



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF AGRICULTURE AND ENVIRONMENTAL SCIENCES

DEPARTMENT OF AGRICULTURE

UNIVERSITY ORDINARY EXAMINATION

2023/2024 ACADEMIC YEAR

TVET

UNIT CODE: AG/CU/PN/CR/02/6

UNIT NAME: AGRI ENTERPRISE STARTING

DURATION: 2 HOURS

INSTRUCTIONS TO CANDIDATES:

1. Answer Any **Four** questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

SECTION A

1. Define what a feasibility study is in the context of agriprenuership (3marks)
2. Discuss two objectives of financial management. (4marks)
3. The SWOT analysis tool is vital to strategic decision making. Explain how Agirenterpreneurs can use the SWOT analysis tool to make strategic decisions and improve their businesses. (4mark)
4. Business services are the activities firms use and benefit from them without supplying tangible goods. List the three main types of giving an example in each (6marks)
5. Explain why subsistence farmers are considered part of agricultural value chain. (3marks)
6. Define SWOT analysis and explain its purpose in agrienterprise starting and entrepreneurship. (4marks)
7. List the five functions of human resource management in enterprise development and management (5marks)
8. Give four examples of legal formalities and regulations an agriculture enterprise start up must meet to move smoothly (4marks)
9. Is technology a factor of production? (4marks)
10. Discuss the four factors of production and the income earned by each factor. (4marks)

SECTION B

11. a) Discuss the six challenges relating to market access for small holder farmers and agribusiness in agriculture value chains. Propose one solution for each challenge (12marks)
b) Using the example of Sorghum production in Kenya list four value chain issues and their remedies that can improve farmers' profit from multiple potential markets (8marks)
12. Mlimani Avocado ventures is an agricultural business venture associated with avocado seedling grafting, seedling propagation to mature trees and selling of avocado fruits the group intends to start producing its own avocado juice which is in high demand. The chairperson of the group has approached you for advice on whether to pursue the option. Using SWOT analysis tool. Identify the strength weakness, opportunities and threats the group is likely to encounter giving example where possible. (20marks)
13. a) A feasibility study is not the same as a business plan; but both play important and separate roles in the start- up process. What are the respective roles of a business plan and a feasibility study in the start- up process? (12marks)
b) Explain why it is important to estimate initial capital requirement in the financial feasibility analysis of an agriprenuerial venture. (5marks)
14. a) List five functions of financial management. (5marks)
b) Discuss five sources of finance for an agrienterprise start up in Kenya. (10marks)
c) Outline the five essential components of feasibility study. (5marks)