

AECO342 - PRODUCTION ECONOMICS AND FARM MANAGEMENT (1+1)

- 1.** Introduction to Farm Management
- 2.** Farm management decision making process ? Production, operational, strategic, administrative and marketing management decisions.
- 3.** Basic concepts in farm management. Production, types of resources, choice indicators, costs, revenue, profit, total, average & marginal concepts.
- 4.** Factor - Product relationship - Production function - definition & types - linear, quadratic & Cobb- Douglas functions - Impact of technology.
- 5.** Law of diminishing returns - 3 regions of production
- 6.** Cost concepts & interrelations - Optimum level of input use and optimum production
- 7.** Economies of scale - external and internal economies and diseconomies - Returns to scale - Economies of scale
- 8.** Factor - Factor relationship - Principle of substitution - isoquant, isocline
- 9.** Expansion path, ridgeline and least cost combination of inputs
- 10.** Product - Product relationship - types. Production possibility curve, iso revenue line and optimum combination of outputs
- 11.** Equi-marginal returns and Opportunity cost - comparative advantage
- 12.** Concepts of Risk and uncertainty - types of uncertainty in agriculture - managerial decisions to reduce risks in production process
- 13.** Management of Important Farm Resources
- 14.** Farm Financial Analysis - Balance sheet - Income statement - Cash flow analysis - Ratio analysis
- 15.** Farm Investment Analysis - Time comparison principles - Discounted and undiscounted measures.
- 16.** Farm planning and control - Elements of planning, objectives, steps and formulation of farm plans - Farm level management information systems.
- 17.** Farm Budgeting ? partial, enterprise and complete budgeting.