



**KERALA AGRICULTURAL UNIVERSITY**  
**B.Sc (Hons.) Agriculture 2015 & Previous Admissions**  
**IV Semester Final Examination-August-2017**

**Econ.2203      Production Economics and Farm Management (1+1)**

**Marks: 50**  
**Time: 2 hours**  
**(10x1=10)**

**I      Fill up the blanks**

- 1 A farm is a socio-economic unit as well as a ----- making unit.
  - ✓ 2 Decline in the value of assets due to usage is known as -----
  - ✓ 3 ----- production function is popularly used in Agricultural Economics.
  - ✓ 4 At the end of the first stage of production, average product curve and marginal product curve ----- each other.
  - 5 If  $NPV=0$ , then rate of return is called as -----
- State True or False**
- 6 Expansion path is one of the isoclines.
  - 7 Normally the isoquant curves slope downwards.
  - ✓ 8 Elasticity of production is always less than zero in the production stage III.
  - 9 The technological improvements in the production of crop shifts its production function towards left from its original position.
  - ✓ 10 Cost of cultivation and cost of production of agricultural crop have the same meaning.

**II      Write short notes on any FIVE**

**(5x2=10)**

- ✓ 1 Production function and cost function.
- ✓ 2 Supplementary enterprise and complementary enterprise.
- 3 Specialization and diversification of farm enterprise.
- 4 Risk and uncertainty
- 5 IRR and pay-back period.
- ✓ 6 Partial budgeting and complete budgeting.
- ✓ 7 Fixed cost and variable cost.

**III      Answer any FIVE**

**(5x4=20)**

- ✓ 1 Relationship between Total Product (TP), Average Product (AP) and Marginal Product (MP).
- 2 Steps in partial budgeting.
- 3 Farm management problems in India.
- ✓ 4 Break-even point
- 5 Undiscounted measures of project analysis.
- ✓ 6 Different methods of valuation of assets.
- 7 Three types of relationships between two products.

**IV      Write essay on any ONE**

**(1x10=10)**

- ✓ 1 Explain different types of farming.
- 2 Explain the various cost curves.

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