

Enrollment No.....



## Faculty of Agriculture

End Sem (Even) Examination May-2022

AG3CO11 Fundamental of Agricultural Economics

Programme: B.Sc. (Hons.) Branch/Specialisation: Agriculture

Duration: 3 Hrs.

Maximum Marks: 50

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. A farmer fall in category of large farmer if he has land ..... **1**  
 (a) <1 ha (b) 1-4 ha (c) 4 – 10 ha (d) >10 ha
- ii. Father of Agricultural Economics is- **1**  
 (a) Adam Gilchrest (b) Adam Smith  
 (c) Alfred Marshall (d) Paul Samuelson
- iii. Cardinal utility is a ..... approach. **1**  
 (a) Qualitative (b) Quantitative  
 (c) Both (a) and (b) (d) None of These
- iv. There are how many types of elasticity of demand? **1**  
 (a) 1 (b) 2 (c) 3 (d) 4
- v. Total cost is the sum of ..... **1**  
 (a) Variable cost (b) Fixed cost  
 (c) Both (a) and (b) (d) None of these
- vi. When the quantity of one factor of production is increased, while keeping all the other factors constant, it will result in the decline of the marginal product of the factor. This statement is related to which law? **1**  
 (a) Law of demand  
 (b) Law of diminishing marginal utility  
 (c) Law of return to scale  
 (d) Law of variable proportion
- vii. If in the market, there is one seller and many buyers then it is called ..... **1**  
 (a) Monopolistic market (b) Duopolistic market  
 (c) Oligopoly market (d) Monopoly market
- viii. Breakeven point is the point where ..... **1**  
 (a) Total cost = Total revenue (b) Total cost > Total revenue  
 (c) Total cost < Total revenue (d) Total cost & Total revenue = 0

- ix. .... are the rewards paid for the labourers for sparing their productive services? **1**  
 (a) Rent (b) Wages (c) Interest (d) Credit
- x. The word credit is derived from the Latin word “credo” which means? **1**  
 (a) I believe (b) We believe  
 (c) Some believes (d) No one believes

- Q.2 i. Define agricultural economics. **1**  
 ii. Write about the scope of economics. **2**  
 iii. Write the four definitions of economics given by different economist. **5**  
 OR iv. Write the characteristics of Agricultural economics in detail. **5**
- Q.3 i. What is cost? **1**  
 ii. Explain type of cost and their interrelationship. **3**  
 iii. Write the law, exception and limitation of demand with the help of graph in detail. **4**  
 OR iv. Explain law of diminishing marginal utility in detail. **4**
- Q.4 i. Write down the different types of cost. **2**  
 ii. Write down the law of variable proportion in detail. **6**  
 OR iii. Explain the concept of revenue in detail. Also discuss the relationship between marginal revenue and average revenue. **6**
- Q.5 i. Write the definition of perfect competition. **2**  
 ii. What is breakeven point? **2**  
 iii. Explain the monopolistic competition and monopoly of the market in details. **4**  
 OR iv. Write about the characteristics of perfect competition of market. **4**
- Q.6 Attempt any two:  
 i. Define national income and its types. **4**  
 ii. Write down the definition of inflation and its types. **4**  
 iii. What are the problems faced by the Indian farmers in getting of credit? **4**

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**Marking Scheme**  
**AG3CO11 Fundamental of Agricultural Economics**

|     |       |  |   |
|-----|-------|--|---|
| Q.1 | i.    | A farmer fall in category of large farmer if he has land .....<br>(d) >10 ha   | <b>1</b>                                |
|     | ii.   | Father of Agricultural Economics is-<br>(b) Adam Smith   | <b>1</b>                                |
|     | iii.  | Cardinal utility is a ..... approach.<br>(b) Quantitative  | <b>1</b>                                |
|     | iv.   | There are how many types of elasticity of demand?<br>(c) 3   | <b>1</b>                                |
|     | v.    | Total cost is the sum of .....<br>(c) Both (a) and (b)   | <b>1</b>                                |
|     | vi.   | When the quantity of one factor of production is increased, while keeping all the other factors constant, it will result in the decline of the marginal product of the factor. This statement is related to which law?<br>(d) Law of variable proportion | <b>1</b>                                |
|     | vii.  | If in the market, there is one seller and many buyers then it is called .....<br>(d) Monopoly market   | <b>1</b>                                |
|     | viii. | Breakeven point is the point where .....<br>(a) Total cost = Total revenue   | <b>1</b>                                |
|     | ix.   | ..... are the rewards paid for the labourers for sparing their productive services?<br>(b) Wages   | <b>1</b>                                |
|     | x.    | The word credit is derived from the Latin word “credo” which means?<br>(a) I believe   | <b>1</b>                                |
| Q.2 | i.    | Definition of agricultural economics.  | <b>1</b>                                |
|     | ii.   | Scope of economics.  | <b>2</b>                                |
|     | iii.  | Four definitions of economics given by different economist.  | <b>5</b>                                |
| OR  | iv.   | Characteristics of Agricultural economics<br>As per the explanation  | <b>5</b>                                |
| Q.3 | i.    | Explanation of cost  | <b>1</b>                                |
|     | ii.   | Type of cost<br>Their interrelationship  | <b>3</b><br>1 mark<br>2 marks           |
|     | iii.  | Law of demand<br>Exception<br>Limitation of demand   | <b>4</b><br>2 marks<br>1 mark<br>1 mark |

|     |      |   |                                   |          |
|-----|------|---|-----------------------------------|----------|
| OR  | iv.  | Law of diminishing marginal utility<br>Basic Assumptions                            | 2 marks<br>2 marks                | <b>4</b> |
| Q.4 | i.   | Different types of cost.  |                                   | <b>2</b> |
|     | ii.  | Law of variable proportion<br>Law and graph<br>Assumptions<br>Limitations           | 3 marks<br>1.5 marks<br>1.5 marks | <b>6</b> |
| OR  | iii. | Concept of revenue<br>Relationship b/w marginal revenue and average revenue         | 3 marks<br>3 marks                | <b>6</b> |
| Q.5 | i.   | Definition of perfect competition.  |                                   | <b>2</b> |
|     | ii.  | Breakeven point   |                                   | <b>2</b> |
|     | iii. | Monopolistic competition<br>Monopoly of the market                                  | 2 marks<br>2 marks                | <b>4</b> |
| OR  | iv.  | Characteristics of perfect competition of market<br>As per the explanation          |                                   | <b>4</b> |
| Q.6 |      | Attempt any two:  |                                   |          |
|     | i.   | Definition of national income<br>Its types  | 2 marks<br>2 marks                | <b>4</b> |
|     | ii.  | Definition of inflation<br>Its types  | 2 marks<br>2 marks                | <b>4</b> |
|     | iii. | Problems faced by the Indian farmers in getting of credit<br>As per the explanation |                                   | <b>4</b> |

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