

KERALA AGRICULTURAL UNIVERSITY

B.Sc. Hons (Ag) 2010 Admission

IVth Semester Final Examination, July /August 2012

Cat. No: Econ.2203

Marks: 80

Title: Production Economics and Farm Management (1+1)

Time: 3hours

I A. Fill up

(10x1=10.00)

1. Production is the process of transformation of inputs into -----
2. In ----- production function inputs are divisible into very small units.
3. Fertilizer cost is included under -----cost.
4. Cost of production is the cost required to produce one unit of -----
5. When TPP is maximum, MPP is equal to -----

I B. True or False

6. Fixed cost varies with the level of output.
7. As the output increases the average cost declines.
8. Marginal cost is $\Delta X / \Delta Y$
9. Benefit Cost Ratio method does not consider the time value of money
10. Risk can be assessed and predicted.

II. Write short note on **any ten** of the following

(10 x 3=30)

1. Average physical product
2. Marginal cost
3. Fixed resource
4. Farm management
5. Pay back period
6. Expansion path
7. Increasing returns to scale
8. Iso quant
9. Competitive products
10. Elasticity of production
11. Marginal rate of product substitution
12. Diversification

III. Write short essay on **any six** of the following (6x5 = 30)

1. Systems of farming
2. Methods of valuation of farm inventory
3. Principles of equi- marginal returns
4. Relationship between cost and revenue function
5. Compounding and discounting
6. Enterprise budgeting
7. Risk and uncertainties in farming
8. Principle of enterprise combination

IV. Write essay on **any one** (10x 1 = 10)

1. State and explain the Law of Diminishing Marginal Returns using suitable illustrations
2. What is farm planning? What are the techniques of farm planning?