

KERALA AGRICULTURAL UNIVERSITY
B.Sc (Hons.) Ag. Programme
IInd Semester Re-Examination- August -2014

Cat. No: Econ.1201

Title: Principles of Agricultural Economics (2+0)

Marks: 80

Time: 3 hours

I. Fill up the blanks

(10 x 1 = 10)

1. Creation of value is called.....
2. The study of consumer behaviour comes under..... Economics
3. goods whose supply is scarce in relation to demand for them
4. Utility, and transferability are the three attributes of wealth
5. is the basic consuming unit in economic life
6. Demand for factors of production is demand
7. indicates a situation of persistently falling prices and a fall in the money income of the factors of production
8. The maximum rate of personal income tax in India excluding cess/surcharge is percent
9. When expenditure is greater than revenue, the budget is in
10. The correct relationship between price, demand and supply of a commodity is that when price rises

II. Write short notes / answers etc. on (ANY TEN)

(10 x 3 = 30)

1. Define Consumption. Why is consumption called the beginning and end of Economics?
2. Define human wants. Indicate any three laws derived from the characteristics of human wants.
3. Distinguish between income elasticity of demand and cross elasticity of demand
4. What do you mean by price elasticity of supply? How elasticity of supply is measured?
5. Define land and discuss its peculiarities as a factor of production
6. Distinguish between Nominal wages and Real wages
7. Define capital. Give its main forms and functions
8. Explain fully the term capital formation
9. Distinguish between gross profit and net profit

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10. Define the term organization. What are the principle forms of business organization in India?
11. What are taxes. Describe different types of taxes
12. Give the meaning and definition of welfare economics.

III. Write Short essays on (ANY SIX) of the following

(6 x 5 = 30)

1. Compare and Contrast the definitions of Economics as given by Lionel Robbins and Paul A.Samuelson and say which definition you consider better and why?
2. Define Agricultural Economics. Discuss the scope and importance of Agricultural Economics.
3. What do you mean by Division of labour? Discuss its advantages and disadvantages.
4. Explain how the Law of diminishing marginal utility is related to the Law of Equi-marginal utility?
5. Distinguish between demand and supply. Discuss the determinants of demand and supply
6. Define National income. Explain the income method of calculating national income
7. What is inflation? What are its economic consequences?
8. Distinguish between plan expenditure and non plan expenditure. Which are the important items of non plan expenditure?

IV. Write essay on ANY ONE

(1 x 10 = 10)

1. What do you understand by money? What are the main functions of money? Does paper money perform all these functions? Why?
2. Distinguish between Public finance and Private finance. What are the main sources of revenue for a modern government? Enlist the sources of revenue to the Union and State government in India.