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.
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 size
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
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.