

KERALA AGRICULTURAL UNIVERSITY
B.Sc.(Hons.) Agriculture – 2008 Admission - IInd Semester
Supplementary Examination - March 2010

Cat. No. : Econ 1201

Title : Principles of Agricultural Economics (2+0)

Max. marks: 80

Time : 3 hours

I. ANSWER ALL QUESTIONS-

20 x 0.5 = 10.00

Fill up the blanks

1. ----- defined economics as science of scarcity.
2. ----- is equivalent to NNP
3. When price of a commodity increases, its quantity demanded -----
4. In a monopoly market , the products are -----
5. -- -----of a produce creates form utility
6. Value added tax is an example of -----
7. The equilibrium of the consumer attains at -----
8. The law of demand is derived from -----law
9. During a period of trade depression there will be ----- in demand
10. Cross elasticity of substitute goods are-----

State "True" or "False"

11. If the MU from the commodity is lesser than price to pay , he will buy more of the commodity
12. The level of consumer satisfaction for indifference curves are same
13. Engel law helps in rent fixation.
14. Consumer surplus for imported goods will be smaller
15. demand for fuel wood is income inelastic
16. Marshall said the law of diminishing marginal utility does not apply to money.
17. The income from renting a harvesting machine is called as quasi rent
18. Positive science does not explain the real picture of a subject
19. Income is expressed in terms of money is called as money income.
20. Demand for timber varies directly with its price.

II. WRITE ANSWERS IN A WORD OR SENTENCE / DEFINE (ANSWER ALL)

10 X 1 = 10

1. Liquidity trap	6. Price elasticity of demand
2. Indifference curve	7. Quasi rent
3. Economics	8. NNP
4. Consumer surplus	9. Derived demand
5. Law of demand	10. Elasticity of demand

III. WRITE SHORT NOTES / ANSWERS (*ANY TEN*)

10 X 2 = 20

1. Marginal productivity theory of wages
2. Balance of payment and balance of trade.
3. Elasticity of demand and elasticity of supply.
4. GNP and NNP.
5. Functions of money
6. Monopoly and Monopolistic markets
7. Real income and money income.
8. Proportionate method and total outlay method
9. State the Malthusian theory of population
10. State the law of equimarginal utility.

IV. WRITE SHORT ESSAYS ON *ANY FOUR* OF THE FOLLOWING

4 X 5 = 20

1. Define and explain liquidity preference theory of interest.
2. What is capital formation? How capital formation is helpful in forestry production
3. Importance of forestry in Indian economic development.
4. Explain the functions of money.
5. State the welfare economics with recent developments in agriculture
6. State the law of equimarginal utility.

V. WRITE ESSAYS ON *ANY TWO*

2 X 10 = 20

1. Explain the classical production function with the help of a diagram and discuss the three regions of production. Which stage is rational and why?
2. What are the different theories of rent? Explain the modern theory of rent
3. What is division of labour? List out its advantages and disadvantages with modern theory of population.
