



EASTERN UNIVERSITY, SRI LANKA

FINAL YEAR, FIRST SEMESTER EXAMINATION IN AGRICULTURE-2008/09

**AEC 4106: AGRICULTURAL MARKETING**

Answer **ALL** questions (Parts A and B)

**Time:** 02 hours

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**Part A**

1. a) What does **Agricultural Marketing** mean to you?
  - b) Briefly explain the four **types of utilities** created by marketing for a farm product.
  - c) Outline the **major components** of a rural market.
  - d) Classify markets on the **basis of area** from which buyers and sellers come for transactions.
  - e) Briefly **differentiate** between Retail and Wholesale markets.
  
2. a) What are the **characteristics** of a **Perfect Market**?
  - b) Explain briefly **Monopolistic Competition** in a tea market.
  - c) What is **Marketable Surplus**, and what factors affect it?
  - d) Explain how **Market Price** is determined under perfect competition.
  - e) Explain briefly the **Price Elasticity of Demand** for a farm product.

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## Part B

3. a) Explain briefly the **factors affecting** the demand for farm products.
- b) "When the **Own-price Elasticity** of demand for a farm product is **relatively elastic**, quantity demanded by consumers **increases substantially** for a small price change". Clearly explain the above statement with illustrations.
4. a) Explain clearly what is '**Market Integration**'.
- b) Elucidate the **importance** of food marketing in a region, with respect to **producers and consumers**.

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