



MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF AGRICULTURAL SCIENCES

DEPARTMENT OF AGRICULTURAL EDUCATION AND EXTENSION

FIRST/THIRD YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR

BACHELOR OF SCIENCE IN AGRIBUSINESS MANAGEMENT

AGB 102 KTB 312: AGRI-ENTERPISE DEVELOPMENT

DATE: 24/7/2019

TIME: 2.00-4.00 PM

INSTRUCTIONS:

Answer ALL questions in section A and ANY TWO questions in section B

Section A: 30 MARKS

QUESTION ONE (30 MARKS)

- a) Define the following terms:
- i. Fiber system (2 marks)
 - ii. Customer relations (2 marks)
 - iii. Ancillary unit (2 marks)
 - iv. Cash rental services (2 marks)
 - v. Market orientation (2 marks)
- b) i Explain three functions of an agri-entrepreneur in a wheat business in Nakuru (3 marks)
- ii Describe two types of customer relations that can be used by a dairy farm in Nyahururu (2 marks)
- c) i Describe the two sources of capital for Barley agrienterprise in Narok (2 marks)
- ii Explain the difference between sequential and non sequential decision making models (3 marks)

- d) i Outline three documents needed for registering a small business in Kenya (3 marks)
- ii Describe two types of budget found within a small horticulture business (2 marks)
- e) i Explain the reason why an Agri-enterprise requires a business plan (3 marks)
- ii Outline two Institutions that support agribusiness in Kenya (2 marks)

SECTION B: 40 MARKS

QUESTION TWO (20 MARKS)

- a) Describe how agrarian revolution has contributed to development of agri enterprises in Kenya (10 marks)
- b) Outline five steps involved in the rational decision making process (10 marks)

QUESTION THREE (20 MARKS)

- a) Explain five advantages of social groups as source of financing Agri enterprises in Kenya (10 marks)
- b) Describe five areas of characteristics of an entrepreneur in relation to Agri enterprises in Kenya (10 marks)

QUESTION FOUR (20 MARKS)

- a) Outline five stages followed by an entrepreneur in making decisions in a fruit farm (10 marks)
- b) Discuss the role of customer relations in a rabbit business in Nyeri (10 marks)

QUESTION FIVE (20 MARKS)

- a) Discuss the challenges to using business incubators in Kenya. (10 marks)
- b) Describe five constituents of working capital (10 marks)