

**2025**

**ECONOMICS**

**Full Marks : 100**

**Pass Marks : 33**

**Time : Three hours**

*All the questions are compulsory.*

*The figures in the right hand margin indicate full marks for the questions.*

*In each of the Question Nos. 1 to 6 and 21 to 26, 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.*

*Read the following instructions carefully and follow them :*

- (i) This question paper contains 40 questions. All the questions are compulsory.*
- (ii) This question paper contains two sections :  
Section A – Microeconomics  
Section B – Statistics for Economics*
- (iii) This question paper contains 12 Multiple Choice Type Questions. Each question carries 1 mark.*
- (iv) This question paper contains 8 Very Short Answer Type Questions. Each question carries 1 mark. Answer these questions in a few words or a sentence each.*

P.T.O.

- (v) *This question paper contains 8 Short Answer Type-II Questions. Each question carries 2 marks. Answer these questions in about 40 words each.*
- (vi) *This question paper contains 8 Short Answer Type-I Questions. Each question carries 4 marks. Answer these questions in about 80 words each.*
- (vii) *This question paper contains 4 Essay/Long Answer Type Questions. Each question carries 8 marks. Answer these questions in about 300 words each.*
- (viii) *Attempt all parts of a question together.*
- (ix) *There is no overall choice in the question paper. However, an internal choice has been provided and such questions have to be attempted.*

### **Section – A (Microeconomics)**

1. The opportunity cost is : 1
  - (A) Out of pocket cost
  - (B) Out of pocket plus cost incurred by the Government.
  - (C) Value of all opportunities for zone.
  - (D) The value of the next best alternative good that is given up for it.
  
2. Which is not true for the Law of Demand ? 1
  - (A) When the price of a commodity increases, the consumer buys more.
  - (B) When the price of a commodity increases, the demand for that commodity controls.
  - (C) When the price of a commodity decreases, the demand for that commodity extends.
  - (D) The demand curve slopes downward from left to right.
  
3. When the vertical straight line demand curve meets Y-axis, it is the case of : 1
  - (A) Unitary elastic demand
  - (B) Zero elastic demand
  - (C) Perfectly inelastic demand
  - (D) Perfectly elastic demand

4. If the price of a commodity rises from Rs. 48 per unit to Rs. 50 per unit, its quantity supplied increases from 100 units to 200 units, then the estimated value of the coefficient of price elasticity of supply is : 1
- (A) 24  
(B) 20  
(C) 10  
(D) 8
5. Under monopolistic competition : 1
- (A) there are only a few buyers and sellers  
(B) there is restriction on entry  
(C) there is product homogeneity  
(D) there are selling costs
6. In the following question, a statement of Assertion (A) is followed by a statement Reason(R). Choose the correct alternative among those given below : 1
- (A) Both Assertion(A) and Reason(R) are true and Reason(R) is the correct explanation of Assertion(A)  
(B) Both Assertion(A) and Reason(R) are true and Reason(R) is not the correct explanation of Assertion(A)  
(C) Assertion(A) is true but Reason(R) is false  
(D) Assertion(A) is false but Reason(R) is true

Assertion(A) : A Self Help Group is a financial intermediary committee usually composed of 10 to 20 local women.

Reason(R) : Self Help Groups empowers the saving habits especially of rural women.

**Answer to Question Nos. 7 to 10 should be limited to a few words or a sentence each.**

7. What do you understand by the term market ? 1

8. If the Government imposes sales tax equal to Rs. 5 per unit of the supply price per unit of the quantity offered for sale, what will be the impact to the supply price and the supply curve. 1
9. Give reason why supply curve generally slopes upward to the right. 1
10. Calculate the Marginal Utility from the following Total Utility Schedule : 1

Cups of Tea consumed per day	1	2	3	4	5	6	7	8
Total utility	12	22	30	36	40	42	42	40

*Answer to Question Nos. 11 to 14 should be limited to about 40 words each.*

11. Why does shifts in demand curve occur for a commodity ? 2
12. Justify two factors that affect the market supply of a commodity. 2
13. What is price elasticity of demand ? 2
14. Establish the relationship between Total Utility and Marginal Utility. 2

*Answer to Question Nos. 15 to 18 should be limited to about 60 words each.*

15. " Scarcity is the root cause of all economic problems faced by the society". 4  
Justify the above statement.
16. Explain the income effect and substitution effect. 2×2=4
17. Derive the conditions of consumer's Equilibrium in case of two commodities. 4

*Or*

Explain producer's equilibrium. 4

18. Analyse the key objectives of financial inclusion by giving four points. 1×4=4

*Or*

Analyse the microeconomic trends of financial inclusion in Manipur. 4

*Answer to Question Nos. 19 and 20 should be limited to about 300 words each.*

19. What are the relationship between Average Cost and Marginal Cost curves. Illustrate it with the help of diagram. 4+4=8

*Or*

Define Average Revenue and Marginal Revenue. Illustrate diagrammatically the relationship between Average Revenue curve and Marginal Revenue curve.

4+4=8

20. Explain how does the balance between demand and supply determine the equilibrium level of output under perfect competition. Use market demand and supply schedule. 4×2=8

*Or*

Explain the importance of time element in price determination under perfect competition. 4×2=8

### **Section – B (Statistics for Economics)**

21. Which one of the following is regarded as the importance of Statistics in Economic Analysis ? 1
- (A) Statistics is quantitative expression of economic problem
  - (B) Statistics work out cause and effect relationship between economic variables
  - (C) Statistics facilitates economic forecasting
  - (D) All of the above
22. A bivariate frequency distribution is : 1
- (A) the frequency table of two variables
  - (B) the contingency table
  - (C) the cumulative frequency table
  - (D) Grouped frequency table
23. Which one of the following is the true example of primary data sources ? 1
- (A) Journals
  - (B) Books
  - (C) Census Report
  - (D) Newspapers

24. Which of the following measures of central tendency is affected most by the presence of extreme values ? 1
- (A) Median (B) Mode  
(C) Arithmetic Mean (D) Geometric Mean
25. In the following question, a statement of Assertion (A) is followed by a statement Reason(R). Choose the correct alternative among those given below : 1
- (A) Both Assertion(A) and Reason(R) are true and Reason(R) is the correct explanation of Assertion(A)  
(B) Both Assertion(A) and Reason(R) are true and Reason(R) is not the correct explanation of Assertion(A)  
(C) Assertion(A) is false but Reason(R) is true  
(D) Assertion(A) is true but Reason(R) is false
- Assertion(A) : An index number is a statistical device for measuring changes in the magnitude of a group of related variables.  
Reason(R) : Conventionally index numbers are expressed in terms of percentage.
26. Which of the following correlation coefficient can measure any type of relation without giving any numerical values ? 1
- (A) Karl Pearson's Correlation Coefficient  
(B) Spearman's Correlation Coefficient  
(C) Scatter Diagram  
(D) Both (A) and (B)
27. Differentiate between a bar diagram and histogram as a technique used in presentation of data. 1
28. Suggest how will you formulate future production plan and decide the expected level of consumption for 2023. 1
29. Give a reason why are index numbers considered as economic barometer. 1

30. Suppose the current year price of the commodity is Rs. 145. Calculate price relative if the previous year price is Rs. 150. 1
31. What is frequency array ? Give example of it.  $1 \times 2 = 2$
32. Distinguish between random sampling and non-random sampling. 2
33. Explain quantitative classification of statistical data by giving example.  $1 \times 2 = 2$
34. Suppose a student has secured 80, 75, 93, 86 and 85 marks in five different subjects. Find out the Weighted Mean if weights are 1, 1, 2, 3 and 3 respectively. 2
35. State any four functions of Statistics.  $1 \times 4 = 4$
36. The following table gives the daily income of ten workers in a factory. Find the Arithmetic Mean. 4

Workers	A	B	C	D	E	F	G	H	I	J
Daily income (in Rs.)	120	150	180	200	250	300	220	350	370	260

*Or*

Compute median from the following frequency distribution :

Class interval	20-25	25-30	30-35	35-40	40-45	45-50	50-55	55-60
No. of Students	14	28	33	30	20	15	13	7

37. Comment whether the following statements are true or false : 4
- The sum of deviation of items from actual mean is zero.
  - An average alone is not enough to compare series.
  - Arithmetic mean is affected by extreme values.
  - Median is unduly affected by extreme observations.

38. The following data provides the ranks of 10 students in a test examination on Statistics and Economics. Calculate Spearman's rank correlation coefficient. 4

Statistics( $R_1$ )	4	5	7	8	10	1	3	6	2	9
Economics( $R_2$ )	3	4	7	9	10	8	6	5	2	1

*Or*

Analyse the issues in the construction of an index number. 4

39. Calculate the lower quartile and upper quartile from the following frequency distribution :  $4 \times 2 = 8$

Monthly income(Rs.)	Frequency(f)
Below 75	5
75-150	10
150- 225	10
225-300	7
300-375	6
375-450	10
450 and above	5
	N=53

*Or*

“ Arithmetic Mean is the best and most commonly used measures of Central Tendency”. Analyse the above statement. 8

40. Explain the advantages of sampling method over the Census method of collecting statistical data.  $4 \times 2 = 8$

*Or*

Explain the steps for construction of frequency distribution.  $4 \times 2 = 8$