Business Statistics (E.M) - ICom Part 2 Business Statistics Chapter 4 Short Questions Test

Q1. What is composite index number.

Ans 1: An index number which measures a relative change in a group of related variables according to base is caled composite index number.

Q2. What is wholesale price index.

Ans 1: An Index number which indicates the price quolatitions of wholesale market is called wholesale price index.

Q3. Define simple index number.

Ans 1: An index number which measures a relative chagne in a single variable according to base is called simple index number

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Q4. Write the types of index numebr according to base.

Ans 1: 1- Fixed base index number

Ans 2: 2- Chain base index number

Q5. What is pirce relative.

Ans 1: The percentage ratio of the price in current year and the price in base year is called price relative.

Q6. What is weighted index number.

Ans 1: An index number which measures the changes in the process or group of commodities with respect to relative importance of commodities is called weighted index number.

Q7. What is link relative.

Ans 1: The percentage ratio of the price in curren tyear and the price in previous year is called link relative . It is calculated as. 1 = Pn/Po x 100

Q8. What is an Ideal index number.

Ans 1: An index numebr presented by the Statisticians Fisher's is called ideal index number.

Q9. Write any three uses of index numbers.

Ans 1: 1- Index numebr is used to measure the purcltasing power of money

Ans 2: 2- Index number is used to forecast business activities.

Ans 3: 3- Index number is used to make policles for the future.

Q10. Define index number.

Ans 1: A device that measures the changesin a variable or group of related variables wiht resptect time or space is called an index number