

2018

M.A. / M.Sc.

4th Semester Examination

ECONOMICS

Subject Code—04

PAPER—ECO-401A

Full Marks : 40

Time : 2 Hours

The figures in the right-hand margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

Illustrate the answers wherever necessary.

Group—A

1. Answer any two questions : 2×2

- (a) How does the low elasticity of demand generate excessive volatility of prices in case of agricultural products ?

(Turn Over)

- (b) Distinguish between product-product relationship and factor-factor relationship ?
- (c) Write the short run and long run acreage functions following Nerlove.
- (d) What is hedging ?

2. Answer any *one* question : 1×6

- (a) Explain Rajkrishna's model of marketable surplus of agricultural products.
- (b) How does the food consumption pattern of a society change with the change in the level of income ? Does it alter the value of income elasticity of these food items over time ?

3. Answer any *one* question : 1×10

- (a) Explain market channel, marketing margin, marketing cost and price spread of agricultural products. What are the reasons for higher marketing costs of agricultural commodities ?
- (b) Discuss the measures for stabilising agricultural prices.

Group—B

4. Answer any *two* questions : 2×2
- (a) What is diminishing balance method of calculation of farm depreciation ?
 - (b) What are the different farm management decisions ?
 - (c) What is total farm budget ?
 - (d) Explain the concept of farm layout.
5. Answer any *one* question : 1×6
- (a) Explain productivity, cropping intensity and crop yield index of land.
 - (b) Discuss the economic principles used by the farm manager for taking decisions regarding what enterprise or combination of enterprises to select.
6. Answer any *one* question : 1×10
- (a) What is partial farm budget? What are its advantages? Demonstrate the application of partial budgeting by taking one suitable example. 2+3+5

- (b) What are the assumptions of LPP? Explain how LP can be used in farm decision making. What problems would you encounter in this case? 3+4+3
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