

Uva Wellassa University
Faculty of Animal Science and Export Agriculture
BSc in Tea Technology and Value Addition



End Semester Examination February/March 2012
Year III Semester I

Tea Resource Economics (TEA 341-2)

Instructions

Answer **eight (8) questions only**

No. of questions : Twelve (12)

No. of pages : Two (02)

Total marks allocated : 40%

Time : Forty Five Minutes (45 mins)

PART I

1. Explain the resource requirements of tea cultivation (5 marks)
2. What are the factors that affecting labor imbalance? Explain the strategies available to overcome this situation (5 marks).
3. Write short notes on
 - i. Recurrent Expenditure
 - ii Capital Expenditure
 - iii Fixed costs
 - iv Variable costs (5 marks)
4. What are the major components of cost of tea field cultivation? (5 marks)
5. What are the types of input-output relationships? Differentiate the characteristics of mentioned types of input –output relationships (5 marks)
6. What are the disadvantages / drawbacks of payback period? (5 marks)
7. Distinguish between internal & external economies of scale. (5 marks)
8. Define the Minimum Efficient Scale & Minimum Efficient Plant Size (5 marks)
9. What are the reasons for Diseconomies of Scale (5 marks)

10. What are the factors which determine the ultimate market price for tea (5 marks)
11. What are the methods of valuation of a tea bush? Explain one of the methods (5 marks)
12. Define the comparative advantage (5 marks)