

Spardhaguru Skill Edge Aptitude Academy

1st Floor, 608, Panchamantra Rd, P and T Block, Jayanagar, Kuvempunagara, Mysuru, Karnataka 570023

Part I: English Language (Questions 01–30)

Reading Comprehension

Directions (01–08): Read the following passage carefully and answer the questions that follow.

The rapid proliferation of digital public infrastructure (DPI) has reshaped financial inclusion landscapes globally. At its core, DPI provides open, interoperable rails—identity systems, real-time payment interfaces, and secure data exchange protocols—that enable governments and private entities to deliver services seamlessly. Unlike proprietary platforms that operate within walled gardens, open digital rails create a shared foundation upon which banks, fintechs, and microfinance institutions can innovate competitively.

The transformative impact of DPI is particularly evident in rural banking. Historically, the high operational cost of setting up brick-and-mortar branches and conducting manual know-your-customer (KYC) verifications created severe credit access bottlenecks for smallholder farmers and micro-enterprises. Today, digitized identity validation and data-driven credit appraisal models have radically lowered transaction overheads. By leveraging transactional footprints instead of traditional collateral, lenders can extend micro-credit with higher precision and speed.

However, the rapid transition is not devoid of systemic vulnerabilities. The democratization of digital credit brings acute concerns regarding consumer protection, algorithmic bias, and digital literacy. Ill-informed borrowers are often vulnerable to predatory lending apps that deploy opaque fee structures and coercive collection tactics. Furthermore, excessive reliance on alternative data algorithms can perpetuate systemic biases if the training models reflect underlying historical inequities. Safeguarding the systemic resilience of digital financial ecosystems requires proactive regulatory sandboxes, transparent audit standards, and robust consumer grievance redressal frameworks.

1. What is the primary operational advantage of Digital Public Infrastructure (DPI) compared to proprietary platforms?

- (A) It enforces mandatory transaction limits on retail lenders.
- (B) It establishes open, interoperable rails rather than closed ecosystems.
- (C) It replaces traditional commercial banks with government institutions.
- (D) It eliminates credit risk entirely from rural credit lending.
- (E) It restricts private fintech companies from accessing borrower data.

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2. According to the passage, how has DPI facilitated credit access for rural borrowers?

- (A) By eliminating all regulatory requirements for credit approval.
- (B) By waiving interest rates on agricultural loans.
- (C) By lowering transaction overheads and enabling footprint-based appraisals.
- (D) By forcing traditional banks to establish physical branches in remote villages.
- (E) By guaranteeing complete collateral coverage from the state.

3. Which of the following concerns regarding rapid digital credit expansion is highlighted by the author?

- (A) Complete collapse of central banking clearing houses.
- (B) Reluctance of fintech startups to adopt open-source protocols.
- (C) Algorithmic bias and predatory lending targeting vulnerable consumers.
- (D) Decline in aggregate digital transaction volumes.
- (E) Prohibition of alternative data modelling in micro-lending.

4. Which of the following is most nearly SIMILAR in meaning to the word "PROLIFERATION" as used in the passage?

- (A) Curtailment

(B) Expansion

(C) Stagnation

(D) Deterioration

(E) Abatement

5. Which of the following is most nearly OPPOSITE in meaning to the word "COERCIVE" as used in the passage?

(A) Mandatory

(B) Intimidating

(C) Persuasive

(D) Oppressive

(E) Restrictive

6. Which of the following statements is TRUE according to the passage?

- (A) DPI operates strictly within closed, proprietary networks.
- (B) Manual KYC verification remains the cheapest onboarding method.
- (C) Shared digital rails foster competitive innovation among fintechs and banks.
- (D) Alternative data models are completely immune to historical biases.
- (E) Brick-and-mortar branches have seen higher profitability than digital rails.

7. What does the author suggest to safeguard the resilience of digital financial ecosystems?

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- (A) Shutting down non-banking financial entities permanently.
- (B) Banning machine learning algorithms across financial services.
- (C) Deploying regulatory sandboxes and transparent audit standards.
- (D) Restricting credit availability strictly to collateralized loans.
- (E) Mandating all transactions to occur in physical cash.

8. Which of the following serves as the most appropriate title for the passage?

- (A) The Demise of Brick-and-Mortar Financial Institutions
- (B) Digital Public Infrastructure: Potential, Progress, and Pitfalls
- (C) Why Traditional Credit Scoring Systems Failed
- (D) Algorithmic Biases in Modern Machine Learning
- (E) Global Expansion of Predatory Lending Apps

Error Detection

9.

- (A) Despite of repeated warnings
- (B) from the market regulator,
- (C) several retail investors invested heavily
- (D) in unverified crypto schemes.
- (E) No error

10.

- (A) Neither the managing director
- (B) nor the department executives
- (C) was willing to accept
- (D) responsibility for the project delays.
- (E) No error

• **Correct Answer: (C)**

• **Explanation:** When two subjects are connected by "neither... nor", the verb agrees with the closer subject. Since "department executives" is plural, the verb must be plural: "were willing to accept".

11.

- (A) The aggregate volume of transactions
- (B) processed through the newly developed portal
- (C) have increased significantly
- (D) over the last two quarters.
- (E) No error

12.

- (A) Had the risk committee reviewed
- (B) the portfolio earlier, they would
- (C) prevented the unprecedented loss
- (D) during the market downturn.
- (E) No error

13.

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- (A) She is one of those dedicated employees
(B) who always puts the company's
(C) long-term strategic goals
(D) ahead of personal convenience.
(E) No error

Word Swap

Directions (14–18): In each question, a sentence has four words highlighted in bold: (A), (B), (C), and (D). Identify the pair(s) of words that must be swapped to make the sentence grammatically and contextually correct.

14. The committee agreed (A) to measures (B) stringent fiscal implement (C) to curb (D) rising inflation.

- (A) A-C
(B) B-C
(C) A-D
(D) B-D
(E) No interchange required

15. The sudden disruption (A) in global supply chains prompted (B) automotive manufacturers to alternative (C) domestic suppliers for explore (D) components.

- (A) A-B
(B) C-D
(C) A-C
(D) B-D

- (E) No interchange required

16. Higher export tariffs (A) imposed by trading partners adversely (B) impacted domestic revenue, forcing (C) firms to strategy (D) their pricing revise. (*Note: the sentence involves repositioning the words in bold*)

- (A) A-B
(B) C-D
(C) B-C
(D) B-D
(E) No interchange required (Sentence requires D word repositioning)

17. The analyst's inability (A) to predict market fluctuations (B) was attributed to the unprecedented (C) volatility of macroeconomic indicators (D).

- (A) A-B
(B) B-C
(C) C-D
(D) A-C
(E) No interchange required

18. The regulations (A) issued by the central bank intended (B) to enhance data transparency (C) across all commercial lenders (D).

- (A) A-B
(B) B-C
(C) C-D
(D) A-D

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(E) No interchange required

Para Jumble

Directions (19–23): Rearrange the following six sentences (A), (B), (C), (D), (E), and (F) into a coherent paragraph, then answer the questions below.

- **A.** Furthermore, this shift has forced central banks to explore the viability of sovereign central bank digital currencies (CBDCs).
- **B.** Over the past decade, financial technologies have disrupted traditional banking paradigms across emerging markets.
- **C.** This digital transformation began primarily with the roll-out of smartphone-based retail payment interfaces.
- **D.** Consequently, commercial banks must balance technological adaptation with stringent cyber resilience standards.
- **E.** As these payment systems matured, they paved the way for decentralized lending protocols and digital-only neo-banks.
- **F.** These sovereign instruments aim to combine the convenience of digital payments with the stability of legal tender.

19. Which of the following is the FIRST sentence after rearrangement?

(A) B

(B) C

(C) E

(D) A

(E) D

20. Which of the following is the SECOND sentence after rearrangement?

(A) A

(B) C

(C) E

(D) F

(E) B

21. Which of the following is the THIRD sentence after rearrangement?

(A) B

(B) C

(C) E

(D) A

(E) F

22. Which of the following is the FOURTH sentence after rearrangement?

(A) A

(B) D

(C) F

(D) E

(E) C

23. Which of the following is the SIXTH (LAST) sentence after rearrangement?

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(A) B

(B) C

(C) D

(D) E

(E) F

Cloze Test

Directions (24–30): In the following passage, there are blanks numbered (24) to (30). Choose the correct word from the options that best fits each blank.

Renewable energy integration has transitioned from an environmental aspiration to an economic imperative. The global power sector is experiencing a structural (24) toward solar and wind installations, propelled by steep cost reductions in photovoltaic modules and storage technologies. However, grid operators face operational (25) due to the intermittent nature of renewable resources. Unlike conventional thermal power plants, which provide predictable baseload power, solar and wind generation are (26) by weather variability. To prevent grid instability, power utilities must (27) advanced battery energy storage systems (BESS) and predictive analytics. Policymakers must also introduce forward-looking tariff designs that (28) investments in flexible grid infrastructure. Failure to address these balancing challenges could (29) power reliability and stall decarbonization agendas. Therefore, a

synchronized approach combining grid modernization with market incentives is (30) for sustainable energy security.

24.

(A) stagnation

(B) shift

(C) decline

(D) barrier

(E) cessation

25.

(A) bottlenecks

(B) benefits

(C) comforts

(D) solutions

(E) agreements

26.

(A) unhampered

(B) dominated

(C) dictated

(D) liberated

(E) preserved

27.

(A) dismiss

(B) integrate

(C) dismantle

(D) prohibit

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(E) isolate

28.

(A) incentivize

(B) discourage

(C) hinder

(D) suppress

(E) terminate

29.

(A) bolster

(B) jeopardize

(C) optimize

(D) ensure

(E) stabilize

30.

(A) trivial

(B) dispensable

(C) pivotal

(D) redundant

(E) hazardous

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6. Mandatory Review & Error Log:

Candidates are required to maintain a personal error log for all incorrect and unattempted questions to review during the weekly faculty analysis session.

Dear Aspirants,

I hope the model paper was helpful for your preparation for upcoming banking exams (IBPS, SBI, RBI). Please feel free to share any feedback or suggestions to help us improve your learning experience. Wishing you the very best with your studies and exams!

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Best Wishes

Murthy sir (MSM)

Founder & Aptitude Trainer

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