

2020

**ECONOMICS**

Full Marks : 100

Pass Marks : 33

Time: Three hours

*All the questions are compulsory.*

*Marks allotted to each question are shown against it on the right hand margin.*

*In each of the Question Nos. 1 to 4 there are four alternative answers marked A, B, C and D. Only one of them is correct or the best. Choose the correct or the best answer by writing the corresponding letter.*

1. Who amongst the following prominent economist propounded the theory of microeconomics ?
  - A. Adam Smith
  - B. Prof. Lionel Robin
  - C. J. M. Keynes
  - D. Ragnar Frisch

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2. The given relation  $M_o = 3M_e - 2\bar{x}$  is formulated by –
  - A. Irving Fisher
  - B. Karl Pearson
  - C. A. L. Bowley
  - D. Spearman

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3. Indicate which of the following index numbers will be replaced by producers price index presently ? 1
- A. Wholesale price index number
  - B. Consumer price index number
  - C. Cost of living index number
  - D. Industrial production index number
4. If 5% change in price is followed by 10% change in quantity demanded, probable price elasticity of demand is \_\_\_\_\_ . 1
- A. 0.5
  - B. 1
  - C. 2
  - D. 2.5

*Answers to Question Nos. 5 to 12 should be limited to a few words or a sentence each.*

5. Define stock. 1
6. Name the eminent Indian economist who contributed a lot to the theoretical and applied field of statistics. 1
7. Why is production possibility curve generally concave to the origin ? Give a reason. 1
8. Suggest one difficulty in the calculation of index number. 1

9. Give a reason why supply curve slopes upward from left to right. 1
10. Express in your own words the first and most important step for calculating the median for an individual series. 1
11. Identify the most important factor which determines the price elasticity of demand. 1
12. The following series shows the daily pocket expenses of 7 boarders in a school boarding at Imphal : 1  
Rs. 40, Rs.25, Rs.50, Rs.30, Rs.38, Rs.45, Rs.24. Find the range.

*Answers to Question Nos. 13 to 24 should be limited to about 40 words each.*

13. State law of Equi-Marginal Utility in case of two goods. 2
14. Define two-way frequency distribution. 2
15. What is a scatter diagram ? 2
16. Give two characteristics of a satisfactory table.  $1 \times 2 = 2$
17. Recite one similarity and dissimilarity of monopoly and oligopoly form of market.  $1 \times 2 = 2$
18. Why is standard deviation known as root mean square deviation ? 2
19. Why does black market emerge although the government imposes a control on the price of goods ? Give two reasons.  $1 \times 2 = 2$
20. Analyse movement along a demand curve and shifts in the demand curve. 2
21. Differentiate between a frequency curve and a frequency polygon. 2

22. The given table shows the Total Revenue (TR) and Total Cost (TC) schedule of a competitive firm. Obtain its corresponding Marginal Revenue (MR) and Marginal Cost (MC). 1×2=2

Output (units)	TR (Rs)	TC (Rs)
1	7	8
2	14	15
3	21	21
4	28	28

23. Information of a factory is given below : 2

No. of employees : 50

Average wage per employee per day : 120

Variance of wage employee per day : 9

Calculate coefficient of variation.

24. Draw a demand curve representing the following information. 2

Price (Rs)	Quantity demanded (units)
12	10
10	20
8	30
6	40

*Answers to Question Nos. 25 to 32 should be limited to about 60 words each.*

25. What is a market demand for a good? List any three factors determining market demand. 1+3=4
26. Define Karl Pearson's Coefficient of Correlation. 4
27. Explain how scarcity of resources and choice go together. 4

28. "Planning without statistics is a ship without radar and compass". Amplify the statement. 4

*Or*

Enumerate the importance of statistics in the study of production and distribution. 2×2=4

29. Distinguish between discrete series and continuous series by giving examples of each. 2×2=4

30. Price elasticity of supply for a product is 1. A firm supplied 25 units of the product at a price of Rs.5 per unit. If the price of the product rises to Rs.6 per unit, how much quantity of the product will be supplied by the firm? 4

*Or*

Analyse the factors determining elasticity of supply by giving two points.

2×2=4

31. Calculate rank correlation between A and B from the following data : 4

Rank A : 1 2 3 4 5

Rank B : 2 4 1 5 3

*Or*

Compute price index number for 2020 taking 2015 as the base year from the following data by simple aggregative method. 4

Commodities	:	Petrol	Diesel	Kerosene	Rice
Prices in 2015 (Rs) :		60	50	20	35
Prices in 2020 (Rs) :		70	60	35	45

32. Analyse the relationship between Average cost and Marginal cost by giving four points. 1×4=4

*Or*

The following data about output and total cost of a firm are given.

Output (units)	:	0	1	2	3
Total cost (Rs)	:	75	95	110	120

Calculate Total Fixed cost, Total Variable cost, Average Fixed cost and Marginal cost. 1×4=4

*Answers to Question Nos. 33 to 36 should be limited to about 300 words each.*

33. Explain the law of diminishing marginal utility with the help of a numerical example. Indicate two uses of the law. 6+2=8
34. Point out four important methods of collecting primary data. Elaborate them. 2×4=8

*Or*

Explain about four bar diagrams. 2×4=8

35. Identify three main features of perfect competition. Elaborate them and show the position of market equilibrium with the help of a diagram. 2×4=8

*Or*

Examine three characteristics of a monopolistic competition. Show the demand curve facing a monopolistically competitive firm with the help of a diagram. 2×4=8

36. Following table gives the marks obtained by 100 students in statistics subject.

4+2=8

Marks	:	20	10	50	40	30
No. of students	:	10	5	25	20	40

Find the average and median marks of students.

Or

Compute mean deviation from mean of the following data :

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Marks	:	0 - 10	10 - 20	20 - 30	30 - 40	40 - 50
No. of students	:	5	10	20	5	10