

INFERENCES

Directions: Below is given a passage followed by several possible inferences which can be drawn from the facts stated in the passage. You have to examine each inference separately in the context of the passage and decide upon its degree of truth or falsity.

Mark answer:

- (1) if the inference is "definitely true" i.e. it properly follows from the statement of the facts given.
- (2) if the inference is "probably true" though not "definitely true" in the light of the facts given.
- (3) if the "data are inadequate" i.e. from the facts given you cannot say whether the inference is likely to be true or false.
- (4) if the inference is "probably false" though not "definitely false" in the light of the facts given.
- (5) if the inference is "definitely false" i.e. it cannot possibly be drawn from the facts given or it contradicts the given facts.

Passage-1

Rarely is it realized that barring , Africa, India enjoys the dubious distinction of having generated the' largest number of displaced people, a large majority in the name of development. The conservative estimate of the number of people displaced from 1950 to 1991 is about 21 millions, if one restricts the casual factors to dams, mines, wildlife sanctuaries and industry. If one includes urban displacement due to various deliberate or planned activities, then the number would rise to 30-35 million. According to government records, at least 75% of those displaced are still not cared for or rehabilitated.

1. A large percentage of displaced people seem to be in the name of urban development.
2. Developed countries seemed to have carried out developmental work with suitable emphasis on proper rehabilitation.
3. Natural calamities appear to be a major reason causing displacement in India.
4. Africa's rate of development is higher than India.
5. Less than one-fourth of the displaced persons in India appears to have been benefitted by rehabilitation schemes.

Passage-2

Gujarat has hardly 8.5 per cent of its total areas under forest. Of this a considerable portion is covered by wild grass and marshes. Denuded of thick forests, fauna have disappeared from many places. Mandvi, for instance, had its share of panthers once. The state government has imposed a total ban on cutting of trees for five years from this year. The imminent destruction of over 40,000 hectares of forests land by the Narmada project has led to nationwide strong protest.

6. People in Gujarat are quite conscious of the need of conservation of forests.
7. There is thick forest in 8.5 per cent of the total area of Gujarat.
8. Once there was thick forest in Mandvi.
9. Gujarat is the first state in India to impose a total ban on cutting of trees.
10. A dam on the Narmada river is planned.

Passage-3

Long term economic progress comes mainly from the invention and spread of improved technologies. The scientific revolution was made possible by the printing press, the industrial revolution by the steam engine and India's escape from famine by increased farm yields the so called. 'Green Revolution', Right now rich countries are changing the world's climate by emitting billions of tonnes of carbon dioxide each year from the use of coal, oil and natural gas. In future years China and India will make massive contributions to increased carbon dioxide in the atmosphere. Yet no country rich or poor, is keen to cut its energy use, owing to concern that to do so would threaten jobs, incomes and economic growth. New technologies will provide a key part of the solution. Already, 'hybrid' automobiles, which combine gasoline and battery power, can roughly double fuel efficiency cutting carbon dioxide emissions by half. Similarly, engineers, have developed ways to capture the carbon dioxide that results from burning coal in power plants and store it safely underground. The new technology called "carbon capture and sequestration" can cut 80%, of the carbon dioxide emitted during the production of electricity.

11. It may not be practically possible to switch over to the new hybrid technologies from the present ones.
12. In the forthcoming years, India and China are going to be at the top of the list of world's developed countries.



13. The more developed is a country; less is the contribution to increase in air pollution.
14. The new technologies can control emission of carbon dioxide caused only during electricity generation.
15. The developing countries in the world are trying to evolve new technologies to reduce the emission of carbon dioxide.

Passage-4

The future of Indian agriculture does not lie simply in more production. The fact is even a modest increase in production in the 1990s led to the accumulation of huge unsold mountains of foodgrains, sugar and cotton. Subsequently, a severe drought combined with export at a huge loss levelled those unsold mountains. But a good monsoon seems to be in the offing and without a now strategy the unsold mountains of produce may re-emerge. Global markets of traditional agricultural exports remain highly distorted by rich country subsidies. So instead of simply producing more, Indian agriculture needs to diversify into other areas. It has indeed been doing so for some time, but not fast enough. According to a recent study, the share of milk, poultry and inland fisheries in agriculture has increased at the expense of crops.

16. There is an urgent need to develop a scheme for proper management of agricultural produces to maximise the benefit.
17. India has made rapid progress in diversifying its agricultural products.
18. The agriculture produces in the 1990s were much more than the domestic demand.
19. The Government could not find buyer to offload the stock pile of foodgrains in the 1990s in the international market.
20. India does not provide subsidy to its farmers for producing agricultural products.

Passage-5

It is generally accepted that if the monsoon is poor in any given year, it will have a significantly negative impact on the lives of millions. Some lives, such as those of farmers, are affected directly because of poor crop yield; others are affected indirectly as the economic growth slows down. Similarly, the years with good monsoon bring smiles and prosperity to the lives of many. For instance, India recorded a sharp jump in its rate of growth after years of performance in the recent years. This unfortunate cycle affects the lives of millions of poor and helpless. But it need not be this way. In the jargon of financial economics, monsoon risk is a diversifiable risk. In other words, it is an insurance risk. Though one might wonder who will provide the insurance against poor monsoons if everyone is adversely affected by poor monsoon? The answer is the international investor.

21. All over the world diversifiable risks are always covered by the insurance companies.
22. Scanty monsoon adversely affects the lives of only the poor people in India.
23. There has been considerable growth in India's economy during the recent years.
24. Monsoons in India have been good only in the alternate years during the past few years.
25. Majority of the people outside India are not affected by the poor monsoon in India.

Passage-6

India needs higher investment in the port sector and still lags far behind the international ports in container traffic, though there has been considerable growth in this segment over the past few years." There is a need to continually benchmark Indian ports against the best ports worldwide and continue to engage in policy efforts so as to attain prices per container of port services which are the lowest in the world. The average turnaround time for ships docking at most of the ports in India has been falling for the past three years. However, pre-berthing time has been marginally increasing over the years.

26. Indian ports have not been graded so far on the international standard;
27. Indian ports offer the lowest rate per container as service charges.
28. Indian ports need considerable development to match with the best ports in the world.
29. The best port in the world is located in United States of America.
30. Pre-berthing time is gradually decreasing over the years.

Passage-7

Even as the economy is back on track and consumer confidence up, the number of credit cards in the system continues to dip. In the last one year, the total number of credit cards in use has dipped by almost 50 lakhs. According to the latest data released, the number of credit cards dipped to about 2 crores as of end February 2010 from around 2.5 crores a year ago. The data also indicate that average monthly card spends both in terms of value as well as volume has still not touched the pre-crisis levels. Average monthly spend in F.Y. '10 has fallen to Rs. 5,100 crores against Rs. 5,400 crores in F.Y. '09, while average monthly volumes in the current year has been just 1.94 crores a month compared to 2.16 crores a month in F.Y. '09. Even peak festival spending through cards in the current fiscal is less than the previous year's levels.

31. Credit card usage in the current year has substantially decreased from F.Y. '09.
32. There has been a drop of about 40 percent in use of credit card in the current year from the previous year.



33. There has been a drop of about 10 percent in the number of credit card transactions in the current year from the previous year.
34. The drop in usage of credit cards in India is lesser than that in many other countries.
35. People are not using credit cards in the current year due to rampant credit card related fraud.

Passage-8

Investors today have more investment options than were available just a few years ago. Choice in any decision making is good in so far it provides variety differentiation and benchmarking. It could also, however, at times lead to clutter and "noise" if the options are mostly similar and undifferentiated. To make sense of this choice coundrum, it is imperative for an investor to define objective - both returns and digestible risk and then identify the possible options. The investor also needs to select the mix and regularly monitor that objectives and investment outcomes remain aligned. Sounds simple, but can present the most confounding situations which multiplies with the quantum of wealth.

36. Investment of higher amount is relatively simpler than smaller amounts.
37. Investors need to britically evaluate the risk of each investment option.
38. Present day investors need to use their judgement more critically before investing.
39. Multiple investment options of similar type helps in making better investment decisions.
40. In the past, investors were generally guided by the fund managers.

INFERENCES

1. 1; The inference seems to be definitely true. Only urban development has caused displacement of about 9-14 million people.
2. 3; In the passage the emphasis is on the displaced people in the name of development. Again, there is no mention of rehabilitation of displaced people in other countries.
3. 5; The major cause for the displacement is the developmental work. Therefore, the inference is definitely false.
4. 3; It is not possible to determine the degree of truth or falsity on the basis of facts given in the passage.
5. 1; The last line of the passage clearly supports the inference.
6. 1; The last line of the given passage clearly supports the inference.
7. 5; Gujarat has hardly 8.5 percent of its total areas under forest. This very first line of the passage does not imply that there is thick forest in 8.5 per cent of the total areas of Gujarat. Therefore, the inference is definitely false.
8. 1; The third and the fourth lines of the passage clearly support the inference.
9. 3; On the basis of information given in the passage it is not possible to say whether the inference is true or false.
10. 1; The last line of the passage clearly indicates that a dam on the Narmada river is planned.
11. 5; The inference is definitely false. Any new technology is developed keeping in view its viability and acceptance.
12. 5; Emission of huge quantity of carbon dioxide is not a parameter for being developed countries.
13. 5; The inference is definitely false.
14. 5; From the passage it is clear that new technologies are being developed to reduce emission of carbon dioxide from automobiles and during the production of electricity.
15. 1; It is clear from the passage that the developing countries are trying to evolve new technologies to reduce the emission of carbon dioxide.
16. 1 17. 5 18. 3
19. 2 20. 2
21. 2; The inference seems to be probably true. The last line of the passage somewhat supports the inference.
22. 5; The inference is definitely false. Consider the second line of the passage.
23. 1; The inference is definitely true. Consider the following line of the passage.
24. 2; "..... India recorded a sharp jump in its rate of growth after year of performance in the recent years".
25. 2; The line "This unfortunate cycle lives of millions of poor and helpless" points out that good monsoon years are intercepted by bad monsoon years. Therefore, inferences seems to be probably true.
26. 3 27. 2 28. 1
29. 3 30. 5
31. 1; The contents of the passage clearly indicate that the Inference is definitely true.
32. 5; It is mentioned in the passage that the number of credit cards dipped to about two crores as of end February 2010 from around 2.5 crores a year ago. Thus, the drop percentage is 20 per cent.
33. 1; Average monthly spend in the Financial year 2010 fell to Rs. 5100 crores against Rs. 5,400 crores in the Financial Year 2009. Thus, the drop in the term of expenditure is about six per cent. But the drop in the term of volume is about 10 per cent.
34. 3; There is no such data in the passage.
35. 5; The very first line of the passage clearly indicates that the drop in the number of credit card users



was due to slackness in economy.

36. 3 37. 1 38. 1

39. 2 40. 3

