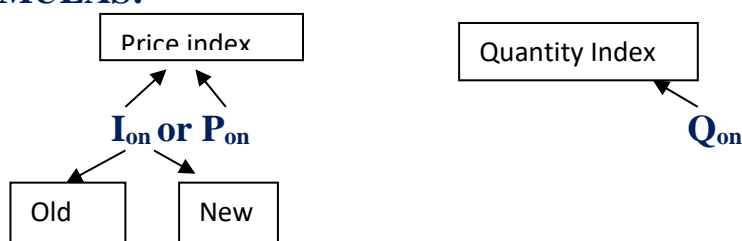


## 1. INDEX NUMBERS

### FORMULAS:



- Simple aggregate price index =  $\frac{\sum P_n}{\sum P_o} \times 100$
- Weighted aggregate price index =  $\frac{\sum P_n \cdot W}{\sum P_o \cdot W} \times 100$

### EXERCISES

- The prices of rice per quintal during the period 1975-79 are given below. Find the simple index number relative to the base year 1975. Ans. 100,120,130,125,95

year	1975	1976	1977	1978	1979
Price (in Rs.)	240	288	312	300	228

- The prices of coal per mound are given below; taking the average price as the base price find the index number of price of coal. Ans. 70,80,96,124,130

Year	1974	1975	1976	1977	1978
Price (Rs.)	10.5	12.0	14.4	18.6	19.5

- Find by (i) simple (ii) weighted aggregative method the index number from the following data: Ans. (i) 117.55 (ii) 119.03

Commodity	Rice	Wheat	Oil	Fish	Potato
Base price 1961(in Rs)	32	25	90	120	35
Current price (in Rs.)	50	25	100	140	40
Weight	8	6	7	3	5

- Calculate price index numbers from the following data, using (i) weighted aggregative formula Ans. 153.6

Commodity	Unit	weight	Price per unit (in Rs.)	
			Base year	Current year
A	Quintal	14	90	120
B	Kg	20	10	17
C	Dozen	35	40	60
D	Liter	15	50	95