SET - 1

Economics

Time allowed: 3 hours **Maximum Marks: 80**

General Instructions:
1. This question paper contains two parts:
    Part A - Statistics (40 marks)
    Part B - Micro Economics (40 marks)
2. Marks for questions are indicated against each question.
3. Question No. 1-7 and Question No. 16 – 22 are 1 mark questions and are to be answered in one word/sentence.
4. Question No. 8-10 and Question No. 23 – 25 are 3 marks questions and are to be answered in 60 - 80 words each.
5. Question No. 11-13 and Question No. 26 – 28 are 4 marks questions and are to be answered in 80-100 words each.
6. Question No. 14-15 and Question No. 29 – 30 are 6 marks questions and are to be answered in 100-150 words each.
7. Answers should be brief and to the point and the above word limit be adhered to as far as possible.

Questions

Q	PART - A (STATISTICS)	Marks
1	The standard deviation of 100 workers in a factory was ₹400. If each observation is multiplied by 4, then the new value of standard deviation will be: (a) 200 (b) 600 (c) 700 (d) 800 OR _____ of dispersion are obtained as ratios or percentages of the average. These are also known as 'Coefficient of dispersion'	1
2	Fill in the blanks: According to _____ definition of economics is the science which studies human behavior as a relationship between ends and scarce means which have alternative uses.	1

3	_____ diagram are those diagrams in which only the length of the diagram is considered. It can be drawn in the form of a line or in various types of bars. (a) Multiple bar (b) Sub-divided bar (c) Percentage bar (d) One dimensional	1
4	Wholesale price index is used to measure the (a) Arithmetic mean (b) Geometric mean (c) Inflation (d) Appreciation	1
5	Which of the following is the formula of the consumer price index number of the aggregative method? (a) $$\frac{\sum p_1 q_0}{\sum p_0 q_0} \times 100$$ (b) $$\frac{\sum p_0 q_0}{\sum p_0 q_1} \times 100$$ (c) $$\frac{\sum p_1 q_1}{\sum p_0 q_0} \times 100$$ (d) $$\frac{\sum p_1 q_1}{\sum p_1 q_0} \times 100$$	1
6	True or False: Value of Coefficient of correlation lies between -1 and + 2.	1
7	Under _____ method, a questionnaire containing a number of questions related to the investigation is prepared.	1
8	Difference between geographical classification and chronological classification.	3
9	Define median and its properties. OR From the following distribution, find out the mean by direct method:	3

Marks	0-4	4-8	8-12	12-16		
No. of students	8	16	4	2		

10	Convert the following series into 'less than' and 'more than' cumulative frequency distribution.						3

Daily wages (in ₹)	50 - 55	55 - 60	60 - 65	65 - 70	70 - 75	Total
No. of workers (f)	18	12	20	14	16	80

11	Calculate median from the following data:					4

Age (in years)	55 - 60	50 - 55	45 - 50	40 - 45	35 - 40
No. of persons	14	26	42	40	28

12	Calculate weighted Mean by weighted each price by the quantity consumed.	4

Food Articles	Quantity Consumed (in kg)	Price in ₹ (pre kg)
Sugar	30	40
Potato	20	30
Onion	10	50
Ghee	15	20
Rice	50	70

13	Find the missing value, if the mean of the series is 68.	4

X	40	?	80	100	120
f	16	20	12	8	4

14	The mean marks of students of combined section A and B are 76. There are 120 and 80 students in section A and section B respectively . If mean marks of students in section A are 80, find out the mean marks of students in section B.	6

15	Construct Quantity index number of 2019 from the following data by: (a) Laspeyre's method, and (b) Paasche's method.	6

Commodities	2018 Base Year		2019 Current Year	
	Price	Quantity	Price	Quantity
A	20	60	24	100

B	16	30	20	50	
C	12	40	12	60	
D	8	20	12	40	

	Microeconomics	
16	Which of the following is related to microeconomics? **1** (a) Gross domestic product (b) Employment (c) Inflation (d) Individual demand	1
17	What is the shape of the average revenue curve (demand curve) in perfect Competition?	1
18	_____ is the sum total of the utilities derived from the consumption of all units of a commodity. OR An _____ is a curve showing all the possible combinations of two goods that give us equal satisfaction. (a) Indifference set (b) Indifference map (c) Indifference curve (d) Budget line	1
19	True or false: Budget line shows all the bundles/combinations of two commodities that a consumer can buy with the given income at a given set of prices.	1
20	_____ is that type of oligopoly market where firms make joint decisions regarding price and output.	1
21	When price falls with rise in output, then: (a) AR curve is steeper than MR curve (b) TR increases (c) MR curve is steeper than AR curve (d) AR and MR Curves coincide in a horizontal line parallel to X axis	1
22	When the price of the commodity rises, quantity demanded falls. It leads to the _____ movement of the demand curve. It is also known as _____of demand.	1
23	Discuss the central problems of an economy. OR What is the economic problem? What gives rise to economic problems? Do all the economies face this problem?	3
24	What are monotonic preferences? Explain why is an indifference curve: (i)downward sloping from left to right and; (ii) convex	3

25	The coefficient of price elasticity of demand for a commodity is 0.2. When the price was ₹20 per unit. The quantity demanded was 80 units. If the price falls to ₹10 per unit how much will be its quantity demanded?	3
26	Explain the concept of movement along the demand curve.	4
27	Differentiate between explicit cost and implicit cost. OR When labour increases by more than one unit and the difference of increase is equal. Find out the missing values: 	Labour (units)	Average Product (AP)	Marginal Product (MP)	Total Product (TP)
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5	10	-	-
10	11	-	-
15	13	-	-
20	13	-	-
25	11.8	-	-		4
28	Explain the relationship between (i) Total revenue (TR) and Marginal revenue (MR) under perfect competition. Use diagram	4
29	At a given price there is excess demand, explain how equilibrium level will be attained by a perfectly competitive industry. Or How is equilibrium achieved when at a given price there is excess demand? Discuss. Or When do we say there is excess demand for a commodity in the market?	6

30	Explain the following terms with the help of diagram: **6**
	   (a) Define price elasticity of supply
	   (b) Explain different types of elasticity of supply.
		6