

Wipro Elite NTH Verbal Ability Questions - Paper 3



(1-5) Directions: Read the passage carefully and answer the questions that follow.

Over the past 18 months, corporate India and the world of finance has been roiled by a peculiar problem: the promoters of a slew of companies have been eased out of board rooms because they pledged their shares to avail loans and then defaulted.

The suicide of Cafe Coffee Day's V.G. Siddhartha in July this year; the roller-coaster ride that Yes Bank Ltd's stock went through when its former promoter Rana Kapoor dealt with lenders; and even the unfolding financial scandal at Karvy Stock Broking Ltd have one thing in common—the use, or rather, overuse of a humble instrument called LAS (loan against shares).

The product has been in existence since trading began in Indian markets. It was primarily meant as a tool for stock market operators, who used their existing shares as security to borrow and speculate in the market. It was meant to be short term. And the sums were supposed to be small. Traditional banks even have an upper limit: Rs.20 lakh, if the collateral is purely shares (not applicable to brokerage firms). But mutual funds and non-banking financial companies (NBFCs) have no such limit.

Caught in a credit squeeze and a slowdown in traditional bank lending, promoters increasingly began to rely on pledged share to raise funds. In many cases, those funds came in through channels that are relatively less regulated than traditional banks, setting up a perfect storm.

When economic growth began to fall and "sentiments" began to collapse, lenders inevitably began calling in on the pledge or, in some cases, even selling the equity, reducing company promoters to minor shareholders in their own firms. The fortunes of at least six big promoters are on the line, including Zee Entertainment Enterprises Ltd's Subhash Chandra and Reliance Group's Anil Ambani.

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The sparkling diamonds, or shares, which are forever, are usually never meant to be sold. It is the equivalent of bringing out the family silver. "How do you get funding in any market—you borrow, beg or steal," said Amit Tandon, managing director of Institutional Investors Advisory Services (IIAS). "In a bad market such as this, borrowing is not happening because no one will lend. You are too proud to beg. So, you steal from your existing pool which is shares, pledge them, and borrow."

Perhaps, the promoters never thought they would lose control. Perhaps, corporate India never anticipated a multi-quarter economic slowdown. Perhaps, internal risk-management mechanisms were extremely weak resulting in risky hedges and abuse of LAS. One thing is certain though: The unfolding saga of India Inc.'s troubled dalliance with LAS captures, in many ways, the degree of desperation among certain sections of the business community. It is a cautionary tale which could only get worse before it gets any better.

As per regulations issued by capital market regulator Securities and Exchange Board of India (SEBI), a company needs to disclose the amount of pledged shares, when the pledge is created, to whom the shares are pledged, and for what reason they have been pledged.

However, an analysis done by Mint shows that despite regulatory tightening, the disclosures are missing. In the case of at least four companies including Yes Bank, firms have not even disclosed to whom the shares have been pledged—a clear violation of disclosure norms.

Other companies such as Zee Entertainment, the Adani Group, GMR Group and Vedanta Ltd practice a more innovative strategy. They disclose the name of the trustee but not the pledgee, giving investors no indication regarding the purpose of the pledge.



For quite some time, SEBI and RBI have been on the same page regarding the need to crack down on excessive pledging. **The capital market regulator had expressed concern particularly about how regulated mutual funds have now assumed the role of lenders, rather than acting on behalf of investors.**

Several mutual funds have begun to invest in LAS products in their fixed maturity plan schemes, that is, papers with pledged shares as the underlying collateral. Due to a fear of default, the funds sometimes roll over the maturity date in the hope that a stake sale would result in realization of dues. SEBI has taken one step after another to stem this practice.

1) Why did the promoters of many companies not find a seat in the board room?

- a) They were interested in dealing in stocks, rather than managing the companies.
- b) They pledged their shares for loans, but could not settle the due.
- c) The stocks of the companies plummeted and they became minor shareholders.
- d) None of the above

Correct Choice: b

Explanation:

Refer:

Over the past 18 months, corporate India and the world of finance has been roiled by a peculiar problem: the promoters of a slew of companies have been eased out of board rooms because they pledged their shares to avail loans and then defaulted.

Obviously, option B is the correct answer.



2) Which of the following statements are true regarding the financial instrument 'loan against shares' (LAS)?

- a) Traditional banks don't have any upper limit while issuing loans through LAS.
- b) NBFCs do not have the authority to issue loans through LAS.
- c) The financial instrument LAS primary was designed to issue loans for long term.
- d) None of the above

Correct Choice: d

Explanation:

Refer:

The product has been in existence since trading began in Indian markets. It was primarily meant as a tool for stock market operators, who used their existing shares as security to borrow and speculate in the market. It was meant to be short term. And the sums were supposed to be small. Traditional banks even have an upper limit: Rs.20 lakh, if the collateral is purely shares (not applicable to brokerage firms). But mutual funds and non-banking financial companies (NBFCs) have no such limit.

Obviously, option D is the correct answer.



3) What does the author mean by the expression: ‘It is a cautionary tale which could only get worse before it gets any better.’?

- a) The incident can get become worse before showing signs of improvement, and all businessmen should learn from it.
- b) The tale is a proverbial one and some experience is to be gained from it.
- c) No promoter should ever take loan through LAS and the situation should be remembered by all.
- d) None of the above

Correct Choice: a

Explanation:

“Cautionary tale” means ‘A story of warning’.

“Which could only get worse before it gets any better” means ‘the crisis may get worse, before situation improves’.

Only the sentence given in option A explains the statement given in the question appropriately.

Hence, option A is the correct answer.



4) What does the analysis done by Mint show?

- a) The analysis shows that regulations issued by SEBI mandate a company to disclose the amount of pledged shares, when the pledge is created, to whom the shares are pledged, and for what reason they have been pledged.
- b) The analysis shows that at least four companies are in violation of the regulatory norms issued by SEBI.
- c) The analysis shows that many companies disclose the name of the trustee but not the pledgee, giving investors no indication regarding the purpose of the pledge.
- d) B and C

Correct Choice: d

Explanation:

Refer:

As per regulations issued by capital market regulator Securities and Exchange Board of India (SEBI), a company needs to disclose the amount of pledged shares, when the pledge is created, to whom the shares are pledged, and for what reason they have been pledged.

However, an analysis done by Mint shows that despite regulatory

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tightening, the disclosures are missing. In the case of at least four companies including Yes Bank, firms have not even disclosed to whom the shares have been pledged—a clear violation of disclosure norms. Other companies such as Zee Entertainment, the Adani Group, GMR Group and Vedanta Ltd practice a more innovative strategy. They disclose the name of the trustee but not the pledgee, giving investors no indication regarding the purpose of the pledge.

The statement given in option A is true, except, the statement has no relation with the analysis done by Mint.

Hence, option D is the correct answer.

5) Which of the following is the author's opinion regarding shares?

- a) The author compares 'share' with 'sparkling diamond'.
- b) The author thinks that usually one should never sell 'shares'.
- c) The author draws an analogy between 'shares' and 'family silver'.
- d) A, B and C

Correct Choice: d

Explanation:

Refer:

The sparkling diamonds, or shares, which are forever, are usually never meant to be sold. It is the equivalent of bringing out the family silver. "How do you get funding in any market—you borrow, beg or steal," said Amit Tandon, managing director of Institutional Investors Advisory Services (IIAS). "In a bad market such as this, borrowing is not happening because no one will lend. You are too proud to beg. So, you steal from your existing pool which is shares, pledge them, and borrow."

Obviously, option D is the correct answer.



Topic – Error Location

(6-8) Directions: In this question, a sentence has been divided into four parts marked as I, II, III and IV. You need to find which part/parts does not/do not have any error in terms of grammatical or contextual usage. If the sentence is absolutely correct, mark (D) as your answer.

6)

- I. A tradition, said to have been starting by St Francis of Assisi
- II. in 1223 at Greccio, central Italy, the Nativity scene
- III. emphasises the spiritual aspects of Christ's birth and advocates
- IV. worship over materialism during the festivity season.

- a) Only I, II and III
- b) Only I and III
- c) Only II and III
- d) No error

Correct Choice: c

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Explanation:

The errors are in part I and part IV.

Reason:

In part I, “have been starting” is erroneous. The correct word in place of “starting” should have been “started”.

In part IV, the word “worship” is erroneous. The correct word in place of “worship” should have been “worshiping”. [“Worshiping” and “materialism” are both nouns.]

The rest of the parts are correct.

Hence, option C is the correct answer. Only I, II and III

(6-8) Directions: In this question, a sentence has been divided into four parts marked as I, II, III and IV. You need to find which part/parts does not/do not have any error in terms of grammatical or contextual usage. If the sentence is absolutely correct, mark (E) as your answer.

7)

- I. The consumer economy scorecard
- II. of India appear particularly bleak,
- III. with vehicle sales growth losing momentum,
- IV. after hinting at a turnaround in the previous month.

- a) Only I and II
- b) Only I, III and IV
- c) Only I and III
- d) No Error

Correct Choice: b

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Explanation:

The error is in part II.

Reason:

The subject of the sentence (The consumer economy scorecard) is singular. Hence, the verb should also be singular.

The verb (appear) given in part II is a plural verb. This is incorrect.

The correct verb in place of “appear” should have been “appears”.

The rest of the parts are correct.

Hence, option B is the correct answer.

(6-8) Directions: In this question, a sentence has been divided into four parts marked as I, II, III and IV. You need to find which part/parts does not/do not have any error in terms of grammatical or contextual usage. If the sentence is absolutely correct, mark (E) as your answer.

8)

- I. With new tools and new expeditions,
- II. scientists are peering into Antarctica's nooks and crannies
- III. and even its subsurface, discovering a world
- IV. that seems unimaginable from more temperate climes.

- a) Only I and II
- b) Only I and III
- c) Only II and III
- d) No Error

Correct Choice: d

Explanation:

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There is no error in the given sentence.

The sentence is absolutely correct.

Hence, option D is the correct answer.

Topic - Active Voice / Passive Voice

9) Choose the most appropriate option to change the voice (active / passive) form of the given sentence.

I am to do it immediately.

- a) It is supposed to be done by me immediately.
- b) It has to be done by me immediately.
- c) It is to be done by me immediately.
- d) It is being done by me immediately.

Correct Choice: c

Explanation:

Given Sentence:

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I am to do it immediately.

In the above sentence, the subject 'I' is performing the action, so the sentence is made in active voice.

The given sentence is made in present tense using an infinitive which here shows the sense of near future.

Rule:

Object in the original sentence + am/is/are + to be + V_3 + Prep + Subject in the original sentence + other word

Passive Voice:

It is to be done by me immediately.

Hence, option C is the correct answer.

Topic – Phrase Replacement

10) Identify the best way to improve the bold part of the given sentence. If there is no improvement required, select 'No improvement'.

In today's time, many private companies **follow the concept** of corporate social responsibility.

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- a) Follows the concept
- b) follow the concepts
- c) follows the concepts
- d) No improvement

Correct Choice: d

Explanation:

The above sentence is absolutely correct so no correction is required.

Hence, option D is the correct answer.

Topic – Para – Jumbled Sentences

11) Given below are four jumbled sentences. Pick the option that gives their correct order.

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A. The shift to stringent emissions norms, the transition to electrification, and potentially changing consumer preferences with shared mobility and a connected ecosystem.

B. Change may be the only constant, but the pace with which it takes place is not.

C. There are primarily three factors causing this disruption.

D. The automotive industry is seeing a spectrum of disruptions, as we move towards a cleaner, safer and convenient transport ecosystem.

- a) DACB
- b) CABD
- c) CDAB
- d) BDCA

Correct Choice: d

Explanation:

If we read all the sentences, we can infer that they are not in a correct order.

After reading all the sentences, we can clearly say that 'B' is the only opening statement of the passage.

Further, a supportive statement to the previous one comes in place that is 'D' will follow 'B'.

Then, 'C' will come after 'D' as the linking part is 'disruptions'.

Lastly, 'A' will end the passage describing all the three factors.

Thus, we get the final arrangement: BDCA



Hence, option D is the correct answer.

Topic – Direct / Indirect Speech

12) Choose the most appropriate option to change the Narration (direct/indirect) form of the given sentence.

Meena inquired of me why I had done that.

- a) Meena told me, “Why did I do that?”
- b) Meena said to me, “Why did you do that?”
- c) Meena said to me, “Why did you do this?”
- d) Meena asked me, “Why did you did this?”

Correct Choice: c

Explanation:

As there are no quotes in the sentence, it is the case of an indirect narration.

Reporting Speech Tense: Past Indefinite

Reported Speech: The indirect narration is given in Past Perfect Tense so it will reversely be converted into Past Indefinite Tense.

Changes to be followed:

Reporting verb ⇒ said to

I ⇒ You

Had ⇒ did

Done ⇒ do



That ⇒ this

The sentence in direct speech will become:

Meena said to me, “Why did you do this?”

Option C is hence the correct answer.

Topic – Phrase Replacement

13) Identify the best way to improve the bold part of the given sentence. If there is no improvement required, select ‘No improvement’.

The blogger **asks their followers** to share the feedback on his recent post.

- a) asked their follower
- b) asked his followers
- c) asks his followers
- d) No improvement

Correct Choice: b

Explanation:

First of all, if we look at the sentence it says 'blogger' that means it is only talking about one person so it shows that correction is required so option D gets eliminated and we cannot use 'their' for a singular person so option A is also eliminated.

Secondly, the sentence conveys that the task has already been completed so it has to be in past tense so the option we are left is B.

Correct sentence-

The blogger asked his followers to share the feedback on his recent post.



Hence, option B is the correct answer.

Topic – Para – Jumbled Sentences

(14-15) Given below are four jumbled sentences. Pick the option that gives their correct order.

14)

- A. Instead of spending meagre local resources to rebuild faltering demand, India is betting that world's growth this year will be down in the dumps.
- B. Luring overseas investors to high yielding Indian assets is the preferred strategy.
- C. An all-out push to revive its sputtering economy is not within India's reach.
- D. And that will make India appear attractive to foreigners even when it really isn't.

- a) DACB
- b) CADB
- c) CDAB
- d) BDAC

Correct Choice: b

Explanation:

If we read all the sentences, we can infer that they are not in a correct order.

If we observe all the sentences carefully, we can understand that 'C' is the opening statement of the passage.

Further, 'C' is followed by 'A' A is providing a solution to the problem which is continued in 'D' and lastly, 'B' will end the passage on a positive note.

Thus, we get the final arrangement: **CADB**

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Hence, option B is the correct answer.

(14-15) Given below are four jumbled sentences. Pick the option that gives their correct order.

15)

- A. Especially where the penetration of mobile telephony and social media exceeds that of education and awareness.
- B. Also because it may induce people to act on the information.
- C. Fake news is a menace because it is usually motivated by an intent to deceive and misinform.
- D. This can have grave consequences beyond imagination.

- a) DACB
- b) CBDA
- c) CDAB
- d) DBAC

Correct Choice: b

Explanation:

If we read all the sentences, we can infer that they are not in a correct order.

Among all the above sentences, it is very clear to find out that the opening statement is 'C' as the whole passage revolves around 'fake new'.

Further, 'C' is followed by 'B' as it continues to mention the reasons behind spread of fake news.

The, 'D' will follow 'B' because it is stating its impact which is followed by 'A' that is continuing stating its impacts.



Thus, we get the final arrangement: **CBDA**

Hence, option B is the correct answer.

Topic – Error Location

16) Identify the segment in the sentence, which contains the grammatical error.

The egg were fragile, with the thin outer shell protecting its liquid interior until it was put in the boiling water.

- a) with the thin outer shell
- b) The egg were fragile,
- c) it was put in the boiling water.
- d) protecting its liquid interior until

Correct Choice: b

Explanation:

Fragment B of the sentence is erroneous.

Reason:

The usage of '**were**' (second person singular past, plural past, and past subjunctive of the verb 'to be') is incorrectly used with the singular noun 'egg.'

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Thus, it shall be replaced with '**was**' (first and third person singular past of the verb 'to be').

[*Forms of the verb to be: be, am, is, are, was, were, will be, being, been.]

Correct Sentence:

The egg was fragile, with the thin outer shell protecting its liquid interior until it was put in the boiling water.

Thus, Option B is the correct answer.

Topic – Active / Passive Voice

17) Choose the most appropriate option to change the voice (active / passive) form of the given sentence.

Somebody built the house last year.

- a) The house has been built last year.
- b) The house is built last year by someone.
- c) The house was being built last year by somebody.
- d) The house was built last year.

Correct Choice: d

Explanation:

Given Sentence:

Somebody built the house last year.

In the above sentence, the subject 'Somebody' is performing the action, so the sentence is made in active voice.

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The given sentence is in Past Indefinite Tense.

Rule:

Object in the original sentence + was/were + V₃ + Other word.

(Note: Make sure, the subject 'somebody' is generally not used in the last as 'by somebody' while converting the sentence into passive voice.)

Passive Voice:

The house was built last year.

Hence, option D is the correct answer.

Topic – Phrase Replacement

18) Identify the best way to improve the bold part of the given sentence. If there is no improvement required, select 'No improvement'.

We all can succeed if we **focus major on** our personal growth.

- a) focus majorly on
- b) focuses majorly at
- c) focused majority on
- d) No improvement

Correct Choice: a

Explanation:

Here in this sentence we need an adverb (majorly) not

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'noun/verb/adjective' (major) right after 'Focus'.

Correct sentence-

We all can succeed if we focus majorly on our personal growth.

Hence, option A is the correct answer.

Topic – Para- Jumbled Sentences

19) Given below are four jumbled sentences. Pick the option that gives their correct order.

A. Banijay's acquisition of the Endemol Shine Group globally may still be a work-in-progress, but the latter is already working on the Dutch show Penzoza for India.

B. The Indian arm of Paris-based company Banijay Group is developing the Indian versions of American reality show Survivor and legal thriller Damages, Belgian TV series The Mole and Turkish drama Public Enemy.

C. Meanwhile, Sameer Nair-led Applause Entertainment is bringing the Indian versions of Israeli shows Your Honour and Fauda.

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D. New-age content creators on video streaming services are now looking at popular international formats that they can localize as the next bait to hook Indian audiences.

- a) DBAC
- b) CABD
- c) CDAB
- d) BDCA

Correct Choice: a

Explanation:

If we read all the sentences, we can infer that they are not in a correct order.

After reading all the statements, we can notice that 'D' will come as the starting point of the passage as it is the lone sentence that is making some sense as the opening statement.

Further, 'B' will follow 'D' as it is continuing the concept of streaming services and then 'A' will follow 'B' because we can say that 'Banijay' is the linking part for better and easy understanding of the context.

Lastly, the remaining part 'C' will conclude the passage in the same context.

Thus, we get the final arrangement: **DBAC**

Hence, option A is the correct answer.

Topic – Error Location

20) Identify the segment in the sentence, which contains the grammatical error.

Once upon a time, a daughter complained to her father that his life was miserable and that she didn't know how she was going to make it.

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- a) life was miserable and that she
- b) complained to her father that his
- c) didn't know how she was going to make it.
- d) Once upon a time, a daughter

Correct Choice: b

Explanation:

Fragment B of the sentence is erroneous.

Reason:

The usage of determiner '**his**' is incorrect in the phrase 'his life.' The determiner 'his' – refers to 'belonging to or associated with a male person or animal previously mentioned or easily identified.'

However, it is the female 'daughter' who is complaining to her father. Thus, it shall be replaced with '**her**.' The determiner 'her' – is used as the object of a verb or preposition to refer to a female person or animal previously mentioned or easily identified.

Ex. Ram was very concerned about **his** future.

Ex. Jenna was looking forward to **her** promotion.

[***Determiner** – refers to a modifying word that determines the kind of reference a noun or noun group has, for example a, the, that, his, every.]

Correct Sentence:

Once upon a time, a daughter **complained to her father that her** life was miserable and that she didn't know how she was going to make it.

Thus, option B is the correct answer.

Topic – Active / Passive Voice



21) Choose the most appropriate option to change the voice (active / passive) form of the given sentence.

A book has been given to me by him last week.

- a) He has been given me a book last week.
- b) He has given me a book last week.
- c) He has gave me a book last week.
- d) A book has to be given to me last week.

Correct Choice: b

Explanation:

Given Sentence:

A book has been given to me by him.

In the above sentence, the subject 'A book' is receiving the action and hence the sentence is in passive voice.

The given sentence is given in Present Perfect Tense.

Rule:

Object in the original sentence + has/have + V₃ + Subject in the original sentence.

Active Voice:

He has given me a book.

Hence, option B is the correct answer.

Topic – Phrase Replacement

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22) Identify the best way to improve the bold part of the given sentence. If there is no improvement required, select 'No improvement'.

In order to be successful, students must inculcate a **habits of discipline** routine.

- a) habit of discipline
- b) habit of disciplined
- c) habits of disciplined
- d) No improvement

Correct Choice: b

Explanation:

The mention of 'a' reflects that the use of plural noun (habits) with it is incorrect and we need to replace it with singular noun (habit) as well as we need an adjective (disciplined) right before the 'routine' not a noun/verb (discipline). <https://www.freshersnow.com/placement-papers-download/>

Correct sentence-

In order to be successful, students must inculcate a habit of disciplined routine.

Hence, option B is the correct answer.