VAE 321 LIVESTOCK ECONOMICS, MARKETING AND BUSINESS MANAGEMENT (2 + 1)

I. Fill in the blanks with appropriate words

1. Macro Economics is also called as _____.
2. Micro Economics is otherwise called as _____.
3. Wealth definition of economics is postulated by _____.
4. Exceptional demand curve was developed by _____.
5. Unit cost curves are _____, _____, _____ and _____.
6. When MPP is zero, TPP is at _____.
7. _____ and _____ are the two systems of book keeping.
8. Want satisfying power of good is known as _____.
9. Kinds of utility are _____, _____ and _____.
10. In Modern approach, Economics is classified as _____ and _____.
11. Example of a Conventional necessary is _____.
12. Forms of production functions are _____, _____ and _____.
13. Three R's of credit are _____, _____ and _____.
14. In constant marginal rate of return, marginal product is _____.
15. Loans are classified into _____, _____ and _____.
16. In fixed proportion combination of inputs, the isoquant is _____ shaped.
17. Cost function is the relationship between _____ and _____.

18. When marginal product is zero, the total product is _____.
19. _____ and _____ are the merchant middlemen.
20. When marginal product is less than average product, marginal product is _____.
21. The three basic enterprise relationship are _____, _____ and _____.
22. _____, _____ and _____ are called discounted measures in investment analysis.
23. _____ and _____ are the two types of budget.
24. Three C's of credit are _____, _____ and _____.
25. _____ and _____ are called irrational zones and _____ is called as rational zone.
26. _____ is entries passed at the end of the accounting year to close different accounts.
27. The resources, services of which cannot be stored are called _____.
28. Elasticity of production is zero when marginal product is _____.
29. Marginal product is the slope of the _____.
30. Labour is a _____ resource.
31. _____ goods are essential to human existence.
32. In _____ market shares are purchased and sold in different parts of the country.
33. Storage creates _____ utility.
34. Scarcity definition of economics was postulated by _____.
35. Income expressed in terms of commodities is called _____.
36. The purchasing power of the commodity is called _____.
37. _____ type of market has few numbers of buyers.
38. Loans are classified into _____, _____ and _____.

39. Average variable cost decreases, when average product _____.

40. _____ and _____ are the two methods of investigation available in economics.

41. In _____ type of market there are few number of sellers.

42. Traditional approach in economics is divided into _____ , _____, _____, _____ and _____.

43. _____ is the market for buying and selling of foreign currencies.

44. Macro economics is also called as _____.

45. The value expressed in terms of money is called _____.

46. _____ and _____ are the agent middlemen.

47. Goods that lead to easy living and make our life pleasant is called _____.

48. _____ type of market has only one seller.

49. When MPP is zero, TPP is at _____.

50. _____ and _____ are the two systems of book keeping.

51. Want satisfying power of good is known as _____.

52. Markets where the goods are bought and sold in bulk is called _____.

53. The loan, which is given for a maximum period of 18 months, is called _____ loan.

54. _____ and _____ are the two types of share capital.

55. In _____ markets, scarce commodities are sold at very high price not openly but in a secret manner.

56. Average variable cost decreases, when average product _____.

57. _____, _____, _____ and _____ are the four approaches in the study of marketing.

58. _____ goods are generally non-essential and very expensive.

59. Goods which decay quickly is called _____.

60. The use of product-product relationship analysis lies in _____ and the factor-factor analysis in _____.

61. _____ is the act of buying and selling.

62. The resource whose service can be stored for future use is called _____.

63. The exceptional process of the demand curve sloping upward is known as _____.

64. Production function can be expressed in the forms of _____ _____ and _____

65. _____ markets are concerned with the purchase and sale of gold and silver.

66. Price at which demand and supply are equal is called _____.

67. _____ type of production function exists in almost every practical situation in livestock production.

68. _____ and _____ are the two types of farm budgeting.

69. Fixed cost is otherwise called as _____.

70. The percentage change in output in relation to percentage change in input is called _____

71. Income which could be earned from the next best alternative use is called _____.

72. In _____ type of repayment of loan, the entire amount of principle is paid up on the expiry of the term.

73. _____ is the sum of total fixed cost and total variable cost.

74. Markets which are located in big village or town is called _____.

75. On the basis of time, market for egg and meat are classified under _____.

76. _____ and _____ are the two systems of book keeping.

77. The properties owned by the business are called _____.

78. Asset is equal to the sum of _____ and _____.

79. _____ is the accounting equation.

80. _____ is a book containing a chronological record of transaction.

ANSWERS

1. Income theory
2. Price theory
3. Adam Smith
4. Sir Robert Giffen
5. Average fixed cost, Average variable cost, Average total cost and marginal cost
6. Maximum
7. Single entry and double entry
8. Utility
9. Time, Place and Form
10. Micro economics and Macro economics
11. Tea, Coffee
12. Constant return, increasing return and decreasing return
13. Return, Repayment Capacity and Risk bearing ability
14. Constant
15. Short term, Medium term and long term
16. 'L' Shaped
17. Output and Total cost
18. Maximum
19. Whole saler and Retailer
20. Decreasing
21. Complementary, Supplementary and Competitive
22. Benefit Cost Ratio, Net Present Worth, Internal Rate of Return
23. Complete and Partial
24. Character, Capacity and Capital
25. Ist, IIIrd and IInd Zone
26. Closing entries
27. Flow resources
28. Zero
29. Total product curve
30. Perishable resource
31. Necessaries for existence
32. Stock exchange market
33. Time
34. Lionel Robins
35. Real Income
36. Price

37. Oligopsony
38. Short term, Long term and Medium term
39. Increases
40. Deductive, Inductive
41. Oligopoly
42. Production, Consumption, Exchange, Distribution and Public finance
43. Bullion Market
44. Income theory
45. Price
46. Broker and Commission agent
47. Comfort
48. Monopoly
49. Maximum
50. Single entry and Double entry
51. Utility
52. Whole sale market
53. Short term loan
54. Equity capital and preference capital
55. Black market
56. increases
57. Functional, Institutional, Commodity and Behavioural
58. Luxurious
59. Perishable
60. How much to produce and how to produce
61. Marketing
62. Stock
63. Giffen paradox
64. Tabular, algebraic and graphical
65. Bullion market
66. Equilibrium price
67. Decreasing return to scale
68. Complete, partial
69. Over head charges/Sunk cost
70. Elasticity of production
71. Opportunity Cost
72. Straight end or lumpsum
73. Total cost
74. Local market
75. Very short period market
76. Single entry
77. Assets
78. Liabilities and Capital
79. Assets = Equities
80. Journal

II. State whether the following statements are true or false.

1. In case of elastic demand the coefficient of elasticity is less than one.
2. Car and refrigerator are the best examples of necessary wants.
3. Cash costs are otherwise called as explicit cost.
4. Storage creates time utility.
5. Wants are unlimited.
6. In oligopoly there are only one seller and few numbers of buyers.
7. Macro economics deals with aggregates.
8. Money is paid for purchase of air.
9. When AP is maximum MP is also is maximum.
10. Wealth definition was given by Samuelson.
11. Wants are not satiable.
12. Over head charges are otherwise called as sunk cost.
13. Indifference curves intersect with each other.
14. Meat is perishable.
15. Management is the tangible resource.
16. Utility are dependent.
17. Change in consumer income does not change his budget line.
18. Coffee and tea are competitive goods.
19. Wants are alternative.
20. Labour can be stored.
21. Storage creates time utility.
22. Marginal product is the slope of the total utility.
23. Marginal utility analysis is based on cardinal utility.
24. Land can be destroyed.
25. Time required for a resource to be completely transformed into product is referred as the production period.
26. Average product increase continuously in zone I.

27. Farm management is the study of ways and means of the other factors of production.
28. Balance sheet indicates the financial position of the borrower.
29. Poultry enterprise is competitive to crop husbandry.
30. Fixed costs have to be incurred even when the production is not undertaken.
31. Benefit cost ratio is discounted measure.
32. Maximum profit is in the I zone.
33. Joint products are combined products.
34. Insurance increases the financial risk.
35. The resource whose service can be stored for latter period is called stock resource.
36. Total liabilities plus total assets gives the net worth.
37. Fixed costs change with level of output.
38. Milk is an economic good.
39. Depreciation increases in value.
40. The production function in which some of the resources are fixed is called long run production function.
41. In bilateral monopoly there are single seller and single buyer.
42. Objective of the farm management is to maximize the output.
43. In case of sound investment the IRR should be <1.
44. Variable cost varies with the production.
45. Factor – Factor relationship explains the operational decisions.
46. When ep= 1, MP =0.
47. When MP = Px / Py, indicates the optimum use of resources.
48. Total budgeting does not allow substitution between resources.
49. Whatever being produced above the breakeven point is the loss.
50. Shutdown point is the minimum of AFC.
51. In increasing marginal rate of return, total product curve is a straight line.
52. When marginal product is 0, total product is at maximum.

53. Appreciation is decline in value.
54. Current ratio helps the farmer.
55. EP>1 indicates increasing return.
56. Pay back period is a undiscounted measure.
57. Marginal factor cost is nothing but Py.
58. Labour is a intangible resource.
59. Fixed cost remains constant irrespective of the level of output.
60. Product – product relationship explains the economic principle what to produce.
61. In zone I, average product is increasing.
62. Combination of two inputs which would yield equal revenue is said to be iso-revenue line.
63. Production possibility curve shows all the possible combination of two inputs.
64. Leverage ratio is otherwise known as Solvency measure.
65. When marginal rate of substitution is equal to 0, isocost line is said to be expansion path.
66. Balance sheet is other wise called as Net worth statement.
67. All isoclines are ridgeline.
68. Income statement tries to measure the financial liquidity of the farm.
69. If the substitution ratio is less than the price ratio, then the cost can be reduced by using more of replaced factor.
70. The average variable cost curve is the mirror image of the corresponding AP curve.
71. Marginal Product is the slope of total product.
72. The production function in which none of the resources are fixed is called short run production function.
73. In decreasing return production, marginal product is decreasing.
74. TP and AP are falling in the third zone.
75. Joint products will have the production possibility curve which will have a constant slope.

76. Decreasing rate of transformation between outputs is common in agriculture and animal husbandry.
77. Total cost curve is similar to total variable cost curve but placed below it.
78. Iso cost line indicates all possible combinations of two inputs that will give the same revenue.
79. Isoclines pass through all isoquants at same slopes.
80. AP and AVC are inversely related.
81. For straight line total revenue curves, AR = MR.
82. IRR is one of the undiscounted measures of project worth.
83. Present money is better than the same amount of future money.
84. Fixed cost remains constant irrespective of the level of output.
85. Whatever being produced above the break even point is the loss.
86. Total liabilities plus total assets gives the net worth.
87. Utility are dependent.
88. Indifference curves intersect with each other.
89. Transport creates time utility.
90. Non cash costs are otherwise called as explicit cost.
91. Break-even point is the maximum of average fixed cost.
92. Implicit costs are costs incurred for purchase of resources.
93. Farm machinery is an example for working asset.
94. Beef and hides are complementary products.
95. How to produce is a problem of Factor – factor relationship.
96. Elasticity of production is more than zero and less than one in zone II of production.
100. Management is a intangible resource.
101. Pay back period is a discounted measure of project analysis.
102. When marginal product is maximum, total product is also maximum.
103. Zone III is the rational zone.
104. Marginal factor cost is nothing but price of output.

105. Balance sheet indicates the financial position of the farm.
106. Contingent liabilities are obligations only under specific circumstances.
107. Appreciation is decline in value.
108. Total cost curve is similar to total variable curve but placed below it.
109. In case of sound investment the benefit cost ratio should be less than one.
110. Total value product is equal to total product multiplied by price of output.
111. Shut-down point is the maximum of average fixed cost.
112. Explicit costs are costs incurred for purchase of resources.
113. Farm building is an example for working asset.
114. Beef and hides are supplementary products.
115. What to produce is a problem of Factor – factor relationship.
116. Elasticity of production is less than one in I zone of production.
117. Management is an intangible resource.
118. Pay back period is an undiscounted measure of project analysis.
119. When marginal product is zero, total product is maximum.
120. Costs which vary with level of production is called as fixed costs.
121. If one independent variable is allowed to vary and others are held constant, than the production function is said to be multivariate production function.
122. Marginal factor cost is nothing but price of input.
123. Balance sheet indicates are obligations only under specific circumstances.
124. An incomplete double entry can be termed as single entry system of book keeping.
125. In short period market, market demand is always more than market supply.
126. Depreciation is decline in value.
127. Total cost curve is similar to total variable curve but placed above it.
128. In case of sound investment the benefit cost ratio should be more than one.
129. Market is an institution.
130. It is not true that a producer operating above the break-even point would incur loss.

131. When average product is maximum it is end of zone II.
132. Explicit costs are costs incurred for purchase of resources.
133. Tractor is an example for working asset.
134. Land is variable in quantity.
135. Market for egg and rice can be a best example of national market.
136. How much to produce is a problem of Factor-product relationship.
137. Elasticity of production is more than zero and less than one in zone III of production.
138. Management is a tangible resource.
139. Pay back period is a discounted measure of project analysis.
140. When marginal product is negative, total product is maximum.
141. Net capital ratio shows the relationship between total liabilities and net worth.
142. Short-term loans have a repayment period ranging from 6 to 18 months.
143. To satisfy the sufficient condition marginal value product must be decreasing.
144. Marginal cost is directly related to marginal product.
145. Labour is perishable.
146. Medium-term loans are called as production loans.
147. When $\Delta Y_2 / \Delta Y_1 <$ zero, it is complementary relationships.
148. Total cost curve is similar to total variable curve but placed below it.
149. In case of sound investment the benefit cost ratio should be more than one.
150. Optimal point of input use must be in zone I.
151. Land is immobile.
152. The cooperative enterprise has the motto of each for all and all for each.
153. Higher isoquants represent higher levels of production.
154. Marginal Rate of Substitution (MRS) is the slope of production possibility curve.

ANSWERS

1.	False	3.	True	5.	True
2.	False	4.	True	6.	False

7. True
8. False
9. False
10. False
11. False
12. True
13. False
14. True
15. False
16. True
17. False
18. True
19. True
20. False
21. True
22. False
23. True
24. False
25. True
26. True
27. True
28. True
29. False
30. True
31. True
32. False
33. True
34. False
35. True
36. False
37. False
38. True
39. False
40. False
41. True
42. True
43. False
44. True
45. False
46. False
47. True
48. False
49. False
50. False
51. False
52. True
53. False
54. True
55. True
56. True
57. False
58. False
59. True
60. True
61. True
62. False
63. False
64. True
65. False
66. True
67. False
68. False
69. True
70. False
71. True
72. False
73. True
74. True
75. True
76. True
77. False
78. False
79. True
80. True
81. True
82. False
83. True
84. True
85. False
86. False
87. False
88. False
89. False
90. False
91. False
92. False
93. True

94. True
95. True
96. True
97. True
98. False
99. False
100. False
101. False
102. True
103. True
104. False
105. False
106. False
107. True
108. False
109. True
110. False
111. False
112. False
113. False
114. True
115. True
116. True
117. False
118. True
119. True
120. True
121. True
122. True
123. True
124. True
125. True
126. False
127. True
128. False
129. True
130. True
131. False
132. True
133. True
134. False
135. False
136. False
137. False
138. True
139. True
140. True
141. False
142. True
143. False
144. False
145. False
146. True
147. False
148. True
149. True
150. True
151. False

III. Match the following

1. Growth definition	Fixed resource (5)
2. MRS = Price ratio	Paul Samuelson (1)
3. MVP = MFC	Intangible resource (4)
4. Management	Economic optimality (3)
5. Land	Least cost combination (2)

1. Marginal value product	Competitive enterprise (9)
2. Rational zone	'L' shaped isoquant (4)
3. Total cost – Total Variable cost	Science of choice (6)
4. Perfect compliments	II zone of production (2)
5. Cattle and manure	TVP/input (1)
6. Farm management	Least cost combination point (7)
7. MRS = Price ratio	Partial budgeting (10)
8. MVP = MFC	Total fixed cost (3)
9. Sheep and goat	Joint products (5)
10. Introduction of new technology	Economic optimality (8)
	Isoquant
	Supplementary

1. MRS = Price ratio	Diversification
2. Family labour	'L' shaped isoquant
3. Introduction of new technology	Price of input
4. MVP = MFC	Non-cash costs
5. Cattle and manure	Input combinations
6. Marginal factor cost	Least cost combination point
7. Concentrate and roughage	Partial budgeting

8. Perfect compliments	Total fixed cost
9. Risk	Joint products
10. Total cost – Total variable cost	Economic optimality
	Isocline
	Intangible resource

1. Total cost – Total variable cost	Fctor- product relationship
2. Marginal product = Average product	'L' shaped isoquant
3. Marginal rate of substitution	Indirect cost
4. Perfect compliments	End of zone I
5. Introduction of new technology	Slope of isoquant
6. Depreciation	Factor-factor relationship
7. Iso-product curve	Partial budgeting
8. Production possibility curve	Total fixed cost
9. Classical production curve	Fixed resource
10. Land	Product product relationship
	Isoquant
	Supplementary

IV. Choose the best answer

Choose the best answer

1. Macro Economics is also called as

a) Theory of consumption b) Income theory c) Price theory d) Demand theory

2. Micro Economics is otherwise called as

a) Theory of consumption b) Price theory c) Income theory d) Demand theory

3. Wealth definition of economics is postulated by

a) Lionnel Robbins b) Adam Smith c) Alfred Marshall d) Paul Samuelson

4. Scarcity definition of economics is postulated by

a) Adam Smith b) Lionnel Robbins c) Alfred Marshall d) Paul Samuelson

5. Material Welfare definition of economics is postulated by

a) Adam Smith b) Alfred Marshall c) Lionnel Robbins d) Paul Samuelson

6. Growth definition of economics is postulated by

a) Adam Smith b) Paul Samuelson c) Lionnel Robbins d) Alfred Marshall

7. The satisfaction of human want on the use of goods and services is known as

a) Distribution b) Consumption c) Exchange d) Production

8. The process of creation of utilities and values is called

a) Consumption b) Production c) Distribution d) Exchange

9. The economic system which lacks the government controls and central economic planning is

a) Mixed economy b) Capitalist economy c) Socialist economy d) All the above

10. An organisation which has the motto of each for all and all for each

a) Joint stock company b) cooperative societies

c) Public Sector enterprise d) Sole proprietor All the above

11. Goods that are essential for human existence is called

a) Comforts b) Necessaries c) Luxuries d) None of the above

12. Goods that are non-essential and expensive is called

a) Necessaries b) Luxuries c) Comforts d) None of the above

13. Goods that lead to easy living is called

a) Luxuries b) Comforts c) Necessaries d) None of the above

14. Income expressed in terms of commodities is called

a) Money income b) real income c) Total income d) None of the above

15. The purchasing power of the commodity is called

a) Price b) Value c) Cost d) All the above

16. The purchasing power of the commodity expressed in terms of money is called

a) Value b) Price c) Cost d) All the above

17. When marginal utility is zero, total utility is

a) Minimum b) Maximum c) Zero d) Negative

18. The higher indifference curve indicates

a) No relation to utility b) Higher utility c) Lower utility d) None of the above

19. Demand change with the change in

a) Price b) Income c) Taste and preference d) All the above

20. Factors affecting the elasticity of demand are

a) Period of time b) Availability of substitutes c) Income spent d) All the above

21. The coefficient of elasticity of elastic demand is

a) Equal to one b) More than one c) Zero d) Less than one

22. The coefficient of elasticity of unitary elastic demand is

a) Infinite b) Equal to one c) Less than one d) Zero

23. The coefficient of elasticity of inelastic demand is

a) Zero b) Less than one c) Infinite d) More than one

24.. Exceptional demand curve was developed by

a) J.R. Hicks b)Sir Robert Giffen c) Allen d) Alfred Marshall

25. The exceptional process of the demand curve sloping upward is known as

a) Normal demand b) Giffen paradox c)Engel's law d) None of the above

26. Factor – factor relationship answers the question

a) How much to produce b) How to produce c) What to produce d) All the above

27. Factor – Product relationship answers the question

a) What to produce b) How much to produce c) How to produce d) All the above

28. Product – Product relationship answers the question

a) How to produce b) What to produce c) How much to Produce d) All the above

29. The average productivity of a resource is called

a) Total product b) Average product c) Marginal product d) None of the above

30. The additional unit of the input which adds to the total product is

a) Average product b) Marginal product c) Total product d) None of the above

31. The rational zone in classical production curve

a) Zone I b) Zone II c) Zone III d) All the above

32. The zone of increasing return in classical production curve

a) Zone II b) Zone I c) Zone III d) All the above

33. The zone of negative return in classical production curve

a) Zone II b) Zone III c) Zone I d) All the above

34. The necessary condition for the optimum production is

a) AP>MP b) AP and MP decreasing c) MP >0 d) All the above

35. In case of perfect complements the isoquant is

a) Convex to the origin b) L-shaped c) Concave to the origin d) None of the above

36. The slope of isoquant is

a)marginal rate of product transformation b) Marginal rate of factor substitution

c)Price ratio d) All the above

37. Factors of production

a) Land b) labour c) Capital d) All the above

38. want satisfying power of the commodity is called

a) value b) Utility c)Price d) Wealth

39. A line connecting the least cost combination of inputs for all output level is

a) Iso cost line b) Isocline c) Iso revenue line d) None of the above

40. A curve showing all possible combinations of two inputs that would produce the same level of output is

a) Indifference curve b) Isoquant c) Iso-cost line d)Production possibility curve

41. Cost function is the relationship between

a) Price and input b) Cost and output c) Input and output d) None of the above

42. The resources, services of which cannot be stored are called

a) Stock resources b) Flow resources c) Fixed resources d) None of the above

43. The resources, services of which can be stored are called

a) Flow resources b) Stock resources c) Fixed resources d) None of the above

44. Fixed cost is otherwise called as

a) Opportunity cost b) Sunk cost c) out of Pocket cost d) All the above

45. The percentage change in output in relation to percentage change in input is called

a) Average Product b) Elasticity of production c) Marginal product d) All the above

46. Income which could be earned from the next best alternative use is called

a) Sunk cost b) Opportunity cost c) out of Pocket cost d) All the above

47. Sum of total fixed cost and total variable cost

a) Marginal cost b) Total cost c) Explicit cost d) All the above

48. Cash costs are otherwise called as

a) Marginal cost b) Explicit cost c) Implicit cost d) All the above

49. Non cash costs are otherwise called as

a) Marginal cost b) Implicit cost c) explicit cost d) All the above

50The cost which has to be incurred even when the production is not undertaken

a) Marginal cost b) Fixed cost c) Implicit cost d) variable cost

51. Shutdown point is the minimum of

a) Marginal cost b) Average variable cost c) Average Fixed cost d) variable cost

52. Break-even point is the minimum of

a) Marginal cost b) Average Total cost c) Average Fixed cost d) variable cost

53. Whatever being produced above this is the profit

a) Shut down point b) breakeven point

c) Shut down point & breakeven point d) None of the above

54. Over head charges are otherwise called as

a) Marginal cost b) Sunk cost c) Implicit cost d) All the above

55. The cost incurred for purchase of resources

a) Marginal cost b) Explicit cost c) Implicit cost d) All the above

56. Marginal factor cost is nothing but

a) variable cost b) Unit price of input c) Price of output d) Fixed cost

57. Time required for a resource to be completely transformed into product is referred as

a) Marketing period b) Production period. c) Purchasing period d) All the above

58. R's of credit are

a) Returns b) Repayment capacity c) Risk Bearing ability d) All the above

59. C's of credit are

a) Character b) Capital c) Capacity d) All the above

60. Loans are classified into

a) Long term loan b) Short term loan c) Medium term loan d) All the above

61. Medium term loans are other wise called as

a) Production loan b) Investment loan c) Seasonal loan d) None of the above

62. Short term loans are called as

a) Investment loan b) Production or Seasonal loan

c) Investment loan or seasonal loan d) All the above

63. The loan, which is given for a maximum period of 18 months

a) Medium term loan b) Short term loan c) Long term loan d) None of the above

64. The loan, which is given for a maximum period of 18 months to 7 years

a) Short term loan b) Medium term loan c) Long term loan d) None of the above

65. The loan, which is given for a maximum period of 7 years to 20 years

a) Short term loan b) Long term loan c) Medium term loan d) None of the above

66. The entire amount of principle is paid up on the expiry of the term in case of one of the following method of repayment.

a) Partial repayment b) Lump sum c) Amortized even d) Amortized decreasing

67. A part of principle along with interest is paid up every year in case of one of the following method of repayment.

a) Lump sum b) Partial repayment c) Amortized even d) Amortized decreasing

68. All the input variables are allowed to vary and none is fixed in case of

a) Production function b) Long run production

c) Short run production function d) All the above

69. An equal amount of Installment comprising larger proportion of principle and corresponding interest is paid up every year in case of one of the following method of repayment.

a) Lump sum b) Amortized even c) Amortized decreasing d) Partial repayment

70. A constant amount of principle and corresponding interest is paid up every year in case of one of the following method of repayment.

a) Lump sum b) Amortized decreasing c) Amortized even d) Partial repayment

71. Asset is equal to

a) capital b) sum of capital and Liabilities c) Liabilities d) None of the above

72. A statement indicating the financial position of the farmer

a) Income statement b) balance sheet c)Repayment schedule d) All the above

73. Total assets minus total liabilities gives the

a) Net profit b) Net worth c) Gross Income d) None of the above

74. Depreciation is decrease in value of

a) Raw materials b) Assets c) Output d) All the above

75. Increase in value of asset is called

a) Net worth b) Appreciation c) Depreciation d) None of the above

76. One of the following is an undiscounted measure of investment analysis

a) BCR b) Pay back period c) NPW d) All the above

77. A discounted measure of investment analysis

a) BCR b) IRR c) NPW d) All the above

78. Balance sheet is other wise called as

a) Income statement b) Net worth statement c) profit and loss statement d) All the above

79. In case of sound investment the benefit cost ratio should be

a) Less than one b) Greater than one c) Zero d) None of the above

80. In case of sound investment the NPW should be

a) Negative b) Positive c) Zero d) All the above

81. Market with single buyer and more number of sellers

a) Monopoly b) Monopsony c) Oligopoly d) Oligopsony

82. Market with single seller and few number of buyers

a) Monopsony b) Monopoly c) Oligopoly d) Oligopsony

83. Market with few number of sellers

a) Monopsony b) Oligopoly c) Monopoly d) Oligopsony

84. Market with few number of buyers

a) Monopsony b) Oligopsony c) Monopoly d) Oligopoly

85. Market with single seller and single buyer

a) Monopsony b) Bilateral monopoly c) Monopoly d) Oligopoly

86. Storage creates

a) Place Utility b)Time Utility c) Form Utility d d) All the above

87. Transport creates

a) Time Utility b) Place Utility c) Form Utility d) All the above

88. Processing creates

a) Time Utility b) Form Utility c) Place Utility d) All the above

89. Merchant middlemen are

a) Wholesaler b) Wholesaler and Retailer c) Retailer d) None of the above

90. Agent middlemen are

a) Retailers b) Brokers and Commission agents c) Brokers d) None of the above

91. Markets where the goods are bought and sold in bulk is called

a) Retail market b) Wholesale market c) Seasonal market d) All the above

92. Market for buying and selling of foreign currencies

a) Retail market b) Foreign exchange market c) Seasonal market d) All the above

93. Markets concerned with the purchase and sale of gold and silver.

a) Commodity Market b) Bullion market c) Manufactured goods market d)All the above

94. Markets which are located in big village or town is called

a) Family Market b) Local market c) National Market d) World Market

95. On the basis of time, market for egg and meat are classified under

a) Short period market b) Very short period market

c) Long period market d) None of the above

96. The ratio of market output to marketing input expressed as percentage is referred as

a)Market surplus b)Marketing Efficiency c) Market demand d) None of the above

97. Scarce commodities are sold at very high price not openly but in a secret manner.

a) Retail market b) Black market c) Seasonal market d) All the above

98. Father of Economics

a) Lionnel Robbins b) Adam Smith c) Alfred Marshall d)Paul Samuelson

99. The difference between total utility and total price is called

a) Consumers demand b) Consumer surplus c) Equilibrium price d) market price

100. A price at which quantity demanded and quantity supplied in a given time is equal is referred as

a) Shadow price b) Equilibrium price c) Normal price d) Market price

ANSWERS

1	B	41	B	81	B
2	B	42	B	82	B
3	B	43	B	83	B
4	B	44	B	84	B
5	B	45	B	85	B
6	B	46	B	86	B
7	B	47	B	87	B
8	B	48	B	88	B
9	B	49	B	89	B

10	B	50	B	90	B
11	B	51	B	91	B
12	B	52	B	92	B
13	B	53	B	93	B
14	B	54	B	94	B
15	B	55	B	95	B
16	B	56	B	96	B
17	B	57	B	97	B
18	B	58	D	98	B
19	D	59	D	99	B
20	D	60	D	100	B
21	B	61	B		
22	B	62	B		
23	B	63	B		
24	B	64	B		
25	B	65	B		
26	B	66	B		
27	B	67	B		
28	B	68	B		
29	B	69	B		
30	B	70	B		
31	B	71	B		
32	B	72	B		
33	B	73	B		
34	D	74	B		
35	B	75	B		
36	B	76	B		
37	D	77	D		
38	B	78	B		
39	B	79	B		
40	B	80	B		

V. Short Answers

1. Wealth definition of economics
2. Traditional approach to the study of economics
3. Ridge line
4. Investment credit
5. Consumption
6. Production
7. Exchange
8. Distribution
9. Micro economics
10. Macro economics
11. Wants
12. Necessaries
13. Comforts
14. Luxuries
15. Goods
16. Economic goods
17. Free goods
18. Producer goods
19. Durable goods
20. Consumer goods
21. Perishable goods
22. wealth
23. Value
24. Price
25. Income
26. Real income
27. Money income
28. Utility
29. Marginal utility
30. Law of diminishing marginal utility
31. Indifference curve
32. Indifference map
33. Demand
34. Law of demand
35. Price demand
36. Income demand
37. Cross demand
38. Joint demand
39. Composite demand
40. Derived demand
41. Direct demand
42. Giffen paradox
43. Elasticity of demand
44. Price elasticity of demand
45. Income elasticity of demand
46. Cross elasticity of demand
47. Elastic demand
48. Inelastic demand
49. Unitary elastic demand
50. Perfectly elastic demand
51. Perfectly inelastic demand
52. Engel's law
53. Consumer's surplus
54. Supply
55. Law of supply

56. Elasticity of supply
57. Equilibrium price
58. Factors of production
59. Farm
60. Management
61. Resources
62. Flow resources
63. Stock resources
64. Product
65. Production period
66. Transformation period
67. Choice indicator
68. Farm executive
69. Farm manager
70. Farm executive
71. Production function
72. Short-run production function
73. Long-run production function
74. Total physical product
75. Average product
76. Marginal product
77. Necessary conditions for the optimal production
78. Sufficient conditions for the optimal production
79. Marginal Rate of Substitution
80. Iso cost line
81. Isocline
82. Marginal Rate of Product Transformation
83. Iso revenue line
84. Production possibility curve
85. Iso-resource curve
86. Joint products
87. Complementary products
88. Supplementary products
89. Cost of production
90. Sunk cost
91. Variable cost
92. Explicit cost
93. Non-cash cost
94. Opportunity cost
95. Total fixed cost
96. Average fixed cost
97. Average variable cost
98. Average total cost
99. Marginal cost
100. Break even point
101. Shut down point
102. Production function
103. Slope of the curve
104. Accounting
105. Accounting equation
106. Journal
107. Medium term loan
108. Short term loan
109. Long term loan

110. Material welfare definition of economics
111. Isoquant
112. Economic optimality
113. Partial budgeting
114. Scarcity definition of economics
115. Growth definition of economics
116. Internal rate of return
117. Define rational zone
118. Lumpsum repayment
119. Partial repayment of loans
120. Amortized even repayment of loans
121. Amortized decreasing repayment of loans
122. Branding
123. Market
124. Marketing
125. Tangible real accounts

VI. Short Notes

1. Approaches to the study of economics
2. Capitalist economy
3. Socialist economy
4. Mixed economy
5. Classification of wants
6. Characteristics of wants
7. Classification of goods
8. Classification of wealth
9. Assumptions in the law of diminishing marginal utility.
10. Importance of the law of diminishing marginal utility
11. Properties of indifference curve
12. Law of demand and reasons for the inverse relationship
13. Types of demand
14. Elasticity of demand
15. Measurement of price elasticity of demand
16. Factors affecting elasticity of demand
17. Engel's law
18. Determinants of supply
19. Elasticity of supply
20. Equilibrium price
21. Land
22. Labour
23. Capital
24. Complete budgeting
25. Partial budgeting
26. Types of returns to scale

27. Types of input relationship
28. Least cost combination of inputs
29. Joint, Complementary and supplementary products
30. Competitive products
31. Determination of optimum product combination
32. Types of book keeping
33. Personal accounts
34. Real accounts
35. Nominal accounts
36. Types of loans
37. 3R's of credit
38. 3C's of credit
39. Methods of repayment of loan
40. Source selection
41. Material procurement activities
42. Share capital
43. Dividends, Debentures and Bonds
44. Sources of agriculture finance
45. Manual method of resource scheduling
46. Procedure for norm fixation
47. Packaging
48. Labeling
49. Principles of product optimization
50. Functions of the personal management
51. Work study
52. Supervision of labour
53. Division of labour
54. Advantages of division of labour
55. Disadvantages of division of labour
56. Departmentation
57. Job specialization and its merits and demerits
58. Labour efficiency
59. Concepts of marketing
60. Needs for marketing
61. Marketing information
62. Sources of marketing information
63. Functions of Marketing Information System (MKIS)
64. Marketing Intelligence
65. Marketing Opportunities
66. Role of farm management in Indian farms
67. Production possibility curve
68. Necessary and sufficient condition for maximum profit in Factor-product relationship
69. Cash costs and Non cash costs
70. What are the difficulties in farm accounting experience in India?

VII. Essay

1. Indifference curve technique.
2. Define demand and explain the law, types and exceptional demand curve
3. Write an essay on elasticity of demand
4. Write an essay on organization
5. Technique and procedure of farm planning
6. Steps in management process / farm planning and budgeting
7. Write an essay on factor – product relationship.
8. Define production function. Draw and describe the classical production curve.
9. Write an essay on product – product relationship
10. Write an essay on factor – factor relationship
11. Write in detail about the principle of substitution between products.
12. Cost function and cost curves.
13. Product management
14. Marketing of perishable and non-perishable goods.
15. Problems in livestock marketing
16. Marketing functions
17. Marketing measurement and forecasting
18. What are the three zones of production function? How can one describe the optimum level of production?
19. Farm planning – Meaning, Advantages, Characteristics of a good farm plan, techniques and procedure.
20. Write an essay on balance sheet and income statement.
21. Write in detail about the problems, nature and scope of farm management. Indicate how farm management is different from management of farm and production economics.
22. What are the measures to find out a project to be viable?
23. Write an essay on income and cash flow statement.