

THE INSTITUTE OF BANKERS PAKISTAN



ENGLISH COMPOSITION

Read the passage carefully and answer questions 1-3

Most large corporations in the Country B were once run by individual capitalists who owned enough stock to dominate the board of directors and dictate company policy. Because putting such large amounts of stock on the market would only depress its value, they could not sell out for a quick profit and instead had to concentrate on improving the long-term productivity of their companies. Today, with few exceptions, the stock of large Country B corporations is held by large institutions – pension funds, for example – and because these institutions are prohibited by antitrust laws from owning a majority of a company’s stock and from actively influencing a company’s decision-making, they can enhance their wealth only by buying and selling stock in anticipation of fluctuations in its value. A minority shareholder is necessarily a short-term trader. As a result, Country B productivity is unlikely to improve unless shareholders and the managers of the companies in which they invest are encouraged to enhance long-term productivity (and hence long-term profitability), rather than simply to maximize short-term profits.

- Q1. In the passage, the author is primarily concerned with
- A. comparing two different approaches to a problem.
 - B. describing a problem and proposing a solution.
 - C. defending an established method.
 - D. presenting data and drawing conclusions from the data.
- Q2. Regarding business controlled by individual capitalists, the author assumes that
- A. each business had only a few stockholders.
 - B. institutions owned no stock in these companies.
 - C. improving long-term productivity led to increased profits.
 - D. these businesses were less profitable than the businesses today.
- Q3. The method left for institutions to increase their wealth due to antitrust laws is by
- A. trading stocks.
 - B. increasing investment.
 - C. establishing a joint venture.
 - D. buy all stocks of a company.
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- Q4. The elderly professor was often seen sitting and thinking. I imagine, he was _____ his long academic career.
- A. reflecting on
 - B. engaging in
 - C. comprehending
 - D. planning

Q5. A customer relationship manager wrote the following line in a letter to the customer:

"In my opinion, you should purchase the gold card"

The sentence contains which of the following tone?

- A. Appropriateness
- B. Confidence
- C. Sincerity
- D. Subjectivity

Q6. The new measures taken by the manager have made a big difference at work. The manager has been a

- A. forced for good.
- B. force of good.
- C. force for good.
- D. forced good.

QUANTITATIVE SKILLS & GENERAL INTELLIGENCE

Q7. Consider two sets:

A { 5, 7, 9, 11 } B { 2, 6, 10, 16, 18 }

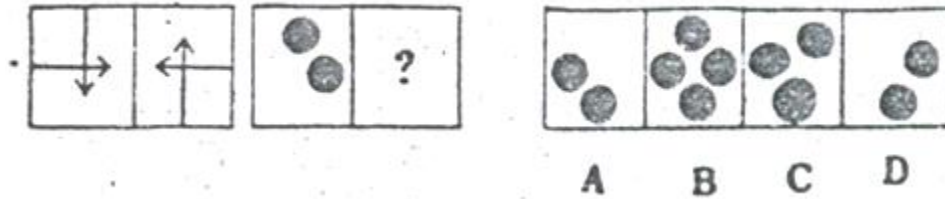
What will be the probability if the sum of two numbers, one picked up from set A and the other from set B are 25?

- A. 0.05
- B. 0.10
- C. 0.25
- D. 0.30

Solution:

Each of the integers in the first set could be combined with any number from the second set, giving a total of $4 \times 5 = 20$ possible pairs. Of these, the combinations that could give a sum of 25 are $(7 + 18)$, and $(9 + 16)$. This means that the probability of getting a sum of 25 is $2/20 = 1/10 = 0.10$

Q8. Identify the missing picture.



Q9. A car traveled 75% of the way from town A to town B at an average speed of 50 mph. The car travels at an average speed of S mph for the remaining part of the trip. The average speed for the entire trip was 40mph. The value of S is

- A. 10
- B. 20
- C. 25
- D. 30

Solution:

$$50(0.75) + S(0.25) = 40 \Rightarrow 0.25S = 40 - 37.5 \Rightarrow S = 10;$$

Q10. The price of commodity A is Rs 8,000 and it increases at the rate of Rs 7 per six months. Commodity B costs Rs 7,500 and it increases at the rate of Rs 6 per three months. The number of years it will take for the two commodities to become equal in price is:

- A. 4.5
- B. 3.8
- C. 50
- D. 60

Solution

Total price increase of A in a year would be: $7 \times 2 = \text{Rs. } 14$

Total price increase of B in a year would be: $6 \times 4 = \text{Rs. } 24$

Since we need to calculate when they become equal, we can write the equation as:

$$8000 + 14x = 7500 + 24x \Rightarrow x = 50$$

CURRENT AFFAIRS & PAK ECONOMY

Q11. Which of the following is NOT considered a “cash crop” of Pakistan?

- A. Cotton
- B. Maize
- C. Sugar Cane
- D. Barley

Q12. The shareholders of a limited company are referred to in “Company Law” as

- A. Promoters.
- B. Members.
- C. Directors.
- D. Creditors.

Q13. Which companies’ shares are traded at Stock Exchange?

- A. Private Limited Companies
- B. Un-listed Public Limited Companies
- C. Listed Public Limited Companies
- D. Companies Limited by guarantee

Q14. The recent Cantonment Board Local Bodies Election was held in the country after

- A. 7 years.
- B. 11 years.
- C. 14 years.
- D. 17 years.

X --- END OF PAPER --- X

ANSWERS

Question Number	Key
1	B
2	C
3	A
4	A
5	D
6	C
7	B
8	A
9	A
10	C
11	D
12	B
13	C
14	D

