

Fourth Semester MA Economics (Private Registration)

Multiple Choice Questions

EC800401: Agricultural Economics

1. What is also known as 'peasant farming'?
 - A. State farming
 - B. Family farming
 - C. Collective farming
 - D. Private farming
2. What is also known as 'capitalist farming'?
 - A. Corporate farming
 - B. Co-operative farming
 - C. Collective farming
 - D. Family farming
3. The control of co-operative farming is with -----?
 - A. An Elected body
 - B. A Managing body
 - C. An organizational body
 - D. Panchayat
4. Agricultural operations ranging from purchase of inputs to sale of outputs are carried on jointly in
 - A. Co-operative joint farming
 - B. Co-operative collective farming
 - C. Co-operative better farming
 - D. None of the above
5. Any improvement in agricultural economic institutions is called
 - A. Tenancy reforms
 - B. agrarian reforms
 - C. Social reform
 - D. Land reforms
6. How many types of agricultural uncertainty are there?
 - A. Three
 - B. Two
 - C. Four
 - D. five
7. The farmer carries on several farm enterprises simultaneously in order to avoid the dangers of having all his eggs in one basket is known as
 - A. Diversification
 - B. Liquidity

- C. Flexibility
 - D. consistancy
8. The contractual agreements in money terms between the farmer, manufacturing firms and input suppliers are called
- A. Contract farming
 - B. Capital farming
 - C. Family farming
 - D. Mixed Farming
9. There are ----- types of instability in agriculture
- A. Ten
 - B. Four
 - C. Three
 - D. Two
10. The income of the farmers is stabilized in the times of crop failure through
- A. Buffer stock
 - B. Crop insurance scheme
 - C. Income insurance
 - D. Mutual Funds
11. 'The economics of agricultural development' is written by
- A. Mellor
 - B. Schults
 - C. Hopper
 - D. Ricardo
12. The relationship between labour input and total output on a farm is called
- A. Production possibility curve
 - B. Indifference curve
 - C. Iso-utility curve
 - D. Expanth path
13. Various combinations of value of material goods and services on the one hand and the work on the other which give a farmer the same amount of satisfaction is called
- A. Indifference curve
 - B. Iso-utility curve
 - C. Budget line
 - D. Production Possibility curve
14. Who explained the causes of agricultural economics?
- A. Malthus
 - B. Mellor
 - C. J B Say
 - D. Boserup
15. Two or more successive crops are sown every year are called
- A. Mixed farming

- B. Contract farming
 - C. Multiple cropping
 - D. Capital farming
16. In who's model there exists surplus labour in subsistence sector
- A. Boserup
 - B. Karl Marx
 - C. Fei-ranis
 - D. Lewis
17. The technical relationship between inputs and outputs indicating the amount of output that can be produced with each and every set or combination of the specified inputs is called
- A. Input function
 - B. Production function
 - C. Relationship function
 - D. Consumption Function
18. The ratio of the total output to the total quantity of input say x is defined as
- A. marginal product of x
 - B. average physical product of x
 - C. marginal physical product of x
 - D. marginal product of y
19. The conditions which guide a farmer in deciding about the combination of various inputs necessary for producing a particular amount of crop which, given the prices of various inputs, cost him the least is called
- A. Factor – factor relationship
 - B. Factor – product relationship
 - C. Product – product relationship
 - D. Cost-Product relationship
20. Products are _____ when an increase in the production of one can be had only by reducing the output of the other product, given a particular level of variable resources.
- A. Complementary
 - B. Competitive
 - C. Complete
 - D. Incomplete
21. The two inputs taken into account in the Cobb-Douglas production function are
- A. Cost and capital
 - B. Labour and capital
 - C. Materials and capital
 - D. None of the above
22. Y in Spillman production function measures
- A. Total output
 - B. Total input

- C. Maximum output
 - D. Minimum input
23. The allocation of various farm resources to various activities is called
- A. Farm distribution
 - B. Farm allocation
 - C. budgeting
 - D. Farm budgeting
24. Out of an infinite number of feasible solutions, the one which yields the highest (or lowest) value of the objective function is called the
- A. Best solution
 - B. Optimum solution
 - C. Favourable solution
 - D. None of the above
25. Net capital ratio is
- A. Total liabilities – total assets
 - B. Total liabilities / total assets
 - C. Total assets / total liabilities
 - D. Total assets / total demand
26. The measure that shows whether the owned resources of the farmer are sufficient to pay for the loans taken from external sources or not is called
- A. Debt-equity ratio
 - B. Rate of return
 - C. Income ratio
 - D. Price ratio
27. Indian agriculture is typically characterized as
- A. Land surplus, labour scarce economy
 - B. Land surplus, labour surplus economy
 - C. Land scarce, labour surplus economy
 - D. None of the above
28. To avoid uncertainty, the farmer uses
- A. Contract farming
 - B. Mixed farming
 - C. Double cropping
 - D. Single cropping
29. The main function of regional rural bank (RRB) is
- A. To advance loans to weaker sections
 - B. To open more number of branches in rural areas
 - C. To control inflation
 - D. None of the above
30. The Agricultural Price Commission was set up in the year
- A. 1975

- B. 1969
 - C. 1970
 - D. 1965
31. Under National Agricultural Insurance Scheme (NAIS), crop claims maximum under
- A. Cotton
 - B. Ground nut
 - C. Sunflower
 - D. paddy
32. In who's model under developed economy hopes to move from a condition of stagnation to self sustained growth
- A. Fei-ranis
 - B. Rostow
 - C. Malthus
 - D. Adam smith
33. The next best alternative cost forgone is called
- A. Opportunity cost
 - B. Average cost
 - C. Fixed cost
 - D. Marginal Cost
34. What is first stage of cultivation as per Boserup?
- A. Bush fallow
 - B. Forest fallow
 - C. Short fallow
 - D. Herbs fallow
35. Implicit cost may be considered as
- A. Social cost
 - B. Private cost
 - C. Variable cost
 - D. Fixed cost
36. Minimum support prices for major agricultural products are fixed by the government
- A. After sowing
 - B. In the middle of the crop period
 - C. Before start of sowing season
 - D. None of the above
37. _____ is based upon the concept of total cropped area under cultivation
- A. System index
 - B. Crop yield index
 - C. Cropping intensity index
 - D. None of the above
38. The cash a farmer can have at his disposal for utilizing for various agricultural improvements is known as
- A. Net operating income
 - B. Gross Income
 - C. Cash income
 - D. None of the above

39. Adoption of high yielding varieties of seeds is known as
- A. White revolution
 - B. red revolution
 - C. Blue revolution
 - D. Green revolution
40. The reform brought about to prevent the eviction of a tenant from his land is called
- A. Tenancy reforms
 - B. Fixation of rent
 - C. Land reforms
 - D. Zamindari reforms
41. Agriculture finance corporation was set up in
- A. 1968
 - B. 1969
 - C. 1970
 - D. 1988
42. Kissan credit card offers credit to the farmers by
- A. Cash credit
 - B. Term loan
 - C. Both A&B
 - D. None of the above
43. Which is the apex banking institution for providing finance for agriculture and rural development in india?
- A. RBI
 - B. SEBI
 - C. RRB
 - D. NABARD
44. Which among the following are considered as priority sector for financing by banks?
- A. Industries
 - B. Services
 - C. Agriculture
 - D. Territory
45. What is the full form of AOA?
- A. Agreement on agriculture
 - B. Administration of agriculture
 - C. Advocates of agriculture
 - D. Advocates of agreement
46. Which type of farming is practiced in areas of high population pressure on land?
- A. Extensive subsistence farming
 - B. Intensive substance farming
 - C. Commercial farming

- D. Consumption farming
47. The region where farmers specialize in vegetables only is known as
- A. Co-operative farming
 - B. Truck farming
 - C. Mixed farming
 - D. None of the above
48. An estate where a cash crop is grown for sale is known as
- A. Horticulture farming
 - B. Subsistence farming
 - C. Kitchen garden
 - D. Mixed farming
49. What is the yellow revolution in India associated with?
- A. Fish
 - B. Fruits
 - C. Oil seeds
 - D. Milk
50. Green revolution has been most successful in rotation for
- A. Wheat and potato
 - B. Barley and rice
 - C. Wheat and rice
 - D. Wheat and Barley
51. Farm management is generally considered to be _____ in its scope.
- A. Macro economic
 - B. Micro economic
 - C. Both of the above
 - D. None of the above
52. "What to produce?" Is _____ problem.
- A. Factor-factor
 - B. Cost – product
 - C. Factor – product
 - D. Product – product
53. Each successive unit adds more to the output than the previous unit – it is found in law of _____
- A. Constant returns
 - B. Increasing returns
 - C. Decreasing returns
 - D. None of the above
54. The shape of production curve is _____ in law of constant returns
- A. Convex

- B. Concave
 - C. Straight-line
 - D. Parallel
55. Linear production indicates _____
- A. Constant returns
 - B. Increasing returns
 - C. Decreasing returns
 - D. None of the above
56. _____ relationship deals with production efficiency of resources
- A. Factor -product
 - B. Factor -factor
 - C. Product -product
 - D. Cost -factor
57. The relation between inputs and outputs can be characterized as a _____
- A. Production
 - B. Production function
 - C. Elasticity of production
 - D. Consumption function
58. In stage one of production function, elasticity of production is
- A. Less than one
 - B. Greater than one
 - C. Is equal to one
 - D. None of the above
59. In which zone, marginal physical product is more than average physical product.
- A. Stage one
 - B. Stage two
 - C. Stage three
 - D. Stage four
60. "How to produce?" is _____ problem.
- A. Factor-Cost
 - B. Product – product
 - C. Factor – product
 - D. Factor-factor
61. The APP and MPP decreases throughout this zone
- A. Stage one
 - B. Stage two
 - C. Stage three
 - D. Stage four
62. _____ ends at the point where $MPP = APP$ or where APP is maximum

- A. Stage one
 - B. Stage two
 - C. Stage three
 - D. Stage four
63. Duration of a crop loan is _____
- A. Twenty-four months
 - B. Twelve months
 - C. Six to eighteen months
 - D. Twenty months
64. _____ are called seasonal agricultural operations loans
- A. Consumption loan
 - B. Marketing loan
 - C. Production loan
 - D. None of the above
65. The shape of iso-quant for perfect substitute is _____
- A. Parallel to X axis
 - B. Non Linear line
 - C. Parallel to Y axis
 - D. Linear line
66. The first type of cop-operative societies established in India are
- A. Credit societies
 - B. Farming societies
 - C. Marketing societies
 - D. None of the Above
67. Due to the fluctuations in price _____ risk rises
- A. Production risk
 - B. Marketing risk
 - C. Price risk
 - D. Inventory
68. The demand for farm input is said to be
- A. Derived demand
 - B. Reservation demand
 - C. Effective demand
 - D. Non Effective demand
69. Which of the following types of factor substitution is common in agriculture?
- A. Constant rate
 - B. Increasing rate
 - C. Decreasing rate
 - D. Flexible rate

70. How much to produce is _____ problem.
- A. Factor-factor
 - B. Product – product
 - C. Cost – product
 - D. Factor – product
71. Which cost is said to unit cost of production?
- A. Total cost
 - B. Average cost
 - C. Average variable cost
 - D. Marginal Cost
72. Elasticity of production is obtained directly from which production function?
- A. Linear
 - B. Cobb-Douglas
 - C. Quadratic
 - D. Non-Linear
73. Line representing various combinations of two inputs that can be purchased with given outlay of fund is called
- A. Iso-quant
 - B. Iso-revenue
 - C. Iso-post
 - D. Indifference cost
74. When large number of sellers deal in heterogenous and differentiated form of commodity is called as _____
- A. Perfect market
 - B. Oligopoly market
 - C. Monopolistic competitive market
 - D. Pure Factor
75. First state warehousing corporation was set up in
- A. Tamil Nadu
 - B. Kerala
 - C. Punjab
 - D. Bihar
76. The apex organization of marketing co-operative in India is _____
- A. NAFED
 - B. CACP
 - C. FCI
 - D. NABARD
77. Two tier system in co-operative credit structure provides _____
- A. Short term loans
 - B. Medium term loans

- C. Long term loans
 - D. None of the above
78. Cost minimization is the goal of
- A. Factor-factor
 - B. Product – product
 - C. Factor – product
 - D. Cost -Factor
79. The World Trade Organization is located at
- A. Geneva
 - B. New York
 - C. Rome
 - D. Brazil
80. The following is not an advantage of diversified farming
- A. Better utilization of farm resources
 - B. Reduced farm risk
 - C. effective supervision
 - D. Ineffective supervision
81. In the classical production function stage, which stage is said to be the rational zone?
- A. Second
 - B. Third
 - C. First
 - D. Fourth
82. The type of ownership is individual and that of operation ship is collective in the case of co-operative _____
- A. Tenant farming
 - B. Collective farming
 - C. Joint farming
 - D. Individual Farming
83. Ceiling price concept is to protect
- A. Farmers
 - B. Consumers
 - C. Market
 - D. Producers
84. Price efficiency is said to be achieved if product is sold in two different forms when price difference is _____
- A. Less than transport cost
 - B. Less than storage cost
 - C. Less than processing cost
 - D. More than processing cost
85. Consumer's _____ is what we are prepared to pay minus what we actually pay
- A. Behavior

- B. Habit
- C. Deficit
- D. Surplus

86. What is operational holding?
- A. Land area owned by a farmer
 - B. Net land area cultivated by a farmer
 - C. Land area leased in by a farmer
 - D. None of the Above
87. A farm on which fifty percentage or more receipts are derived from one enterprise is known as ____ farm.
- A. Mixed
 - B. Specialised
 - C. Mechanized
 - D. Choice
88. A farm with land holding size ranging between one to two hectares is called as
- A. Small farm
 - B. Marginal farm
 - C. Medium farm
 - D. Large Farm
89. Which one of the following is not a physical factor affecting the type of farming?
- A. Topography
 - B. Climate
 - C. Labour supply
 - D. Labour Demand
90. Cost calculated per quintal is known as
- A. Cost of farming
 - B. Cost of production
 - C. Cost of cultivation
 - D. Cost of Irrigation
91. How often is the minimum support price announced by the Government in India?
- A. Once
 - B. Twice
 - C. Three times
 - D. Four Times
92. What is the method of farming commonly adopted in India?
- A. Specific farming
 - B. Mixed farming
 - C. Dry farming
 - D. Drip Farming
93. Land holding of marginal farmer is
- A. Less than 5 acres
 - B. More than 5 acres

- C. Less than 2.5 acres
 - D. None of the Above
94. Price elasticity of supply of food product is generally
- A. Infinite
 - B. Zero
 - C. More than one
 - D. Positive
95. The “Indian farming” is published from
- A. ICMR
 - B. IARI
 - C. CAZRI
 - D. ICAR
96. Farm management as a resource allocation proposition is related to
- A. Intra farm management
 - B. Inter farm management
 - C. Both a and b
 - D. None of the Above
97. Farm budget is a tool of farm management
- A. False
 - B. True
 - C. Never include cost
 - D. Never include production
98. In state farming the owner of land is
- A. Government
 - B. Land lord
 - C. Farmer
 - D. King
99. Which one of the following principles is employed in production when resources are scarce
- A. Comparative advantage
 - B. Equi-marginal principles
 - C. None of the above
 - D. Absolute Advantage
100. The object of a subsistence farm is to produce
- A. Essential food crops for family and market
 - B. Only essential cash crops for family
 - C. None of the above
 - D. Only essential food crops for family

Fourth Semester MA Economics (Private Registration)

Multiple Choice Questions

Agricultural economics Course E680401

| | | | | | | |
|-------|--|-------|--|-------|--|-------|
| 1. B | | 26. A | | 50. C | | 75. D |
| 2. A | | 27. C | | 51. B | | 76. A |
| 3. A | | 28. A | | 52. D | | 77. C |
| 4. A | | 29. C | | 53. B | | 78. A |
| 5. D | | 30. D | | 54. C | | 79. A |
| 6. B | | 31. B | | 55. A | | 80. D |
| 7. A | | 32. A | | 56. A | | 81. A |
| 8. A | | 33. A | | 57. B | | 82. C |
| 9. D | | 34. B | | 58. B | | 83. B |
| 10. B | | 35. B | | 59. A | | 84. C |
| 11. A | | 36. C | | 60. A | | 85. D |
| 12. A | | 37. B | | 61. B | | 86. B |
| 13. B | | 38. C | | 62. A | | 87. B |
| 14. D | | 39. D | | 63. C | | 88. A |
| 15. C | | 40. A | | 64. C | | 89. C |

| | | | | | | |
|-------|--|-------|--|-------|--|--------|
| 16. D | | 41. A | | 65. D | | 90. D |
| 17. B | | 42. C | | 66. A | | 91. B |
| 18. B | | 43. D | | 67. B | | 92. B |
| 19. A | | 44. C | | 68. A | | 93. C |
| 20. B | | 45. A | | 69. C | | 94. B |
| 21. B | | 46. B | | 70. D | | 95. A |
| 22. A | | 47. B | | 71. B | | 96. C |
| 23. D | | 48. A | | 72. B | | 97. B |
| 24. B | | 49. C | | 73. C | | 98. A |
| 25. C | | | | 74. C | | 99. A |
| | | | | | | 100. D |