



The Open University of Sri Lanka
Faculty of Engineering Technology
Industrial Studies Program

Final Examination- 2006

AEM4235 Agricultural Marketing

Date : 26-03-2007
Time : 0930-1230 hours

SECTION II: Answer only four (04) questions

1. a. Define the term "commodity".
b. Explain how the demand for a commodity is influenced by the price of other commodities.
2. a. Briefly explain the 'Equilibrium Price'
b. Describe a market situation of **fixing a maximum price for a commodity**, using demand supply curves.
3. Write short notes on three (3) of the following;
 - i. Income elasticity of demand for food
 - ii. Subsistence Vs commercial farming
 - iii. Product promotion
 - iv. Village fair
4. a. Who are the key "market middlemen" involved in agricultural marketing channels?
b. Briefly discuss the main "marketing functions" performed in the marketing channel between the farm gate and consumer's household.
5. "Food marketing plays an important role in agricultural marketing systems." Discuss the importance of infrastructure facilities in the marketing of fresh fruits and vegetables.

6. What are the marketing constraints faced by local producers?

Briefly comment on the diverse nature of agricultural produce in developing countries, giving emphasis to socio economic and agro climatic factors.