

**PARUL UNIVERSITY**  
**COLLEGE OF AGRICULTURE**  
**B.Sc.(Hons.) Agriculture Winter 2019 - 20 Examination**

**Semester: 2**  
**Subject Code: 20105152**  
**Subject Name: Fundamentals of Agricultural Economics**

**Date: 16/12/2019**  
**Time: 02:00 pm to 04:30pm**  
**Total Marks: 50**

**Instructions**

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

**Q.1 Do as Directed.****A. Fill in the blanks. (Each of 0.5 mark)****(05)**

1. Want satisfying power of a good/commodity/service is called \_\_\_\_\_.
2. Even a big change in price results in only a small change or no change in demand, it is called \_\_\_\_\_.
3. Consumption Goods are also called goods of the \_\_\_\_\_.
4. \_\_\_\_\_ refers to the sum of utilities of all units of a commodity consumed.
5. Storage adds \_\_\_\_\_ utility.
6. \_\_\_\_\_ refers to the quantity of good or service demanded with reference to change in price of other inter-related goods (other factors remaining constant).
7. A small change in price may lead to a great change in demand is called \_\_\_\_\_.
8. \_\_\_\_\_ is a father of Economics
9. Processing adds \_\_\_\_\_ utility
10. The word Economics derived from \_\_\_\_\_ word.

**B. Multiple choice type questions. (Each of 0.5 mark)****(10)**

1. Economics is popularly known as
 

a) Queen of Social Sciences	c) Queen of Plant protection
b) King of Social Sciences	d) King of Plant protection
2. \_\_\_\_\_ are just meant for enhancing the prestige of a person, (e.g.) Ornaments, bungalow, car, etc.
 

a) Necessaries	c) Comforts
b) Luxuries wants	d) None of the above
3. Macroeconomics is also called \_\_\_\_\_.
 

a) Price theory	c) Income theory
b) Extension demand	d) Contraction Demand
4. \_\_\_\_\_ is External material non-transferable good.
 

a) Car	c) Land
b) Degree certificate	d) Buildings
5. \_\_\_\_\_ is not a limitation of Law of diminishing marginal utility.
 

a) Hobbies	c) Miser
b) Drunkards	d) None of the above
6. Full form of GNP is \_\_\_\_\_.
 

a) Global National Purchase	c) Gross National Product
b) Global National Price	d) None of the above
7. \_\_\_\_\_ is the total volume of a commodity which can be brought into the market for sale at a short notice.
 

a) Stock	c) Demand
b) Supply	d) Quantity
8. \_\_\_\_\_ relationship between the price of a good & its quantity demanded.
 

a) Positive	c) Direct
b) Straight	d) Inverse
9. \_\_\_\_\_ refers to various quantities of a commodity that consumers demand per unit of time at different prices. (other factors remaining constant).
 

a) Price Demand	c) Derived Demand
b) Cross Demand	d) Income Demand

10. \_\_\_\_\_ is the actual quantity that a seller is willing to sell at a particular price.
  - a) Stock
  - b) Demand
  - c) Supply
  - d) Supply Schedule
11. \_\_\_\_\_ is the total market value of all final goods and services currently produced within the domestic territory of a country in a year.
  - a) GNP
  - b) NNP at factor cost
  - c) GDP
  - d) NNP
12.  $GDP + \text{Net factor income from abroad} =$ 
  - a) GNP
  - b) NNP at factor cost
  - c) GDP
  - d) NNP
13. When the costs of inputs and input services are expressed at constant prices they become real costs.
  - a) Real cost
  - b) Opportunity cost
  - c) Nominal cost
  - d) Social cost
14. \_\_\_\_\_ do not varies with the level of production.
  - a) Fixed cost
  - b) Variable cost
  - c) Total cost
  - d) Social cost
15. The definition of Wealth is given by \_\_\_\_\_
  - a) Adam Smith
  - b) Alfred Marshall
  - c) Lionel Robbins
  - d) Prof. Paul Samuelson
16. \_\_\_\_\_ is a creation of utility.
  - a) Production
  - b) Consumption
  - c) Exchange
  - d) Distribution
17. \_\_\_\_\_ is a destruction of utility.
  - a) Production
  - b) Consumption
  - c) Exchange
  - d) Distribution
18. \_\_\_\_\_ refers to sharing of wealth that is produced among the different factors of production.
  - a) Production
  - b) Consumption
  - c) Exchange
  - d) Distribution
19. \_\_\_\_\_ refer to the difference between the purchase price of the asset and the current price of the same asset.
  - a) Historical cost
  - b) Nominal cost
  - c) Replacement cost
  - d) Establishment cost
20. \_\_\_\_\_ is the man made physical goods used to produce other goods and services.
  - a) Land
  - b) Labour
  - c) Capital
  - d) Entrepreneur

**Q.2 Do as Directed.**

**A. Define the following. (Any five out of seven)**

**(05)**

1. Goods
2. Utility
3. Economics
4. Nominal cost
5. Supply
6. Disposable income
7. Total utility

**B. Answer the following. (Any five out of seven)**

**(05)**

1. Give the classification of goods based on consumption.
2. Enlist the characteristics of wants.
3. Enlist the characteristics of monopoly
4. Enlist the factors determining Demand
5. Give the types of wealth
6. Enlist the types of elasticity of demand
7. Write the division of economics

**Q.3 Write short notes. (Any five out of six)**

**(10)**

1. Explain the importance of agricultural economics
2. What is consumer's surplus? Explain the importance of consumer's surplus
3. Explain the Types of Utility
4. Explain the Sectors of Economy
5. Explain the factor of production
6. Explain the law of diminishing marginal utility

**Q.4 Long Questions/Example (Attempt any three out of four)**

**(15)**

1. What is national income? Explain the concepts of national income.
2. Explain the extension/contraction in supply with figure.
3. Explain the market according to competition.
4. What is Demand? Explain the types of Demand.