B.Sc. (Ag.) Honours Semester-VI Examination, 2017

Course No: AEC-321 (Production Economics and Farm Management)

Signature of Centre Superintendent

Roll No. : (in figure) _____ (in words) _____

Student Index No. _____ Regn. No. _____ of _____

Time : Two Hours **Full marks : 40**

Questions are of value as indicated in the margin

Part - I
(Objective and Short Answer Type)
(Use only ball point pen)

Time : 20 minutes **Full marks : 10**

Note: 1. Answer in question paper itself.
2. Striking, rewriting or overwriting are not allowed in the objective type questions.

1. **State True (T) or False (F):** 6×0.5=3

a) The production function is purely a technical relation ☐

b) The basic theory of production focuses on efficient methods ☐

c) The choice of any technique is based on prices ☐

d) Linear isoquant assumes strict complementarily ☐

e) Smooth convex isoquant assumes continuous substituatability ☐

f) The production function describes single isoquant ☐

2. **Fill in the blanks**: 6×0.5=3

a) If the marginal products of factors take negative values, then elasticity and production is _____.

b) The locus of points of iso-quants where the MPs of the factors are zero form the _____ lines.

c) The _____ of isoquant defines the degree of substitutability of the factors of production.

d) The law of variable proportion refers to _____ run analysis.

e) _____ can be attached to risk.

f) Farm _____ is done to prepare farm budget.

3. **Tick (√) the correct alternative** (***any eight***): 8×0.5=4

a) At the mid-point of a demand function (linear and downward falling) the elasticity is

i) zero iii) more than one

ii) one iv) none

b) This is a normative farm planning technique

i) Econometrics iii) Research Methodology

ii) Linear Programming iv) Production Function

P.T.O.

c) The efficient production range has

i) positive MP
ii) declining MP
iii) a & b both
iv) none

d) Theory of production (traditional) concentrates on the range where the slope of IQ is

i) negative
ii) positive
iii) infinite
iv) none

e) Disruption of production due to short in rainfall is a/an

i) risk
ii) uncertainty
iii) both a & b
iv) none

f) To estimate the loss due to pest attack on crop, the following is suitable

i) complete budgeting
ii) planning
iii) partial budgeting
iv) none

g) Crop insurance is a strategy to cope up

i) uncertainty
ii) risk
iii) both
iv) none

h) If yield = 2000 + 0.5 fertilizer, then the estimated value of yield will be _____ when fertilizer application is zero.

i) 0.5
ii) 500
iii) 2000
iv) 1000

i) If $Y = 50 – 0.25X + 2.5 X^2$ then with the increase in X, Y first _____ and then _____

i) increase, decrease
ii) decrease, increase
iii) increase, increase
iv) none

j) Which one is a condition for mixed farming?

i) Diversified farming
ii) At least 10% contribution by Dairying or Livestock
iii) Both a & b
iv) None of the above

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Part - II
(Descriptive Type)

Time : 100 Minutes **Full marks : 30**

Questions are of value as indicated in the margin

Answer *any four* questions.

4. State the Law of Variable Proportion. Discuss different stages of classical production function. What is inflection point? 2+5+0.5=7.5

5. What is elasticity of production? Discuss equilibrium of farm with relation to combining factors of production (Hints: output maximization and cost minimization). 2.5+5=7.5

6. What is Production Economics? How is it different from Farm Management? Write in brief the nature and scope of agricultural production economics or Farm Management. 2+2+3.5=7.5

7. What is depreciation? How is depreciation calculated for different items/inputs used in agricultural practices? Give examples. 2+5.5=7.5

8. Define returns to scale. How is it different from elasticity of production? Discuss different types of returns to scale. 2+1+3+1.5=7.5

9. Write short notes (***any three***) 3×2.5=7.5
   a) Cost of cultivation
   b) Linear programming
   c) Farm planning
   d) Risk vs Uncertainty
   e) Types and System of Farming

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