

**TELANGANA UNIVERSITY**  
**S.S.R. DEGREE COLLEGE, NIZAMABAD (C.C:5029)**  
**IV SEMESTER INTERNAL ASSESSMENT I EXAMINATIONS**  
**BUSINESS STATISTICS-II QUESTION BANK**

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I. Multiple choice questions.

1. The regression equation of X on Y gives [a]
  - (a) The most probable values of X for given values of Y
  - (b) The most probable values of Y for given values of X
  - (c) Either of the two
  - (d) None
2. The concept of regression was given by [b]
  - (a) Sir Francis Galton in 1807
  - (b) Sir Francis Galton in 1877
  - (c) Sir Hanrey Fayol in 1854
  - (d) Charles Babbage in 1867.
3. Regression is [c]
  - (a) Measures of average relationship between two more variables
  - (b) To find a relation between two or more variables that are related casually
  - (c) Both of the above
  - (d) None of these.
4. Number of observations in regression analysis is considered as [d]
  - (a) Degree of possibility
  - (b) Degree of average
  - (c) Degree of variance
  - (d) Degree of freedom
5. If all conditions or assumptions of regression analysis simple regression can give [c]
  - (a) Dependent estimation
  - (b) Independent estimation
  - (c) Reliable estimates
  - (d) Unreliable estimates
6. In Regression Analysis, testing of assumptions if these are true or not is classified as [d]
  - (a) Weighted analysis
  - (b) Average analysis
  - (c) Significance analysis
  - (d) Specification analysis
7. A process by which we estimate the value of dependent variable on the basis of one or more Independent variables is called [b]
  - (a) Correlation
  - (b) Regression
  - (c) Residual
  - (d) Slope
8. The method of least squares dictates that we choose a regression line where the sum of the square of deviations of the points from the lie is [b]
  - (a) Maximum
  - (b) Minimum
  - (c) Zero
  - (d) Positive
9. If one regression coefficient is greater than one, then other will be [c]
  - (a) More than one
  - (b) Equal to one
  - (c) Less than one
  - (d) Equal to minus one
10. The dependent variable is also called: [d]
  - (a) Regressand variable
  - (b) Predictand variable
  - (c) Explained variable
  - (d) All of these
11. For comparing yearly changes in price level, the suitable index to be used is [c]
  - (a) FB.I. with average price as base
  - (b) F.B.I
  - (c) C.B.I.
  - (c) None of these
12. The weights used in Laspeyre's price index are denoted as [a]
  - (a)  $q_0$
  - (b)  $q_1$
  - (c)  $P_0$
  - (d)  $P_1$

13. The weights used in Laspeyre's quantity index are denoted as [c]  
 (a)  $q_0$  (b)  $q_x$  (c)  $p_n$  (d)  $p_1$
14. The weights used in Paasche's price index are denoted as [b]  
 (a)  $q_0$  (b)  $q_1$  (c)  $p_0$  (d)  $p_1$
15. The weights used in Paasche's quantity index are denoted as [d]  
 (a)  $q_0$  (b)  $q_1$  (c)  $p_0$  (d)  $p_1$
16. Weighted aggregative index formula using base year quantities as base is called [a]  
 (a) Laspeyre's price index (b) Paasche's price index  
 (c) Bowley's price Index (d) Fisher's price index
17. Weighted aggregative index formula using formula using the average of base year and current year's quantities as weights is called [c]  
 (a) Laspeyre's price index (b) Fisher's price index  
 (c) Marshall-Edgeworth's index (d) Bowley's index
18. The geometric mean of Laspeyre's and Paasche's indices is [a]  
 (a) Fisher's ideal index (b) Bowley's Index  
 (c) Marshall and Edgeworth's index (d) None of these
19. Weighted average of relatives if base year value is taken as weights gives [b]  
 (a) Fisher's index (b) Laspeyre's index (c) Paasche's index (d) Bowley's index
20. The formula for simple average of price relative is [a]  
 (a)  $\frac{1}{n} \sum \frac{p_1}{p_0} \times 100$  (b)  $\sum \frac{p_1}{p_0} \times 100$  (c)  $\frac{1}{n} \sum \frac{q_1}{q_0} \times 100$  (d) None of these

## II. Fill in the blanks.

- The sign of regression coefficient is same as that of correlation coefficient.
- The regression analysis measures average relationship between X and Y.
- The purpose of regression analysis is to study dependence between variations.
- When one regression coefficient is positive the other would be positive
- Lines of regression are perpendicular if  $r = 0$ , and they are same if  $r = \pm 1$
- The farther the two regression lines cut each other the lesser be the degree of correlation.
- If the regression coefficient of X on Y and Y on X are -0.4 and -0.9 respectively then the correlation coefficient is. -0.6
- If one of the regression coefficient is  $\geq$  unity the other must be  $\leq$  unity
- The statistical tool with the help of which we estimate the unknown variable of one variable from the known value of another variable is called regression
- Both the regression coefficients cannot exceed 1
- Consumer price index number is measures measures changes in retail price
- If the price index increases by 20% the product A, which at present is Rs. 10, will Rs.2 (increase by Rs.2, increase by Rs.12)
- Index numbers are specialized averages
- Index of industrial production is a quantity index
- Index numbers indicate relative changes
- Index numbers are known as economic barometers
- Index numbers measure changes over lime in magnitudes which are not capable of direct measurement
- An index number is a special type of average

19. Index numbers are expressed in percentages
20. Index numbers can be used for forecasting

Short Answer questions.

1. Define Regression?
2. Importance of regression analysis?
3. Linear Regression?
4. Larpeyre's indane method formula?
5. Paasche's indane method formula?
6. Marshall Edgeworth method formula?
7. Time Reversal test?
8. Define least square method?
9. What is free hand curve?