25379-41681

BRAINWARE UNIVERSITY

Term End Examination 2025-2026
Programme – B.Sc.(Ag)-Hons-2021/B.Sc.(Ag)-Hons-2023
Course Name – Farm Management, Production & Resource Economics
Course Code - CC-BAG678 (T)/CC-BAG678(T)
(Semester VI)

Full Marks : 50 **Time : 2:0 Hours**

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A

(Multiple Choice Type Question) 1 x 20=20

1. *Choose the correct alternative from the following :*

(i) Which of the following costs remains constant irrespective of the level of production?

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

(ii) Labor and raw materials costs are examples of which type of costs?

a) Fixed costs b) Variable costs
c) Marginal costs d) Average costs

(iii) If a firm produces zero output, what will its total variable cost be?

a) Zero b) The fixed cost
c) Indeterminate d) Equal to the total cost

(iv) What is the additional cost of producing one more unit of output is known as?

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

(v) If marginal cost is less than average cost, then which of the following is true for average cost?

a) Increasing b) Decreasing
c) Constant d) Indeterminate

(vi) Which cost represents the opportunity cost of using resources in production?

a) Variable cost b) Total cost
c) Fixed cost d) Marginal cost

(vii) When marginal cost is above average cost, average cost is

a) Increasing b) Decreasing
c) Constant d) Indeterminate

(viii) Which cost remains constant on a per-unit basis regardless of the level of output?

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

(ix) According to the law of diminishing marginal utility, as a consumer consumes more units of a product, the what happens?

a) Total utility increases indefinitely
b) Marginal utility increases indefinitely
c) Marginal utility decreases
d) Marginal utility remains constant

(x) Which of the following statements is true regarding utility?

a) Utility can only be measured in monetary terms
b) Utility is subjective and varies from person to person
c) Utility is solely determined by the price of a product
d) Utility remains constant regardless of the quantity consumed

(xi) Total Physical Product (TPP) is defined as which of the following?

a) Total output produced by a firm in a given period of time
b) Average output produced by a firm per unit of input
c) Additional output produced by employing one more unit of input
d) Output produced by each unit of input

(xii) Infer, in an iso cost line diagram, a movement towards the origin indicates

a) An increase in output
b) An increase in total cost
c) A decrease in input prices
d) A decrease in output

(xiii) Infer, the slope of an iso cost line is equal to

a) The price of output
b) The ratio of input prices
c) The marginal cost of production
d) The average cost of production

(xiv) Infer, the point of tangency between an iso cost line and an isoquant curve represents

a) A situation of perfect substitutes between inputs
b) A situation of constant returns to scale
c) The least costcombination of inputs for a given level of output
d) A situation of diminishing marginal returns

(xv) Infer, what is the main objective of a firm in choosing a production technique?

a) To maximize profits
b) To minimize costs
c) To maximize output
d) To minimize input usage

(xvi) Infer, a ridge line is formed by

a) iso cost lines
b) Isoquant curves
c) Price lines
d) Budget lines

(xvii) Infer, an expansion path shows

a) The relationship between input prices and output
b) The relationship between input quantities and output
c) The relationship between costs and output levels
d) The relationship between input quantities and costs

(xviii) Infer, what does a price line represent in production theory?

a) A line showing the different combinations of inputs that yield the same level of output
b) A line showing the different levels of cost associated with producing a given level of output
c) A line representing the trade-off between two inputs
d) A line representing the budget constraint faced by the firm

(xix) Infer, which of the following statements is true regarding least costcombination?

a) It represents the combination of inputs that maximizes output for a given cost
b) It represents the combination of inputs that minimizes cost for a given level of output
c) It represents the combination of inputs that maximizes profit
d) It represents the combination of inputs that minimizes output for a given cost

(xx) Infer, the least costcombination of inputs occurs where

a) The iso cost line is tangent to the highest isoquant curve
b) The iso cost line is tangent to the lowest isoquant curve
c) The isoquant curve intersects the highest isocost line
d) The isoquant curve intersects the lowest isocost line

Group-B

(Short Answer Type Questions) 2.5 x 10=25

2. Explain the definition of Total Physical Product. (2.5)
3. Explain the definition of Average Physical Product. (2.5)
4. Infer the definition of Marginal physical product. (2.5)
5. Explain the atributes of Stage-II of production function. (2.5)
6. Discuss the definition of Iso-cost line. (2.5)
7. Discuss the definition of Iso-cline. (2.5)
8. Discuss the definition of ridge lines. (2.5)
9. Discuss the definition of complementary products. (2.5)
10. Constrcut the definition of supplementary products. (2.5)
11. Discuss the definition of expansion path. (2.5)

OR

Discuss the definition of Joint Products. (2.5)

Group-C

(Long Answer Type Questions) 5 x 1=5

12. Elaborate three stages of production. (5)

OR

Elaborate relationship between TPP & MPP. (5)

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