deal would raise American output by a small but

meaningful amount: just under a percentage point of GDP, perhaps over the next 15 years. But the obstacles confronting new trade deal are formidable. More generous redistribution, perhaps through an expanded programme of trade-adjustment assistance, could help neutralize some opposition. But discomfort with TPP is mostly rooted in a mistrust of the elite. Voters who are skeptical of the value of TPP will be unlikely to change their stripes without some demonstration that pacts of its kind benefit the many rather than just the few.

Source:

<https://www.economist.com/finance-and-economics>

1. Which of the following is true in context of the passage?

- A. Global public opinion is against America's trade policies.
- B. In America, wages of low skilled workers have risen tremendously over the last decade.
- C. America's GDP growth has fallen in the past few years.
- D. American firms are no longer leader in technology.
- E. None of these

2. Which of the following best describes the America's view of TPP?

- A. Americans are unequivocally in favour of the TPP as it will benefit them the most.
- B. The TPP is detrimental as it has fuelled long-term conflicts between rich and developing nations.
- C. The TPP has elevated mass unemployment and is resented by all Americans.
- D. The TPP has strengthened America's relationship with Asia and Europe.
- E. Americans are wary of the TPP as its benefits are indeterminate.

3. What can be inferred from the statistics given in the passage?

- A. Developed countries are benefitting most from trade agreements.
- B. The TPP has benefitted China and America the most.



- C. China's dominance in manufacturing is waning.
- D. Global trade has grown explosively.
- E. Contrary to political projections, trade in Asian has not risen dramatically.

4. Which of the following is the author's view of free trade?

- A. Uniform laws and regulations across developing countries have vastly benefitted free trade.
- B. There have been tremendous shifts in free trade but it's benefits need to be more equitably distributed.
- C. Protecting national interest at the cost of free trade is the need of the hour.
- D. It is service to reduce the gap between the haves and the have-nots.
- E. None of the options illustrate the author's view of free trade.

5. According to the passage, which of the following is/are (an) effects of 'unbundling'?

- A) Unfair and exploitative working condition in developing countries.
- B) Drop in quality standard of manufactured goods.
- C) Unemployment for some sections of the workforce in developed countries.
- A. Only A and B
- B. Only B and C
- C. Only C
- D. All A, B and C
- E. Only A and C

Direction (6 – 10) : Read the following passage carefully and answer the questions given below it. Certain words are printed in bold to help you locate them while answering some of the questions.

Once upon a time, there was a shrewd shopkeeper called Makarand. He had a friend called Mihir, who had saved a lot of money. Mihir was keen on going on a pilgrimage, but he did not know where to leave his precious savings. So he came to Makarand's shop and said, 'My friend, I trust you more than anyone. Could you please look after my life's savings till I return from my pilgrimage?' Makarand pretended to be deep in thought, and

then said, 'I would rather not. Money spoils relationships. What if something happens to your money while you are away? You will no longer be my friend.'

As Mihir stood there by his shop thinking about what his friend had just said, an old woman entered the shop and bought some things. One of the boys helping Makarand gave her less change than he should have. Makarand saw this and pretended to scold the boy. He then ordered him to return the remaining money to the woman. Mihir, not knowing that this was an act put up by Makarand to make him believe that he was honest, was convinced about his decision and said to Makarand, 'I have decided I will leave the money only with you.' Makarand smiled. 'Then, let us do something. Let us take the bag of coins and bury it in a place that only you and I will know of. That way, even if something happens to me while you are away, you will know where your money is.'

Mihir, simple that he was, thought this was a good idea and the two went and hid the bag in a secret place. Mihir left the next day on his pilgrimage, happy that his savings were in safe hands. Six months later, Mihir returned. He dumped his luggage at home and went to dig out his bag of savings.

But, even though he searched and searched for his valuables, there was no sign of the bag anywhere. In panic, he ran to Makarand, who was busy in his shop. When Mihir asked him about the bag, Makarand pretended to be surprised, 'But I did not go that way in all these months. Why don't you search for it again?' he said, putting on his most innocent look. Mihir had no choice but to believe him. Sadly, he went home.

On the way, as luck would have it, he met the old woman he had seen in Makarand's shop. Seeing him sad, she asked him what the matter was. Mihir told her the whole story. Then, she smiled and whispered a plan to him. Not long after, the woman came to Makarand's shop, carrying a big box. Brother, I heard you are a good and honest man. My son went on a pilgrimage many months ago and



has still not returned. I am worried and have decided to go and look for him. Will you look after my box of two hundred gold coins while I am away?'

Makarand could not believe his luck. He was about to launch his idea about hiding the box when an angry Mihir entered the shop, 'Where is ...' But before he could complete his sentence, Makarand, afraid of being accused in front of the old woman, said quickly, 'I forgot. I had seen some pigs digging around there and had removed the bag just to keep it safe. Here it is.' And he handed Mihir the bag he had stolen many months ago.

Now, the old woman pretended she was seeing Mihir for the first time, 'Son, did you also go on a pilgrimage? Could you tell me if you met my son anywhere? His name is Jahangir.' Mihir, clutching onto his precious bag, said, 'Yes auntie, I met him on the road a few villages away. He was on his way home. He should be here in a week.'

The old woman leaned over and took her box away from Makarand. 'Thank you brother. You have saved me from an unnecessary trip. Now, I will need some money to prepare for my son's welcome,' she added and the two left the shop. Makarand could only stare at them open-mouthed.

Source:

<https://books.google.co.in/books>

6. What incident in the passage convinced Mihir that Makarand was indeed an honest man?

(A) The incident where he scolded his helper boy for returning less change to the old woman who was a customer in his shop.

(B) The fact that Makarand refused to keep Mihir's money in the event that it might destroy their friendship.

(C) The incident where Makarand told Mihir that he had kept his bag with him as he saw pigs digging at the very spot where the treasure was buried

A. Only (A)

B. Only (B)

C. Only (C)

D. Only (B) and (C)

E. Only (A) and (C)

7. What was Makarand's real intention for wanting to bury Mihir's bag of valuables?

A. He wanted Mihir to know where the money would be in case something happened to him while Mihir was away.

B. He did not feel safe keeping Mihir's bag of valuables with him.

C. He wanted to steal the money while Mihir was away.

D. He wanted the pigs to dig out the bag so he could steal it.

E. He wanted to be a part of a far more adventurous plan.

8. Where did Makarand and Mihir bury the bag of coins?

A. In a secret place in Mihir's garden

B. In the ground under Makarand's shop

C. In the old woman's backyard

D. In his shop

E. Not indicated in the passage.

9. Which of the following is true with regard to Mihir?

A. He accused Makarand of stealing his valuables

B. He helped the old woman find her son

C. He left his life's savings with the old woman

D. He trusted Makarand with his valuables

E. He strongly believed that keeping others' money spoilt relationships.

10. Why did Mihir want to keep his life's savings with Makarand?

(A) Makarand had a locker in his shop.

(B) He trusted his friend Makarand more than anyone else

(C) He was feared that if he buried his savings, the pigs would dig it out.

A. Only (A)

B. Only (B)

C. Only (C)

D. Either (B) or (C)

E. None of these



###ANSWERS###

1. Ans. A.

The first line of the passage states, "These are difficult times for America's free-traders. There is anger at 'globalism'". This means that the whole globe is critical of America's trade policies. The rest of the options are false. Thus, option A is the correct answer.

2. Ans. E.

According to the passage, "But discomfort with TPP is mostly rooted in a **mistrust of the elite**. Voters who are **skeptical of the value of TPP** will be unlikely to change their stripes." This means that the elite do not trust the TPP as its value is undetermined/ unstable. Thus, option E is the correct answer.

3. Ans. A.

With respect to the statistics mentioned in the passage, "As a result, growth in supply-chain trade has been a boon for the powerful and profitable firms with headquarters in those (New York and San Francisco) cities, and for the highly skilled, well compensated workers they employ. America's lot in this new world is, on the whole, a happy one". Since America is a developed country, option A is the correct answer.

4. Ans. B.

As discussed in the passage, the author charts out the changes that have taken place with respect to free trade. Towards the end, the author states, "But the obstacles confronting new trade deal are formidable. More generous redistribution, perhaps through an expanded programme of trade-adjustment assistance, could help neutralize some opposition." The fact that the author advocates for a generous redistribution, makes it clear that he/ she wants the benefits to be distributed more equally. Hence, option B is the correct answer.

5. Ans. C.

"Unbundled" means to market or charge for (items or services) separately rather

than as part of a package. According to the passage, "Production of traded goods has become 'unbundled'", which has led to the segregation of processes involved in the supply chain: "global shipping and improvements in communications allow firms to spread production across far-flung locations to design a phone in America, source parts from several Asian economies, and assemble it in China". This means that since certain services are not being performed in the developed country, there would be a lack of employment in that particular sector. Thus, only alternative C is correct and option C is the correct answer.

6. Ans. A.

One of the boys helping Makarand gave her less change than he should have. Makarand saw this and pretended to scold the boy. He then ordered him to return the remaining money to the woman. Mihir, not knowing that this was an act put up by Makarand to make him believe that he was honest.

Hence Option A is correct

7. Ans. C.

Makarand's real intention was to steal the money of Mihir while he was away at a pilgrimage.

Hence Option C is correct

8. Ans. E.

The place where Makarand and Mihir buried the bag coins has not been indicated in the passage.

Hence Option E is correct

9. Ans. D.

Mihir trusted Makarand that he is an honest man and can keep his bag of coins safely.

Hence Option D is correct

10. Ans. B.

Mihir wanted to keep his life's savings with Makarand because he trusted him more than anyone else.

Hence Option B is correct

