

B.Sc. (Ag.) Honours Semester-V Examination, 2018

**Course No: AEC-311 Fundamentals of Farm Business Management
Including Product Development, Appraisal and Monitoring**

Signature of Centre Superintendent

Roll No. : (in figure) _____ (in words) _____

Student Index No. _____ Regn. No. _____ of _____

Time : 2 Hours

Full marks : 40

Questions are of value as indicated in the margin

**Part - I
(Objective and Short Answer Type)
(Use only ball point pen)**

Time : 20 minutes

Full marks : 10

- Note:** 1. Answer in question paper itself.
2. Striking, rewriting or overwriting are not allowed in the objective type questions.

1. **State True (T) or False (F) in respect of the following statements (*any eight*):** 0.5×8=4
- (a) Management is basically science.
- (b) Basic difference between food industry and non-food industry stems from their location.
- (c) In the strategy of Predatory Pricing of commodity price is fixed below its cost.
- (d) Pay back Period is a non-discounting method of evaluating projects.
- (e) In preparing Profit and Loss statement (Income statement) interest payment is not taken into account.
- (f) A project should be rejected if IRR is greater than cost of capital.
- (g) In India agricultural year starts in the month of July.
- (h) In Cash Flow statement outflow of money for repayment of principal of term loan is not taken into account.
- (i) Purchase of an asset on cash payment by a farmer results in change in Networth of his balance sheet.
2. **Put (✓) mark to the correct answer (*any six*):** 0.5×6=3
- (a) Discount is related to
(i) Product mix (ii) Price mix (iii) Promotion mix (iv) Place mix
- (b) Which of the following is the most effective appraisal criterion for selecting investment?
(i) PBP (ii) IRR (iii) B-C Ratio (iv) PI
- (c) National Seed corporation was established in
(i) 1973 (ii) 1963 (iii) 1981 (iv) 1971
- (d) Which factor influences Brand loyalty?
(i) Product quality (ii) After sale service (iii) Reputation of company (iv) All the above
- (e) FSSAI was established in
(i) 2008 (ii) 1998 (iii) 2005 (iv) 2002

P.T.O.

(2)

- (f) Distribution strategy is concerned with
(i) Marketing strategy (ii) Market opportunity analysis (iii) Controlling the marketing plan
(iv) marketing mix
- (g) Which of the following organisations is not concerned with seed production or marketing or both?
(i) Mahryco (ii) Goodricke (iii) Monsanto (iv) Syngenta
- (h) Ending price with Rs. 99/- instead of Rs. 100/- is called
(i) Price lining (ii) Prestige pricing (iii) Psychological pricing (iv) None of these

3. **Expand the following (*any six*):**

0.5×6=3

- (a) BCR
- (b) NPW
- (c) PERT
- (d) ICAR
- (e) FDI
- (f) FAO
- (g) IRR
- (h) CPM

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Part - II
(Descriptive Type)

Time : 100 minutes

Full marks : 30

Questions are of value as indicated in the margin

Answer *any four* questions

4. Mention important features of Income Statement. What is the basic difference between Income Statement of a farm business and Income Statement of a farm operator? How do you express current ratio? 5+1.5+1=7.5
 5. Briefly discuss importance of agribusiness in the Indian Economy. Define agribusiness management. Describe distinctive features of agribusiness management. 3+1.5+3=7.5
 6. Define marketing management. Mention 5Ps of marketing. Discuss any two techniques of pricing strategies. 1.5+2+4=7.5
 7. Mention various items of expenses under the head of cash outflows in Cash Flow Statement. To which 'R' of '3Rs' of farm Credit Cash Flow statement is related? 5+1+1.5=7.5
 8. Define project. What is project life cycle? Enumerate various tools used in economic appraisal of a project. Mention advantages and disadvantages of PBP. In which situation Sensitivity Analysis is suggested? 2+1+1.5+2+1=7.5
 9. Discuss various management functions. 7.5
 10. Write short note on the following (*any three*) 2.5×3=7.5
 - (a) Sugar industry in India
 - (b) NPW
 - (c) BCR
 - (d) IRR
 - (e) Characteristics of agricultural project
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