The figures in the right hand margin indicate marks.

PART – A

Q.1. Fill in the blanks with suitable word / figure   **(0.5 x 10 = 5 Marks)**

a. The sensitiveness or responsiveness of output due to change in input is called _____

b. If the prices of inputs increase, the isocost line moves_____ origin

c. When no single enterprise contributes as high as 50 per cent of total farm income, it is called as _____ farming

d. When the inputs can be applied in spilt does in a production programme, it implies _____ production function.

e. MRPS is negative for _____ products

f. In _____ production function, all inputs are variable

g. Environmental, social and economic demands are the "three pillars" of _____

h. _____ is an algorithm adopted to solve linear programming

i. Dummy variables are also called as _____

j. _____ is a very important, useful and popular method to safeguard against risk and uncertainty in agriculture

Q. 2. Define (or) Explain the following in one or two sentences   **(1 x 5 = 5 Marks)**
   a) Production function
   b) Isoquants
   c) Diversified farming
   d) Cost A_1
   e) Elasticity of Technical Substitutions (E_s)

Q3. Choose the most appropriate answer from the following   **(0.5 x 10 = 5 Marks)**

a.   In collective farming ownership

   (i) Government   (ii) Land lord

(iii) Society   (iv) Individual

b. Resources have the main characteristics is/ are

    (i) Utility   (ii) Scarcity

    (iii) Resource depletion   (iv) All

c. Pradhan Mantri Fasal Bima Yojana was implemented on

    (i) 13th January 2016   (ii) 13th January 2017

    (iii) 13th January 2018   (iv) 13th January 2019

d. LP model is based on the assumptions of_____

    (i) Proportionality   (ii) Additivity

    (iii) Certainty   (iv) All of the above

e. A state of being doubtful about future events which cannot be foreseen exactly is known as

    (i) Uncertainty   (ii) Risk

    (iii) Differential risk   (iv) A priori risk

f Which of the following gives the correct measure of cost of cultivation?

    (i) Cost B + Interest on fixed capital   (ii) Cost B + Interest on working capital

    (iii) Cost B + imputed value of family (iv) Cost B + rental value of owned land
    labour

g At breakeven point in a farm business,

    (i) Fixed cost = Variable cost   (ii) Total cost = Total return

    (iii) Marginal cost = Rarginal return   (iv) All of the above

h The products which when produced together results in the increase in the production of one
   of the products without affecting the other are called

    (i) Complementary products   (ii) Competitive products

    (iii) Joint products   (iv) Supplementary products

i Production possibility curve is concave to the origin when product substitute at

    (i) Increasing rate   (ii) Decreasing rate

    (iii) Constant rate   (iv) None

j In a function, $Y = a + bX,$ there is _____ relationship between Y and X

    (i) Positive   (ii) Negative

    (iii) Both   (iv) None

Q4. Write True or False against each statement   **(0.5 x 10 = 5 Marks)**

a. When TR > TC, as business firm is said to be earning normal profits

b. Marginal costs are most closely related to fixed costs

c. The qualitative variables used in production function such as age, education, skill, knowledge etc. are called as dummy variables

d. The inflation point on TPP curve corresponds to maximum MPP

e. Farm planning and budgeting goes side by side

f. Farm management is an inter farm study

g. In mixed farming, the minimum contribution of an allied enterprise is 10 per cent

h. The rate of change of APP is called MPP

i. Creation of utilities is called production

j. The level of resources which do vary with the level of production are called stock resources

PART – B

Attempt _ANY FIVE_ questions. All question carries equal marks   **(6 x 5 = 30 Marks)**

5. What is Principle of Cost minimization? Explain the methods of determining the least cost combination of resources.

6. Explain the principle of Equi- marginal return with help of hypothetical data.

7. What is meant by Partial Budgeting? Discuss it in details with suitable example

8. What is meant by externalities in agriculture? Discuss about its type and policy for discouraging and encouraging

9. What is Linear programming? Discuss about assumptions of LP

10. What is meant by risk and uncertainty in agriculture? Discuss about types and methods of reducing risk and uncertainty

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