



NATIONAL OPEN UNIVERSITY OF NIGERIA

FACULTY OF AGRICULTURAL SCIENCES

DEPARTMENT OF AGRICULTURAL ECONOMICS AND EXTENSION

FIRST SEMESTER EXAMINATION, APRIL/MAY, 2019

Programme: Agricultural Extension and Management

Course Title: Agricultural Business Management

Course code: AEM509

Credit Unit: 3

Time Allowed: 3 Hours

INSTRUCTION: Answer Compulsory question 1 (30 marks) and any 4 questions (10 marks each)

Question 1

- 1 (a) Define Agribusiness? **3 marks**
- (b) Mention and discuss the 3 independent sectors of agribusiness. **9 marks**
- (c) Explain 3 characteristics that must be observed before taking farm management decisions? **6 marks**
- (d) In deciding whether to organize an individual proprietorship, a partnership, or a corporation, what are Six basic factors that should be taken into consideration? **6 marks**
- (e) Explain Six functions of Corporate Affairs Commission (CAC). **6 marks**

Question 2

- (a) Discuss the following management functions: 6 marks
 - i. Controlling function
 - ii. Coordinating function
 - iii. Directing function
- (b) State four advantages of partnership 4 marks

Question 3.

- (a) Define an agricultural enterprise 4 marks
- (b) Explain the following cost used in agribusiness?
 - (i) Total Cost (TC) 3 marks
 - (ii) Marginal Cost 3 marks

Question 4

- (a) Explain the meaning of an Agricultural policy 2 marks
- (b) Give 4 importance of Agricultural policy? 4 marks
- (c) Mention 4 strategies adopted to achieve successful implementation of specific objectives of agricultural research in Nigeria. 4 marks

Question 5

- (a) State 3 reasons for the establishment of micro-finance banks in Nigeria. 6 marks
- (b) Outline 4 policy objectives of rural development in Nigeria. 4marks

Question 6

Describe the following types of Business Organizations under the Companies and Allied Matters Commission:

- (a) Company limited by shares 2 marks
- (b) Company limited by guarantee 4 marks
- (c) Unlimited Company 4 marks

Question 7

- (a) List 6 taxes payable to the Federal government of Nigeria 6 marks
- (b) Explain opportunity cost principles 4 marks