

Semester	:	V (NEW)	Term	:	I	Academic Year	:	2021-22
Course No.	:	ECON-353	Title	:	Agricultural Marketing, Trade & Prices			
Credits	:	3 (2+1)						
Day & Date	:	11.11.2021	Time	:	2.00 Hr	Total Marks	:	80

Note : 1) Solve ANY EIGHT questions from SECTION-A
2) Solve ANY TWELVE questions from SECTION-B
3) ALL questions from SECTION-C are compulsory
4) Send the PDF file of answer sheet to the email id of respective course teacher

SECTION-A

(Write the answers in 4-5 sentences only. Each question carries 4 marks)

Q. 1 Ans.	<p>What do you mean by product life cycle? Explain stages of product life cycle.</p> <p>A product passes through certain distinct stages during its life and this is called the product life cycle. The stages through which individual products develop over time is called commonly known as the "Product Life Cycle".</p> <p>Stages of product life cycle:</p> <ol style="list-style-type: none"> 1) Market pioneering stage or introduction stages: it is the period when the product appears in the market for first time. 2) Market growth stages: it is the period and rapid expansion in sell and profits. 3) Market maturity stage: this stage is characterized by slow growth in sells often even some decline in the sells as the market becomes saturated. 4) Market decline stage: this stage is characterized by decline in sells and profit.
Q. 2 Ans.	<p>Define agricultural marketing? Discuss the scope and subject matter of agricultural marketing.</p> <p>Agricultural marketing is the study of all the activities, agencies and policies involved in the procurement of farm inputs by the farmers and the movement of agricultural products from the farms to the consumers.</p> <p>Agricultural marketing in a broader sense is concerned with the marketing of farm products. The subject of agricultural marketing includes product marketing as well as input marketing. The subject of output marketing is as old as civilization itself.</p> <p>Scope and subject matter: The scope of agricultural marketing must include both product marketing and input marketing. The subject-matter of agricultural marketing has been dealt with both from the theoretical and practical points of view. It covers what the system is, how it functions, and how the given methods or techniques may be modified to get the maximum benefits.</p> <p>The subject of agricultural marketing includes marketing functions, agencies, channels, efficiency and costs, price spread and market integration, producers surplus, government policy and research, training and statistics on agricultural marketing and imports-export of agricultural commodities.</p>
Q. 3 Ans.	<p>Enlist the various dimensions of market.</p> <ol style="list-style-type: none"> 1) Location or place of operation 2) Area or coverage 3) Time span 4) Volume of transactions 5) Nature of transactions 6) Number of commodities 7) Degree of competition 8) Nature of commodities 9) Stage of marketing 10) Extent of public intervention 11) Type of population served 12) Accrual of marketing margins.
Q. 4 Ans.	<p>Enlist the factors influencing marketable surplus and explain any two.</p> <ol style="list-style-type: none"> 1) Size of Holding 2) Production 3) Price of the commodity 4) Size of Family 5) Requirement of seed and feed 6) Nature of commodity. 7) Consumption habits.

	<p>Horizontal Integration: This occurs when a firm of agency gains control of other firms or agencies performing similar marketing functions at the same level in the marketing consequence. In this type of integration, some marketing agencies combine to form a union with a view to reducing their effective number</p> <p>Vertical Integration: This occurs when a firm performs more than one activity in the sequence of the marketing process. It is a linking together of two or more functions in the marketing process within a single firm.</p> <p>Conglomeration: A combinations of agencies or activities on directly related to each other may, when it operates under a unified management.</p>
Q. 6 Ans.	<p>Write the objectives of state trading.</p> <p>The objective of state trading are:</p> <ol style="list-style-type: none"> 1) To make available supplies of essential commodities to consumers at reasonable prices on a regular basis. 2) To ensure a fair price of the produce to farmers so that there may be an adequate incentive to increase production. 3) To minimize violent price fluctuations occurring as a result of seasonal variations in supply and demand. 4) To arrange for the supply of such inputs as fertilizers and insecticides so that the tempo of increased production is maintained. 6) To arrange for storage, transportation, packaging and processing.
Q. 7 Ans.:	<p>Write the reasons for higher marketing cost of agricultural commodities.</p> <ol style="list-style-type: none"> 1) Widely dispersed farms and small output per farm: There are innumerable producers of agricultural products, each producing a small quantity 2) Bulkiness of agricultural products: Most farm products are bulky in relation to their value. This results in a higher cost of handling, storage and transportation. 3) Difficult Grading: Grading is relatively difficult for agricultural products. Each lot has to be personally inspected during purchase and sale a fact which increases marketing cost. 4) Irregular supply: Agricultural products are characterized by seasonal production. Their market supply, therefore, fluctuates during the year. 5) Need for storage and processing: There is a greater need for the storage of agricultural products because of the seasonality of their production.
Q. 8 Ans.:	<p>What do you mean by buying and selling? Enlist physical functions of marketing.</p> <p>Buying and selling:</p> <p>The buying activity involves the purchase of the right goods at the right place, at right time, in the right quantities and at the right price. It involves the problems of what to buy, when to buy, from where to buy, how to buy and how to settle the process and terms of purchases.</p> <p>The selling activity involves personal or impersonal assistance to or persuasion of a prospective buyer to buy a commodity. The objective of selling is to dispose of the goods at a satisfactory price.</p> <p>Physical functions: 1) Storage and warehousing 2) Grading 4) Processing 5) Transportation</p>
Q. 9 Ans.	<p>Define marketing channel. Enlist the different agency involved in agricultural marketing.</p> <p>Marketing channel: Marketing channels are routes through which agricultural products move from producers to consumers. The length of the channel varies from commodity to commodity, depending on the quantity to be moved, the form of consumer demand and degree of regional specialization in production.</p> <p>Different agency involved in agricultural marketing are-</p> <p>Farmer or producer</p> <p>Middlemen: a) Merchants middlemen b) Agent middlemen c) Speculative middlemen d) Processer e) Facilitative middlemen</p>

intermediaries involved in the sale and purchase of the commodity till the commodity reaches the ultimate consumer.

Factors affecting on the cost of marketing:

- 1) Perishability of the product
 - 2) Extent of loss in storage and transportation.
 - 3) Volume of the product handle.
 - 4) Regularity in the supply of the product.
 - 5) Extent of packaging.
 - 6) Extent of adoption of grading
 - 7) Necessity of demand creation.
 - 8) Bulkiness of the product.
 - 9) Need for retailing.
 - 10) necessity of storage.
 - 11) Extent of risk.
 - 12) facilities extended by the dealers to the consumers.
- Give explanation of any one of above.

SECTION-B

(Write the answers in one sentence only. Each question carries 2 marks)

Q. 11	(Answer in one sentence/Do as directed/Define)
	a) Define- i) Processing- It is activity involves a change in the form of a commodity. ii) Oligopoly market - A market in which there are more than two but still a few sellers of commodity is termed as oligopoly market.
	b) Fill in the blanks- i) The WTO began functioning on 1st January 1995 . ii) Hedging involves purchasing and selling in both cash and futures market
	c) Write the full form of - i) AGMARK -Agricultural Marketing ii) CACP – Commission for Agricultural Cost and Prices
	d) Write True or False- i) Open auction is the method of sale, widely followed in unregulated market. False ii) The market situation in which there are only two buyers of the commodity is known as duopoly market. False
	e) What do you mean by future trading? Future trading: Future trading is device for protection against the price fluctuations, which normally arise in the course of the marketing of commodities.
	f) Which are the strategies of product life cycle at different stages? Ans-1) Promotion strategies: At this stage, the product is fairly basic with emphasis on reliability and functionality. And 2) Pricing strategies: Price can be high as the company would be keen to recover the heavy development cost that the company incurs.
	g) Write the components of market. Ans-1) The existence of a good or commodity for transactions 2) The existence of buyers and sellers. 3) Business relationship or intercourse between buyers and sellers. 4) Demarcation of area such as place, region, country or the whole world.
	h) What are the main objectives of NAFED? Ans-1) To co-ordinate and promote the marketing and trading activities of its affiliated co-operative institutions. 2) To make arrangements for the supply of agricultural inputs required by member institutions. 3) To promote inter-state and international trade in agricultural and other commodities.
	i) Which are the approaches of marketing efficiency? Ans- Technical or physical or operational efficiency and Pricing or allocative efficiency are the approaches of marketing efficiency.
	j) What is included in Trade Related Intellectual Property Rights ? Ans- Copyrights, trademarks, geographic indications, industrial designs and patents is included in Trade Related Intellectual Property Rights.

Ans-Warehouses are scientific storage structures especially constructed for the protection of the quantity and quality of stored products.

l) Write the classification of markets on the basis of time span.

Ans-1) Short period markets 2) Periodic markets 3) Long period markets 4) Secular markets.

m) Define risk in agricultural marketing.

Risk: It is uncertainty about cost, loss or damage. Risk is inherent in all marketing transactions.

n) What do you mean by co-operative marketing?

Ans- Co-operative marketing: Voluntary business organization established by its member patrons to market farm products collectively for their direct benefit. The members are owner operators and contributors of commodities, no intermediary stand for profit or loss.

SECTION-C

(Choose the correct option. Each question carry 1 mark)

Q. 12

1) A market having a few buyers is known as _____ market.			
a)	Oligopoly	b)	Oligopsony
c)	Duopsony	d)	Monopoly
2) In which market shares, securities, bonds, etc., are being purchased and sold ?			
a)	Commodity markets	b)	Cash markets
c)	Capital markets	d)	Consumption markets
3) Vegetable markets falls under _____.			
a)	General markets	b)	Terminal markets
c)	Specialized markets	d)	Mixed markets
4) Which of the following is not the advantage of the advertising?			
a)	Creates a Monopolistic Market	b)	Promotion of Sales
c)	Expansion of Production	d)	Enhances Goodwill
5) A _____ market is one in which there is a large number of buyers and sellers.			
a)	Imperfect	b)	Monopolistic
c)	Regulated	d)	Perfect
6) Sales promotion is a marketing device to stimulate _____ for a product.			
a)	Supply	b)	Supply and Demand
c)	Demand	d)	Effective supply
7) Which is the simplest method of determining the price of a product?			
a)	Cost-plus pricing	b)	Competition-based pricing
c)	Transfer pricing	d)	Demand-based pricing
8) In which stage of marketing customers are aware of the product and are convinced that it serves their needs?			
a)	Product introduction.	b)	Product growth
c)	Product maturity	d)	Product decline
9) The market which deals with durable goods is _____ market.			
a)	Wholesale	b)	Regulated
c)	Seaboard	d)	Secular
10) _____ is a market situation in which there is only one seller of commodity.			
a)	Duopoly market	b)	Monopoly market
c)	Oligopoly market	d)	Monopsony market

c)	Strategy	d)	Method
12) Central Agmark Laboratory is located at_____.			
a)	Mumbai	b)	Bangalore
c)	Kolkata	d)	Nagpur
13) Sorting out of goods according to size, quality and other characteristics is know as_____.			
a)	Standardization	b)	Grading
c)	Quality control	d)	Labelling
14) The Food Corporation of India was born on_____.			
a)	1 Jan.1965	b)	1 Jan.1956
c)	1 Jan. 1964	d)	1 Jan.1946
15) Transportation adds the_____ utility to goods.			
a)	Form	b)	Possession
c)	Place	d)	Time
16) A market in which the goods are exchanged for money immediately after the sale is called as_____.			
a)	Forward	b)	Specialized
c)	General	d)	Spot
17) Which of the following are not the elements of marketing mix ?			
a)	Product	b)	Price
c)	Distribution	d)	Customer
18) A_____ market is one in which commodities are bought and sold in large lots.			
a)	Retail	b)	Village
c)	Wholesale	d)	Forward
19) The_____ is the ratio of market output to marketing input.			
a)	Marketing efficiency	b)	Physical efficiency
c)	Pricing efficiency	d)	Technical efficiency
20) Farmyard manure and fertilizers is the examples of_____ demand is used for producing the other commodities.			
a)	Reservation	b)	Derived
c)	Effective	d)	All of above
21) Market structure is the _____organization of the functional activity of a marketing institution.			
a)	Informal	b)	Legal
c)	Formal	d)	Illegal
22) Market means a _____ institution which performs which performs activity and provides facilities.			
a)	Social	b)	Co-operative
c)	Local	d)	Village

23) Which of the following are the example of secular market?

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|----|-----------------------------------|----|-------------------------|
| a) | Machinery and manufactured | b) | Foodgrains and oilseeds |
| c) | Vegetable and fruits | d) | Milk and milk products |

24) The _____ surplus is the quantity of the produce which can be made available to the non-farm population of the country.

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|----|-------------------------|----|-------------------|
| a) | Marketed | b) | Marketable |
| c) | Marketed and Marketable | d) | Producer's |
