

B. E / B. Tech. (Full Time) DEGREE END SEMESTER EXAMINATIONS NOVEMBER /  
DECEMBER 2012

AGRICULTURAL AND IRRIGATION ENGINEERING BRANCH  
SEVENTH SEMESTER – (REGULATION 2008)

**AI 9401 AGRICULTURAL ECONOMICS AND FARM MANAGEMENT**

TIME: 3 hr

Max Mark: 100

Answer ALL questions

**PART – A (10 x 2 = 20 MARKS)**

1. Define Farm Management.
2. What are the advantages of double entry system?
3. Write the algebraic relationship between input and output for the three Laws of Returns.
4. Compare and contrast iso-cost and iso-quant lines.
5. What is Least Cost Combination? List the methods for finding out LCC.
6. List five types of products.
7. Differentiate discounted and undiscounted measures adopted in agricultural projects.
8. What are the fixed and variable costs involved in flavored milk production.
9. What are the 3 R's of credit?
10. List the advantages of balance sheet.

**PART – B (5 x 16 = 80 Marks)**

11. a. i Prepare an interview schedule for collecting data from individual farmers in a village having 50 farming families who carry out poultry production as an allied agricultural activity, about the poultry production in their farms and problems faced by them in poultry products production, storage and marketing. Sample size is decided as 25 for the interview. Both quantitative and qualitative data need to be collected. (16)
12. a. i Explain in detail the different methods of valuation and depreciation. (14)
- a. ii How is farm management related with other sciences? (2)
- OR
12. b. i Explain the farm management decision making process in detail. (14)
- b. ii What are the objectives of farm management? (2)
13. a. i Explain the 3 stages of production function in factor-product relationship. (16)

OR

13. b. i Labour wage = Rs. 33.00/man day. Price of 1 unit of output = Rs. 6.00

Calculate TVP, MVP and MIC & TR, MR and MC for the following data.

TPP	15	38	66	96	98	106	109	150	145	120	117
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(10)

b. ii Define TPP, MPP and APP in factor-product relationship.

(6)

14. a. i Explain in detail the different types of risk and uncertainties in agriculture and steps which can be adopted to reduce or prevent them.

(8)

a. ii Briefly explain the different discounted and undiscounted methods in investment analysis.

(8)

OR

14. b. i Discuss about Break Even Analysis.

(6)

b. ii A180 PTO horsepower diesel tractor has a list price of \$ 150,000. Dealer discounts are assumed to reduce the actual price to \$ 130,000. Economic life =15 years with 8 % interest rate. The tractor can be used for a maximum of 400 hours/year. Inflation = 3 %. Capital Recovery factor is 0.096. Estimate the Total Machinery Cost. (Remaining Factor Value=23 %) (10)

15. a. i What is a balance sheet? List its types.

(4)

a. ii What is farm planning? Why is farm planning necessary?

(4)

a. iii Prepare a balance sheet and an income statement for a farm of 2 ha size with rice crop cultivated from November – April.

(8)

OR

15. b. i Explain the different types of budgeting.

(6)

b. ii Explain in detail the different test ratios.

(10)