

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 7

PART—A

*(Answer Question No.1 which is compulsory
and any two of the rest from this part.)*

1. (a) State, with reasons in brief, whether the following statements are correct or incorrect :
 - (i) Micro economics is also known as macro economics.
 - (ii) When a consumer moves upwards left along a given demand curve it is termed as contraction of demand.
 - (iii) Under perfect competition, a firm has full control over the price at which it may choose to sell its output.
 - (iv) An increase in national income will result in a corresponding increase in economic welfare of the country.
 - (v) 'Balance of payments' and 'balance of trade' convey the same information.

(2 marks each)
- (b) Choose the most appropriate answer from the given options in respect of the following :
 - (i) Central problems of economies arise because —
 - (a) Wants are unlimited
 - (b) Means are limited
 - (c) Wants are unlimited and means which have alternative uses are limited
 - (d) None of the above.
 - (ii) When marginal utility is zero, the total utility will be —
 - (a) Minimum
 - (b) Maximum
 - (c) Negative
 - (d) Indeterminate.
 - (iii) Production function is —
 - (a) Physical relationship between inputs and outputs
 - (b) Relationship among all factors of production
 - (c) Relationship between workers and management
 - (d) None of the above.

- (iv) In perfect competition, the price is determined by —
- (a) Firm
 - (b) Industry
 - (c) Government
 - (d) None of the above.
- (v) Price discrimination is possible under the following market form —
- (a) Perfect competition
 - (b) Pure competition
 - (c) Monopolistic competition
 - (d) Monopoly.
- (vi) Since adoption of economic liberalisation, the share of agriculture to India's GDP is —
- (a) Constant
 - (b) Declining
 - (c) Increasing
 - (d) None of the above.
- (vii) Which of the following is not included in income method of measurement of national income —
- (a) Fixed capital formation
 - (b) Wages and salaries
 - (c) Interest
 - (d) Dividends.
- (viii) When general price level increases, the value of money will —
- (a) Increase
 - (b) Decrease
 - (c) Remain constant
 - (d) None of the above.
- (ix) Find the odd one out of the following —
- (a) State Bank of India
 - (b) Reserve Bank of India
 - (c) Union Bank of India
 - (d) Central Bank of India.

- (x) Which of the followings is not the objective of the WTO —
- (a) To help free trade flow
 - (b) To help trading members to settle disputes
 - (c) To try to sort out the trade problems of members
 - (d) To determine the exchange rates of different currencies.

(1 mark each)

2. (a) Distinguish between **any three** of the following :

- (i) 'Perfect competition' and 'monopolistic competition'.
- (ii) 'Positive economics' and 'normative economics'.
- (iii) 'Law of demand' and 'elasticity of demand'.
- (iv) 'Fixed cost' and 'variable cost'.

(3 marks each)

- (b) Re-write the following sentences after filling-up the blank spaces with appropriate word(s)/figure(s) :

- (i) _____ policy is aimed to regulate and control the money supply in an economy.
- (ii) _____ is the interest rate at which the Central Bank provides loans to banks and other borrowers.
- (iii) No costs are fixed in _____ run.
- (iv) Monopolist controls the _____ of the product for which there is no close substitute in the market.
- (v) In the perfect competition, in the long run no firm can earn _____ profits.
- (vi) _____ sector contributes more than 50% of the GDP in India.

(1 mark each)

3. (a) Briefly explain the Fisher's Quantity Theory of money.

(5 marks)

- (b) What is 'fiscal policy' ? Discuss its various objectives.

(5 marks)

- (c) Explain the importance of agricultural sector in India.

(5 marks)

4. Attempt **any three** of the following :

- (i) Write a note on the role of service sector in Indian economy.
- (ii) What do you mean by 'economies of scale' ? What are its different types ?
- (iii) Briefly explain the meaning of 'globalisation' and its impact on the Indian economy.
- (iv) Enumerate the difficulties in estimating national income of a country with particular reference to India.

(5 marks each)

PART—B

(Answer Question No.5 which is compulsory and any two of the rest from this part.)

5. (a) State, with reasons in brief, whether the following statements are correct or incorrect :

- (i) Statistics deals with individual measurements.
- (ii) The sum of squares of the deviations of a set of value is minimum when taken from mean.
- (iii) Cartograms are used to represent spatial distribution.
- (iv) In a moderately asymmetrical distribution —
Median = mode + $\frac{3}{2}$ (mean – mode).
- (v) Fisher's ideal index number is geometric mean of Laspeyre's index number and Paasche's index number.

(2 marks each)

(b) Choose the most appropriate answer from the given options in respect of the following :

- (i) Statistics in singular sense means —
 - (a) Statistical data
 - (b) Statistical method
 - (c) Inductive statistics
 - (d) Descriptive statistics.
- (ii) Word 'statistics' seems to have been derived from the Italian word '*statista*' which means —
 - (a) Economic state
 - (b) Political state
 - (c) Numerical state
 - (d) Social state.

- (iii) The co-efficient of correlation will have positive sign when —
- (a) X increasing, Y decreasing
 - (b) Both X and Y increasing
 - (c) X decreasing, Y increasing
 - (d) No change in X and Y.
- (iv) A diagram having two dimensions is known as —
- (a) Linear diagram
 - (b) Volume diagram
 - (c) Area diagram
 - (d) None of the above.
- (v) Deviation bars —
- (a) Have only positive value
 - (b) Have only negative value
 - (c) Can have both negative and positive values
 - (d) Have only zero value.
- (vi) Link relative method is also known as —
- (a) Graphical method
 - (b) Curve fitting by principles of least squares
 - (c) Pearson's method
 - (d) Method of semi averages.
- (vii) Prof. Sturges' formula is used for deciding —
- (a) Number of class-interval
 - (b) Magnitude of class-interval
 - (c) Arrangement of frequencies
 - (d) Determination of class limits.
- (viii) Secular trend in the time series is the general tendency over a long period of time of data to —
- (a) Increase
 - (b) Decrease
 - (c) Stagnate
 - (d) All the above.

- (ix) The value of coefficient of correlation between the variables is always —
(a) Greater than one
(b) Less than one
(c) Equal to zero
(d) In the range of minus one and plus one.
- (x) Distrust of statistics is due to —
(a) Insufficient statistical method
(b) Limited scope of statistics
(c) Misuse of unscrupulous elements
(d) None of the above.

(1 mark each)

6. (a) Distinguish between **any three** of the following :

- (i) 'Histogram' and 'histogram'.
- (ii) 'Census investigation' and 'sample investigation'.
- (iii) 'Fixed base index number' and 'chain base index number'.
- (iv) 'Laspeyre's index number' and 'Paasche's index number'.

(3 marks each)

- (b) Re-write the following sentences after filling-up the blank spaces with appropriate word(s)/figure(s) :

- (i) Indirect oral interview is one of the methods of collecting _____ .
- (ii) The sum of observations divided by the number of observations is known as _____.
- (iii) _____ is the value which has the greatest frequency in its immediate neighbourhood.
- (iv) Lorenz curve method is graphical method of measuring _____ of a distribution.
- (v) _____ is a statistical tool which measures the degree of relationship between one or more variables.
- (vi) When the verticals of a frequency polygon are joined by a smooth curve, the resulting figure is known as _____.

(1 mark each)

7. Attempt **any three** of the following :

- (i) "All statistics are numerical statements but all numerical statements are not statistics." Explain.
- (ii) Define 'secondary data'. State the precautions that need to be taken in their use.

(iii) A cyclist pedals from his house to college at a speed of 10 km. per hour and back from the college to his house at 15 km. per hour. Compute his average speed.

(iv) What are the various components of a time series ?

(5 marks each)

8. (a) Calculate the quartile deviation and the coefficient of quartile deviation from the following data :

<i>Wages (Rs.)</i>	Less than 35	35–37	38–40	41–43	Above 43
<i>No. of Workers</i>	14	62	99	18	7

(5 marks)

- (b) Using rank correlation method, determine the relationship between debenture prices and share prices from the following data :

<i>Year</i>	1	2	3	4	5	6	7
<i>Debenture Price (Rs.)</i>	97.8	99.2	98.8	98.3	98.4	96.7	97.1
<i>Share Price (Rs.)</i>	73.2	85.8	78.9	75.8	77.4	87.2	83.8

(5 marks)

- (c) In a certain industry, the production of a certain commodity during the year 2001-2008 is given in the following table :

<i>Year</i>	2001	2002	2003	2004	2005	2006	2007	2008
<i>Production (Rs. in Lakhs)</i>	76	80	130	144	138	120	174	190

Fit a straight line trend by using the method of least squares and represent the data alongwith trend values on graph paper.

(5 marks)

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