



(Knowledge for Development)

KIBABII UNIVERSITY
UNIVERSITY EXAMINATIONS
2021 /2022 ACADEMIC YEAR

FOURTH YEAR 1ST SEMESTER
MAIN EXAMINATION

**FOR THE DEGREE OF BACHELOR OF SCIENCE AGRICULTURAL
ECONOMICS AND RESOURCE MANAGEMENT**

COURSE CODE: AEC 435
COURSE TITLE: AGRIBUSINESS MANAGEMENT

DATE: 26TH MAY 2022

TIME: 9 – 11 AM

INSTRUCTIONS TO CANDIDATES

Answer Question ONE and any other TWO Questions.

TIME: 2 Hours

This paper consists of 2 printed pages. Please Turn Over



KIBU observes ZERO tolerance to examination cheating

QUESTION ONE

30 MARKS

- (a) Explain the term agribusiness. (1 Marks)
- (b) Outline the three sectors that make up the study of agribusiness (9 Marks)
- (c) Explain the concept of time value of money in capital investment (5 Marks)
- (d) Directing is one of the five functions of Management. Discuss the sub-functions that fall under this management function. (10 marks)
- (e) The term 'financial statements' generally refers to two basic statements, name and define these statements. (5Marks)

QUESTION TWO

20 MARKS

Discuss the five key elements that form the pillars of agribusiness that should be addressed as management aims towards a successful business.

QUESTION THREE

20 MARKS

- (a) What do you understand by the term Capital Management? (5 Marks)
- (b) Briefly discuss the following financial measures used in capital management. (15 Marks)
 - i. Profitability
 - ii. Liquidity
 - iii. Solvency

QUESTION FOUR

20 MARKS

- (a) Define the term project and outline five of its attributes that support this definition. (12 Marks)
- (b) Differentiate between (8 Marks)
 - i. Commercial and Economic appraisal
 - ii. Formative and summative evaluation

QUESTION FIVE

20 MARKS

Henri Fayol's came up with universally accepted Principles of Management that guide managers in doing their work according to their responsibility. Explain any ten of these.