

Paper Code No. M-08

Question Booklet No.

ENTRANCE EXAMINATION- 2020

SET - C

Candidate's Roll No.

Signature of the invigilator

Time: 1 HOUR 30 MINUTES

Maximum Marks: 100

Instructions to Candidates

- Do not write your name or put any other mark of identification anywhere in the OMR Response Sheet. If ANY MARK OF IDENTIFICATION IS DISCOVERED ANYWHERE IN OMR RESPONSE SHEET, the OMR sheet will be cancelled and will not be evaluated.
- This Question Booklet contains the cover page and a total of 100 Multiple Choice Questions of 1 mark each.**
- Space for rough work has been provided at the beginning and end. Available space on each page may also be used for rough work.
- There is negative marking in Multiple Choice Questions. For each wrong answer 0.25 marks will be deducted.
- USE/POSSESSION OF ELECTRONIC GADGETS LIKE MOBILE PHONE, iPhone, iPad, page ETC. is strictly PROHIBITED.
- Candidate should check the serial order of questions at the beginning of the test. If any question is found missing in the serial order, it should be immediately brought to the notice of the invigilator. No pages should be torn out from this question booklet.
- Answer must be marked in the OMR response sheet which is provided separately. OMR Response sheet must be handed over to the invigilator before you leave the seat.
- The OMR response sheet should not be folder or wrinkled. The folded or wrinkled OMR/Response Sheet will not be evaluated.
- Write your Roll Number in the appropriate space (above) and on the OMR Response Sheet. Any other details, if asked for, should be written only in the space provided.
- There are four options to each question marked A, B, C and D. Select one of the most appropriate option and fill up the corresponding oval/circle in the OMR Response Sheet provided to you. The correct procedure for filling up the OMR Response Sheet is mentioned below.

CORRECT METHOD			
(A)	●	(C)	(D)

WRONG METHOD															
(A)	(B)	(C)	(D)	(A)	(B)	(C)	(D)	(A)	(B)	(C)	(D)	(A)	(B)	(C)	(D)

1. Terms of trade refers to
- (a) Ratio of goods traded (b) Export-Import ratio
- (c) Ratio of values of traded (d) Ratio of prices of goods traded
2. The MRTP Act of 1969 has been
- (a) replaced by Competition Act 2002
- (b) merged in Industrial Policy Act of 1978
- (c) replaced by Trade Union (Amendment) Act 2001
- (d) merged in Industrial Policy Act of 1991
3. The weather forecast says there is a 40% chance of rain today and 30% chance of rain tomorrow. What is the chance of rain on at least one day?
- (a) 65% (b) 58%
- (c) 68% (d) 12%
4. Given E_{TY}^b = buoyancy of tax revenue to income, T^b = total tax k revenue and Y = income, the tax buoyancy is expressed as,
- (a) $E_{TY}^b = \frac{\Delta T^b}{\Delta Y} \times \frac{Y}{T^b}$ (b) $E_{TY}^b = \frac{\Delta Y}{\Delta T^b} \times \frac{T^b}{Y}$
- (c) $E_{TY}^b = \frac{\Delta Y}{\Delta T^b} \div \frac{T^b}{Y}$ (d) $E_{TY}^b = \frac{\Delta T^b}{\Delta Y} \div \frac{Y}{T^b}$
5. The transformation curve is derived from the
- (a) Consumption Curve (b) Utility Possibility Curve
- (c) Social Welfare Function (d) Production Contract Curve

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$R-T \Rightarrow 0.4$
 $R-T \text{ not today} \Rightarrow 0.3$
 $P(A \cup B) = P(A) + P(B)$
 $0.6 \times 0.7 = 0.42$
 $0.4 + 0.3 - 0.42 = 0.28$

6. According to A. K. Sen, famines occurred in India because of
- Lack of proper distribution mechanism
 - lack of demand
 - Lack of transportation
 - Shortage of foodgrains
7. Suppose that observations are available on the monthly bond prices of 100 companies for five years. What type of data are these?
- Cross Sectional
 - Time Series
 - Panel
 - Qualitative
8. Geometric mean of 2, 6 and x is equal to 6. What is the value of x?
- 2
 - 18
 - 9
 - 3
9. Who among the following is not associated with the compensation principle of welfare economics?
- Kaldor
 - Hicks
 - Scitokosky
 - Pareto
10. The value of foreign trade multiplier will be high under the condition when
- marginal propensity to save is high
 - marginal propensity to import is high
 - There is increase in exports
 - marginal propensity to consume is low

$$\sqrt[3]{2 \times 6 \times x} = 6$$

$$2 \times 6 \times x = 6^3$$

$$2 \times 6 \times x = 6 \times 6 \times 6$$

$$2 \times 6 \times 18 = 2 \times 6 \times 6 \times 3$$

11. When a consumer is in equilibrium, MRS_{xy} is 2.5. If the price of commodity Y is 16, then what will be the price of commodity X?

- (a) 40 (b) 6.4
(c) 23.2 (d) 24

$$\begin{array}{r} 1 \quad 3 \\ 16 \times 2.5 \\ \hline 40 \end{array}$$

$$\begin{array}{r} 3 \quad 1 \\ 16 \times 2.5 \\ \hline 40 \end{array}$$

$$MRS_{xy} = \frac{P_x}{P_y}$$

$$2.5 = \frac{P_x}{16}$$

$$P_x = 16 \times 2.5 = 40$$

12. Which of the conditions support long run equilibrium in monopolistic competition?

- (a) $MR = MC, AR = AC$ (b) $P = MC, AR = AC$
(c) $MR = MC = AR = AC$ (d) $AR = MC = AC$

13. Which of the following is not a part of current account?

- (a) Dividends received on a foreign investment
(b) Purchase of a plane ticket on a foreign airline
(c) Shipment of food aid to a poor country
(d) Purchase of a foreign bond

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14. Let the regression results for the impact of per capita GNP (PGNP) and female literacy rate (FLR) on child mortality rate (CM) be as given below:

$$CM^* = 0.40PGNP_i^* - 0.04FLR_i^*$$

Where starred variables indicate standardized variables. Can we say that,

- (a) PGNP has lower impact on CM as compared to FLR
(b) FLR has lower impact on CM as compared to PGNP
(c) Cannot compare the coefficients directly
(d) Impact depends on t value

P.T.O.

15. The Cobb-Douglas production function is represented by
- (a) $Y_i = \beta_1 X_{2i}^{\beta_2} X_{3i}^{\beta_3} e^{u_i}$ (b) $Y_i = \beta_0 + \beta_1 X_{2i}^{\beta_2} X_{3i}^{\beta_3} e^{u_i}$
- (c) $Y_i = \beta_1 X_{2i}^{\beta_2} X_{3i}^{\beta_3} + e^{u_i}$ (d) $Y_i = \beta_1 X_{2i}^{\beta_2} X_{3i}^{\beta_3} u_i$
16. The classical theory of interest postulates that both savings and investments are a function of
- (a) the level of National income (b) the level of employment and output
- (c) monetary and fiscal policy (d) rate of interest
17. Geometric mean of Laspeyre's and Paasche's indices provides
- (a) Marshall-Edgeworth index (b) Bowley's Index
- (c) Fisher's Index (d) Kelley's Index
18. Which one of the following denotes the power of the Test? [α is probability of Type I error and β is probability of Type II error]
- (a) α (b) β
- (c) $1 - \alpha$ (d) $1 - \beta$
19. Three coins are tossed simultaneously. What is the probability that they will fall 2 heads and 1 tail?
- (a) $1/2$ (b) $1/4$
- (c) $3/4$ (d) $3/8$
20. In the equation $C = C_0 + C_1 Y_d$, where C is planned consumption expenditure, Y_d is disposable income, C_0 is intercept or autonomous consumption (value of C when disposable income is zero and C_1 is marginal propensity to consume, which of the following is the endogenous variable?
- (a) C_0 (b) C_1
- (c) $C_1 Y_d$ (d) None of the above

2 Heads 3C₂ 1 tail
3! / 2!
3 / 2
8

21. A discriminating monopolist will charge a higher price in the market in which the price elasticity of,
- (a) Demand is greater (b) Supply is smaller
(c) Supply is greater (d) Demand is smaller
22. Harrod-Domar model of growth is based on the concepts of and their equality
- (a) Population and productivity growth.
(b) Investment and average growth rate of income
(c) Actual, warranted and natural growth rate.
(d) Productivity growth and investment growth
23. Which of the following does not form part of the foreign exchange reserves of India?
- (a) Gold
(b) SDRs
(c) Foreign currency assets
(d) Foreign currency and securities held by the banks and corporate bodies.
24. Core inflation has been described as
- (a) Headline inflation – food inflation
(b) Headline inflation – food inflation + fuel inflation
(c) Headline inflation – fuel inflation
(d) Food inflation + Fuel inflation

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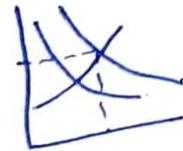
P.T.O.

25. If the Durban-Watson d-test statistics is found to be equal to 0, this means the first-order autocorrelation is

- (a) Perfectly positive (b) Perfectly negative
(c) Zero (d) Imperfect negative correlation

26. As per the IS-LM framework, an increase in government expenditure will result in

- (a) Increase in income and interest rate both
(b) Increase in income only
(c) decrease in investment and interest rate both
(d) decrease in income and interest rate both



27. Assumption of 'No multicollinearity' means the correlation between the regressand and regressor is,

- (a) High (b) Low
(c) Zero (d) Any of the above

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28. If in a year, the gross fiscal deficit of Government is Rs 3,00,000 crores, revenue deficit is Rs 1,50,000 crores and interest payments are Rs 80,000 crores, which of the following is the primary deficit of the government in the year?

- (a) Rs 70,000 crores (b) Rs 23,000 crores
(c) Rs 2,20,000 crores (d) Rs 1,50,000 crores

$$\begin{aligned} \text{GF} &= 3,00,000 \\ \text{RD} &= 1,50,000 \\ \text{I} &= 80,000 \\ \text{PD} &= \end{aligned}$$

29. If the Reserve Bank of India wishes to decrease the money supply, it should

- (a) raise statutory liquidity ratio (b) buy treasury bills in the open market
(c) raise the discount rate (d) lower the reserve requirement

30. The assumption of transitive preferences implies that indifference curves must
- (a) not cross one another
 - (b) have positive slope
 - (c) Be 'L' shaped
 - (d) be convex to the origin

31. If the market demand curve is $D(p) = 100 - .5p$, what is the inverse demand curve?
- (a) $P(q) = 200 - 2q$
 - (b) $P(q) = 100 - 2q$
 - (c) $P(q) = 100 - q$
 - (d) $P(q) = 100 - .5q$
- Handwritten solution:*
 $Q = 100 - 0.5P$
 $0.5P = 100 - Q$
 $P = \frac{100 - Q}{0.5}$
 $P = 200 - 2Q$

32. Fiscal reform measures in India included

- (I) Increasing Tax-GDP ratio
- (II) Expenditure Management
- (III) Managing revenue deficit and fiscal deficit
- (IV) Increasing liquidity in the economy

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Find the correct combination from the given codes :

- (a) I, II and III are correct
- (b) I and IV are correct
- (c) II, III and IV are correct
- (d) III and IV are correct

33. Gilt-edged market means

- (a) Bullion Market
- (b) Market of pure metals
- (c) Market of government securities
- (d) Market of commodities

39. If a firm is producing where $MP_1 / w_1 > MP_2 / w_2$, what can it do to reduce costs but maintain the same output?

$$\frac{MP_1}{w_1} > \frac{MP_2}{w_2}$$

$$\frac{MP_1}{MP_2} > \frac{w_1}{w_2}$$

- (a) Increase the use of factor 1 and decrease the use of factor 2
- (b) Increase the use of factor 2 and decrease the use of factor 1
- (c) Increase the use of factor 2 only
- (d) decrease the use of factor 1 only

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$$P = 50 - 2Q$$

40. A monopolist faces a demand curve given by $D(p) = 100 - 2p$. Its cost function is $c(y) = 2y$. What is its optimum level of output and price?

- (a) $Y = 50, p = 25$
- (b) $Y = 48, p = 26$
- (c) $Y = 40, p = 24$
- (d) $Y = 46, p = 28$

$$MC = 2$$

$$Q = 100 - 2P$$

$$PQ = 100P - 2P^2$$

$$MR = 2P = 100 - 2Q$$

$$P = 50 - Q$$

$$PQ = 50Q - Q^2$$

$$MR = 50 - 2Q$$

$$50 - 2Q = 2$$

$$Q = 48$$

41. Which one of the following committees recommended to establish the National Bank for Agriculture and Rural Development (NABARD) in India?

- (a) Narsimham Committee
- (b) Chakravarti Committee
- (c) Abhijit Sen Committee
- (d) Shivaraman Committee

42. A collection of random variables ordered in time is known as

- (a) Stationary series
- (b) Stochastic processes
- (c) Spurious variables
- (d) Non-stationary series

P.T.O.

43. If $A = \begin{bmatrix} 4 & 1 \\ 9 & 0 \end{bmatrix}$ and $B = \begin{bmatrix} 2 & 0 \\ 7 & 1 \end{bmatrix}$ then $(A+B)$, will be equal to,

(a) $\begin{bmatrix} 2 & 7 \\ 0 & 1 \end{bmatrix}$

(b) $\begin{bmatrix} 4 & 9 \\ 1 & 0 \end{bmatrix}$

(c) $\begin{bmatrix} 6 & 16 \\ 1 & 1 \end{bmatrix}$

(d) $\begin{bmatrix} 6 & 1 \\ 16 & 1 \end{bmatrix}$

44. In Microeconomics, the market is conceived primarily as an institution for

(a) creating new resources equitably

(b) allocating resources equitably

(c) creating new resources

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(d) allocating given resources

45. Which of the following is relevant for test for equality of variances of populations?

(a) z-statistic

(b) t-statistic

(c) χ^2 -statistic

(d) F-statistic

46. When two regression lines (of Y on X and X on Y) coincide each other, then

(a) there will be very low relations between X and Y

(b) the correlation coefficient between Y and X is not perfect

(c) the correlation coefficient between X and Y is perfect

(d) We can not say anything on correlation coefficient between Y and X

47. Which category of items is currently outside the purview of GST in India?
- Tyres and tubes, office furnitures and cloth items
 - Agricultural equipments and musical intruments
 - Petroleum products, electricity and alcohol for human consumption
 - None of the above
48. Given the function $y = x^4 + x$, second order derivative of y with respect to x is:
- $4x^3 + x^2$
 - $12x$
 - $4x^3 + 1$
 - $12x^2$
- Handwritten notes for Q48: $4x^3$, $12x^2$, $4x^3 + 1$, $12x^2$
49. Gross domestic product (GDP) is equal to personal consumption expenditures,
- Plus, gross private domestic investment, minus government spending, and plus net exports
 - Plus, gross private domestic investment, plus government spending, and minus net exports
 - Plus, gross private domestic investment, plus government spending, and plus net exports
 - Minus gross private domestic investment, plus government spending, and plus net exports

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50. Permanent income hypothesis assumes positive correlation between which of following pairs of variables?

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- (a) Permanent income and transitory income
- (b) Permanent income and transitory consumption
- (c) Permanent income and permanent consumption
- (d) Transitory income and transitory consumption

51. As per the Micro, Small and Medium Enterprises Development Act, 2006, micro enterprises are those with investments of:

- (a) <Rs. 25 lakhs
- (b) Rs. 25 lakhs to Rs. 5 crores
- (c) Rs. 5 crores to Rs. 10 crores
- (d) > Rs. 10 crores

52. Which one of the following is true for population dividend to manifest?

- (a) Population in the age group between 0-7 years is likely to increase.
- (b) Population in the age group between 8-15 years is likely to increase.
- (c) Population in the age group between 15-64 years is likely to increase.
- (d) Population in the age group above 65 years is likely to increase.

53. An isoquant relates the quantity of inputs a firm uses to the quantity of output it can produce. In drawing an isoquant, which of the following assumptions about the firm is made?

- (a) It is a profit-maximizing firm
- (b) It is a technically efficient firm
- (c) It is an economically efficient firm
- (d) It has at least one fixed input

54. If $D(p) = 12 - 2p$, what price will maximize revenue?
 (a) 4 (b) 5
 (c) 3 (d) 6
55. Given $y = x^5 + x$, find dx / dy .

① $12 - 2p = 9$
 $12 - 2p = 9$
 $12 - 9 = 2p$
 $3 = 2p$
 $p = 1.5$
 $p\theta = 12Q - 2Q^2$
 $p = 4, \theta = 4, 16 = R$
 $p = 5, \theta = 2, R = 10$
 $p = 3, \theta = 6, R = 18$
 $p = 6, \theta = 0$

- (a) $\frac{1}{5x^4 + 1}$ (b) $\frac{1}{5x + 1}$
 (c) $5x^4 + 1$ (d) $x^5 + x$

$y = x^5 + 5$
 $\frac{dy}{dx} = 5x^4 \frac{1}{5}$
 $\int \frac{5x^4 + 1}{5x^5 + 5}$

56. In the monopolistic competitive model of Chamberlin, which of the following features is not a part of it.

- (a) Product differentiation (b) Group equilibrium
 (c) Price stickness (d) Selling costs
57. Coase theorem is concerned with
- (a) Equity (b) Efficiency
 (c) Externalities (d) None of the above

$y = x^5 + 5$
 $\frac{dy}{dx} = 5x^4 \frac{dx}{dy}$
 $\frac{dy}{dx} = (5x^4 + 1)$
 $\frac{dx}{dy} = \frac{1}{5x^4 + 1}$

58. The production possibility curve under decreasing opportunity cost is

- (a) Concave to the origin
 (b) Convex to the origin
 (c) Straight line parallel to the x-axis
 (d) A straight line parallel to the y-axis

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59. In the presence of heteroscedasticity, the best linear unbiased estimators are provided by the method of

- (a) Ordinary Least Squares (b) Indirect Least Squares
 (c) Weighted Least Squares (d) Instrumental Variables

P.T.O.

60. To test the stationarity of the series in time series analysis, the following test will be used

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- (a) Unit Root Test
- (b) Random Walk Test
- (c) Cochrane-Orcutt Iterative Procedure Test
- (d) Durbin-Watson Statistic Test

61. Which of the following is relevant for Wagner's Law of Increasing State Activities?

- (a) Public expenditure does not increase in a smooth and continuous manner.
- (b) Public expenditure increases in step like fashion.
- (c) There are inherent tendencies for the activities of the Government to increase both intensively and extensively.
- (d) Economy grows faster than the governmental sector.

62. Identify sources of agricultural credit in India from the code given below.

- 1. Commercial Banks
- 2. Money Lender
- 3. Regional Rural Bank
- 4. Small Industries Development Bank of India

Codes :

- (a) 1, 2 and 3
- (b) 2, 3 and 4
- (c) 3, 4 and 1
- (d) 1, 2, 3 and 4

63. According to Hotelling rule about the exhaustible natural resources, which of the following is used for price variation of the exhaustible natural resources :
- (a) Rate of interest
 (b) Labour cost
 (c) Rent and royalties of mines
 (d) Production cost and royalty of mines

64. Find the derivative of $y = \sqrt{x}$,

(a) $\frac{1}{2}x$

(b) $\frac{1}{2\sqrt{x}}$

$y = \frac{1}{2\sqrt{x}}$

(c) $x^{-1/2}$

(d) $\frac{1}{\sqrt{x}}$

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65. The optimum capital stock is achieved when the user cost of capital is equal to
- (a) the interest rate
 (b) the depreciation rate
 (c) the marginal product of capital
 (d) Tobin's Q

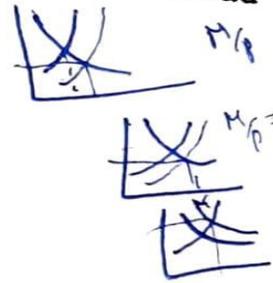
66. If the economy is operating at potential GDP, an increase in money supply will lead to

(a) Stagflation

(b) Structural inflation

(c) Demand-side inflation

(d) Supply-side Inflation



67. Which is the better measure of welfare?

(a) National Income

(b) Per Capita Income

(c) Per Capita disposable Income

(d) Gross National Product

68. Minimum support prices for Agricultural Commodities are fixed after taking into account the recommendations of which of the following bodies?

(a) Ministry of Agriculture

(b) Ministry of Food Processing

(c) NITI AAYOG

(d) Commission for Agricultural costs & Prices (CACCP)

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69. Newton's law of gravity is an example for

- (a) Statistical relationship
- (b) Deterministic relationship
- (c) Comparing economics to science
- (d) Stochastic relationship

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70. In correlation analysis we measure the

- (a) Regression between the two variables
- (b) Degree of linear association between two variables
- (c) Degree of causation between two variables
- (d) Predictability of the two variables

71. Foodgrains in India are canalized by

- (a) ONGC
- (b) OIL
- (c) FCI
- (d) MMTC

72. A spot Foreign Exchange Transaction refers to

- (a) the purchase or sale of foreign exchange for delivery within two business days
- (b) The sale of foreign exchange for delivery
- (c) The purchase of foreign exchange for delivery
- (d) none of the above

73. Regarding 'Most Favoured Nation' (M.F.N.) clause, find out the correct statement:
- (a) It guarantees special privilege to the contracting parties
 - (b) It guarantees only equal treatment
 - (c) The unconditional M.F.N. Clause seems to be more equitable than the conditional one
 - (d) The conditional M.F.N. Clause confers significant rights on the contracting party.

74. In $Y_i = \beta_1 + \beta_2 X_i + u_i ; u_i$
- (a) Represents the missing values of Y
 - (b) Acts as proxy for all the omitted variables that may affect Y
 - (c) Acts as proxy for important variables that affect Y
 - (d) Represents measurement errors

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75. Grants from the Centre to the States under the recommendations of Finance Commission are known as:

- (a) Plan grants
- (b) Development assistance
- (c) Statutory grants
- (d) Discretionary grants

76. Calculate the mean and standard deviation of the following sample

-1, 4, 5, 0

$$\frac{-1+4+5+0}{4} = \frac{8}{4} = 2$$

$$\frac{(-1-2)^2 + (4-2)^2 + (5-2)^2 + (0-2)^2}{4} = \frac{9+4+9+4}{4} = \frac{30}{4} = 7.5$$

- (a) Mean = 2, std dev = 2.54
- (b) Mean = 2, std dev = 2.94
- (c) Mean = 2, std dev = 3.54
- (d) Mean = 2, std dev = 3.94

77. What would be the consequences for the OLS estimator if heteroscedasticity is present in a regression model but ignored?

- (a) It will be biased
- (b) It will be inconsistent
- (c) It will be inefficient
- (d) All A, B and C will be true

P.T.O.

$$\frac{\sqrt{2.25 \times 10}}{2 \sqrt{15}} = \frac{\sqrt{22.5}}{2 \sqrt{15}} = \frac{3\sqrt{2.5}}{2 \sqrt{15}} = \frac{3}{2} = 1.5$$

89. High powered money is:

- (a) Banks' reserves at Central Bank
- (b) Money held by the Banks
- (c) All loans and advances of Banks
- (d) Currency held by Public and cash reserves of the Banks

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90. Suppose there are two factors, capital and land, and that the United States is relatively capital abundant while Canada is relatively land abundant. According to the HO model

*US => export Capital
Can => export Land*

- (a) Canadian landowners should support Canada-U.S. free trade.
- (b) Canadian capitalists should oppose Canada-U.S. free trade.
- (c) U.S. capitalists should support Canada-U.S. free trade.
- (d) All of the above

91. In a hypothesis test the p value is 0.043. This means that we can find statistical significance at:

- (a) both the 0.05 and 0.01 levels
- (b) the 0.05 but not at the 0.01 level
- (c) the 0.01 but not at the 0.05 level
- (d) neither the 0.05 or 0.01 levels

92. Indicate the year in which National Food Security Mission (NFSM) was launched

- (a) 2001-02
- (b) 2004-05
- (c) 2010-11
- (d) 2007-08

93. Which of the following is broad money (M3) in India?

(a) Currency with public + demand deposits in the bank

(b) Currency + demand deposits + other deposits with RBI

(c) Currency + demand deposits + time deposits

(d) Currency + demand deposits + time deposits + other deposits with RBI

94. Under one tail test, the confidence interval is constructed as:

(a) $100(1 - \alpha)\%$

(b) $(100 - \alpha)\%$

(c) $(1 - \alpha)\%$

(d) $\alpha\%$

95. If in $Y_i = \beta_1 + \beta_2 X_i + u_i$ both Y and X are standardized variables, the intercept term will be

(a) positive

(b) negative

(c) between -1 and +1

(d) equal to zero

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96. When comparing r^2 of two regression models, the models should have the same

(a) X variables

(b) Y variables

(c) Error term

(d) Beta coefficient

$$CV = 100 \times \frac{6}{X}$$
$$\frac{SS\epsilon}{SST}$$

97. In classical linear regression model, $Cov(u_i, u_j) = 0, i \neq j$ refers to the assumption of

(a) Zero mean value of disturbance term

(b) Homoscedasticity

(c) No autocorrelation

(d) No multicollinearity

$$(n-1)(y-\bar{y})$$

Var(u)

P.T.O.

98. Which of the following utility function(s) have the expected utility property

(a) $u(c_1, c_2, \pi_1, \pi_2) = a(\pi_1 c_1 + \pi_2 c_2)$

$\pi_1 c_1 + \pi_2 c_2$

(b) $u(c_1, c_2, \pi_1, \pi_2) = \pi_1 c_1 + \pi_2 c_2^2$

(c) $u(c_1, c_2, \pi_1, \pi_2) = \pi_1 \ln c_1 + \pi_2 \ln c_2 + 17$

(d) A nd C

99. The premise, that benefit of economic growth will reach all sections of population is called

(a) Trickle-up effect

(b) Trickle-down effect

(c) Take-off effect

(d) Backlash effect

100. The distribution of the burden of paying a tax is called

(a) Sharing of tax burden

(b) Shifting of the tax

(c) Incidence of a tax

(d) Tax capitalization

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