

RBI PHASE 1 RECAP

17th JULY '18

REASONING - STATEMENT AND
CONCLUSIONS

STATEMENT AND CONCLUSIONS



Statement and conclusion is basically a logical reasoning section. In this section, a statement will be given followed by a set of conclusions. You need to choose the conclusion that logically follows the statement the most. Sometimes the conclusions can be directly understood by reading the statement and sometimes the reader needs to analyse it to get the indirect conclusion. Sometimes any one of the conclusion may follow and sometimes all may follow. It may also happen that either one of them follow or none of them follow. It depends upon the reader's perception power to analyse the statements to arrive at the right conclusion.

Conclusion: A conclusion is an opinion or decision that is formed after a period of thought or research on some facts or sentence stated by someone

Types of Conclusions:

Direct Conclusion:

Some conclusions can be directly referred from the given statement. You need only to read them with a little bit of attention. These types of statements are generally termed as direct conclusion statements.

Indirect Conclusion:

In the indirect conclusion the reader is expected to understand the given statement and to judge the conclusion according to their closeness with the given statement.

Difference between assumption and conclusion:

The main difference between a conclusion and an assumption is that while an assumption precedes the information, a conclusion follows it.

STATEMENT AND CONCLUSIONS

Things to be remember:

- While solving this type of problems, we have to assume whatever has been told in the statement is true.
- Do not assume anything outside the given statement. But the established facts cannot be denied like the Sun always rises in the East, a day consists of 24 hours etc.
- If definite words like all, always, at least, only, exactly and so on are used , then such words make the conclusion invalid or ambiguous.

STATEMENT AND CONCLUSIONS

I.1) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.1) The Unit Trust of India (UTI) informed SEBI that it would now have to cut the interest rates in its assured return monthly income plans.

Conclusions:

(I) Assured return is a contradiction as far as UTI is concerned.

(II) Investors would feel cheated if that happens.

(III) SEBI is a regular body.

[a] only I is implicit

[b] only II is implicit

[c] I and II are implicit

[d] none is implicit

[e] all of these

Solution 1. (d)

On the basis of the statement, we cannot conclude anything as given in the conclusions. Hence, none follows.

STATEMENT AND CONCLUSIONS

1.2) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.2) A casual look through the news letters of different mutual funds (MFs) would make one feel that MFs are chock a block full of cash.

Conclusions:

- (I)** A deeper look would reveal that it is not true.
 - (II)** MFs are full of cash.
 - (III)** There are more than one Mutual Funds today.
- [a]** only I is implicit
 - [b]** only II is implicit
 - [c]** only III is implicit
 - [d]** none is implicit
 - [e]** all of these

Solution 2.(c)

The use of the words 'different mutual funds' clarifies the existence of more than one mutual funds today. Hence, only III is implicit.

STATEMENT AND CONCLUSIONS

I.3) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.3) Now you don't need an import licence to own a VCR.

Conclusions:

(I) VCR's now manufactured indigenously.

(II) VCR's are now freely permitted to be imported.

[a] If only conclusion I follows

[b] If only conclusion II follows

[c] If either conclusion I or II follows and

[d] If neither conclusions I nor II follows.

[e] none of these

Solution 3. (b)

Statement implies that VCR can be imported but no tax is applicable, it does not mean

That VCR are manufactured in the country.

STATEMENT AND CONCLUSIONS

I.4) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.4) The average number of students per teacher is 50 in the urban area whereas it is 60 in the rural areas. The national average is 55.

Conclusions:

(I) The teacher student ratio in the rural areas is higher than in the urban areas..

(II) More students study with the same number of teacher in the rural areas as compared to those in the urban areas.

[a] If only conclusion I follows

[b] If only conclusion II follows

[c] If either conclusion I or II follows and

[d] If neither conclusions I nor II follows.

[e] none of these

Solution 4.(b)

From the given figure, it is easily concluded that more students study with the same number of teacher in the rural areas as compared to those in the urban areas. Hence, conclusion II is implicit.

Conclusion I is not implicit as in urban areas teacher student ratio is 1:50 and in rural areas it is 1:60. 1:50 is higher than 1:60.

STATEMENT AND CONCLUSIONS

I.5) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.5) The distance of 900 km by road between Bombay and Jafra will be reduced to 280 km by sea. This will lead to a saving of RS. 7.92 crore per annum on fuel.

Conclusions:

- (I)** Transportation by sea is cheaper than that by road.
- (II)** Fuel must be saved to the great extent.
- [a]** If only conclusion I follows
- [b]** If only conclusion II follows
- [c]** If either conclusion I or II follows and
- [d]** If neither conclusions I nor II follows.
- [e]** none of these

Solution 5.(c)
Comparative cost of transportation is not given, hence conclusion I is not implicit. Conclusion II is a fact but not related with statement. Hence, none of the conclusions follows.

STATEMENT AND CONCLUSIONS

I.6) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.6) India's economy depends mainly on forests.

Conclusions:

(I) Trees should be preserved to improve Indian economy.

(II) India wants only maintenance of forests to improve economic conditions.

[a] If conclusion I and II follows

[b] if only conclusion II follows

[c] if only conclusion I follows

[d] if neither conclusion I nor II follows

[e] none of these

Solution 6.(c)

Conclusion I goes with the statement. The use of the word 'only' makes the conclusion doubtful.

STATEMENT AND CONCLUSIONS

I.7) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.7) This word is neither good nor evil; each man manufactures a world for himself.

Conclusions:

- (I) Some people find this world quite good.**
- (II) Some people find this world quite bad.**

- [a] If neither conclusion I nor II follows**
- [b] if only conclusion II follows**
- [c] if only conclusion I follows**
- [d] if both conclusions I and II follows**
- [e] none of these**

Solution 7.(d)

Both the conclusions follow because some people find this world quite good while some find it quite bad.

STATEMENT AND CONCLUSIONS

I.8) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.8) Black clouds follows thunder: rains follow thunder.

Conclusions:

- (I) Thunder is the cause of rain.**
- (II) Black cloud is the cause of thunder.**

- [a] if only conclusion I follows**
- [b] if only conclusion II follows**
- [c] if neither conclusion I nor II follows**
- [d] if both conclusions I and II follows**
- [e] none of these**

Solution 8.(a)

Conclusion I follows because rains follow thunder so, thunder is the cause of rain. Conclusion II does not follow because thunder is the cause of black clouds.

STATEMENT AND CONCLUSIONS

I.9) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.9) Today, out of the world population of several thousand million, the majority of men have to live under government which refuse them personal liberty and the right to dissent.

Conclusions:

- (I) People are indifferent to personal liberty and the right to dissent.**
- (II) People desire personal liberty and the right to dissent.**

- [a] if only conclusion I follows**
- [b] if only conclusion II follows**
- [c] if neither conclusion I nor II follows**
- [d] if both conclusions I and II follows**
- [e] none of these**

Solution 9. (b)
Conclusion II follows
because people desire
personal liberty and the
right to dissent.
Conclusion I does not follow
because people are not
different to personal liberty
and the right to dissent.

STATEMENT AND CONCLUSIONS

I.10) Direction: In each of these questions, there is a statement followed by two or three conclusions. State whether the conclusions are implicit in the given statement.

Q.10) Some people in this country want the president to be more than a figurehead

And to take more active interest in national politics.

Conclusions:

(I) In a parliamentary democracy, the president has to be content with a more or less passive role.

(II) The president, under the provisions of the constitution, is bound by the advice of the council of ministers and so, he or she should not come into conflict with the ministry or parliament.

[a] if only conclusion I follows

[b] if only conclusion II follows

[c] if neither conclusion I nor II follows

[d] if both conclusions I and II follows

[e] none of these

Solution 10.(c)

None of the conclusion is directly linked with the statement. So, neither conclusion I nor II follows.