



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF AGRICULTURAL SCIENCES
DEPARTMENT OF AGRICULTURAL ECONOMICS AND EXTENSION
2023_1 POP EXAMINATION.

Programme: Agricultural Extension and Management

Course Code: AEA 302

Course Title: Agricultural Finance and Marketing

Credit Unit: 3

Total Score: 70 Marks

Time Allowed: 3 Hours

Instruction: Answer any four (4) Questions

1a. Considering a two sector economy producing and selling two (2) goods, A and B regarded as necessity and close substitutes deduce **what** will happen if:

- i. there is an increase in the price of the two commodities? **(2marks)**
 - ii. there is an increase in the prices of commodity A? **(2marks)**
 - iii. Increase in the income of the consumers? **(2marks)**
 - iv. producers of commodity B introduce attractive and efficient advertisement? **(2marks)**
 - v. producers introduce newness and taste into commodity A? **(2marks)**
- b. Suggest the meaning of agricultural Finance **(5marks)**
- c. List five types of farm records. **(2¹/₂marks)**

2 (a). Enumerate five (5) essential conditions that are necessary for credit to facilitate agricultural development **(5marks)**

(b). Justify using **ten (10)** instances to show the role of credit in facilitating agricultural development. **(10marks)**

(c). State **five (5)** advantages of efficient credit programme **(2¹/₂marks)**

3a. Write short notes on the following

- i. Farm operation records. **(4 marks)**
 - ii. Production records. **(4 mark)s**
 - iii. Farm receipt record. **(5 marks)**
- b. Explain the **two (2)** aspects of financial management **(4¹/₂marks)**.

4a. List and discuss informal sources of finance **(12¹/₂marks)**

b. Outline five (5) basic principles of farm accounting **(5marks)**

5. Write short notes on the following types of marketing

- (i). Perfect competition **(4¹/₂marks)**
- (ii). Monopolistic competition **(5marks)**
- (iii). Monopoly **(4marks)**
- (iv). Oligopoly **(4marks)**

6a. Discuss seven (7) scope of agricultural finance **(7¹/₂marks)**.

b. Explain the necessity for the role of financial intermediaries **(7marks)**.