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Part – 1

1. (c) 32
2. (b) ii is true
3. (d) $0.025\sqrt{(2\pi)}$
4. (a) no solution
5. (c) P(x) and Q(x) are identical
6. (d) All three are correct
7. (b) 5/6, 5/4, 5/9
8. (a) Rs. 8
9. (d) R squared for the regression
10. (a) $P(X>Y) = 1$
11. (b) 16
12. (b) 15
13. (a) $x = 3p/4$
14. (d) Both 3/2 and 5/2
15. (b) 12 Rupees
16. (c) the real interest rate when measured in real terms and the nominal interest rate when measured in nominal terms
17. (c) an increase in the equilibrium value of income and a decrease in the equilibrium value of real interest rate
18. (d) upward sloping
19. (c) would result in a decrease in the equilibrium value of income only if the Marshall-Lerner condition is satisfied
20. (a) Five percent

Part – 2

1. (d) (i) is false, (ii) is true
2. (a) the words WOO and OWW necessarily have the same meaning.

3. (c) (i) $a = -1$ (ii) $a = 1$ (iii) all other values of a
4. (b) the solution set $\{(1 - z/3, 2z/3, z) \mid z \in R\}$
5. (d) $f'(x)$ is not defined at $x = 0$
6. (b) One
7. (d) (4, 2)
8. (a) $a = 2c$, $b = -c^2$
9. (c) 2
10. (d) A is a Liar, B is a Normal person, C is a Truth-teller
11. (b) 1/72
12. (c) The assertion is not rejected at the 10% level.
13. (c) 1+(17/18)
14. (d) 7.5
15. (a) 9
16. (a) (0.4; 0.1)
17. (b) 0.6
18. (b) 1/3
19. (a) Only if our data satisfy assumptions (1) and (2)
20. (b) Only if our data satisfy assumptions (1), (2), (3), and (4)
21. (a) 0
22. (d) Juliet would want to give Romeo some chocolates if she had more than 64chocolates.
23. (b) I and II
24. (b) 10
25. (b) 10
26. (b) (5 books, 75 movies)
27. (d) (5 books, 80 movies)
28. (c) xPy & yIz & zIx
29. (b) allocations satisfying ($x_A=0$, $0 \le y_A \le 2$) and ($0 \le x_B \le 4$, $y_B=0$)
30. None of the 4 options is correct
31. (b) the IS curve is downward sloping and the LM curve is vertical
32. (a) the IS curve to the left and the LM curve to the right

33. (b) a decrease in the equilibrium value of Y and an increase in the equilibrium value of e
34. (d) all of the above
35. (c) will reduce savings unambiguously only for a borrower
36. (a) lower investment by raising the user cost of capital
37. (b) increases the growth rate of the economy in the transition to the steady state but not in the steady state
38. (d) the savings ratio where consumption (per capita) is maximized in the steady state
39. (c) all wages consumed, all profits invested
40. (c) (i) and (iii)