



SLIATE

SRI LANKA INSTITUTE OF ADVANCED TECHNOLOGICAL EDUCATION

(Established in the Ministry of Higher Education, vide in Act No. 29 of 1995)

**Higher National Diploma in Technology (Agriculture)
Second Year, 2nd Semester Examination – 2016 (New)
AG2204: Applied Agribusiness**

Instructions for Candidates:

The question paper contain part 1 and part 11

Answer all the questions in part 1 and (02) questions only in part 11

No of pages : 04

No of Questions: 05

Time: 1.5 hours only

Part-I

01(Total 20 marks)

“Agribusiness is consisted with not only of food production by itself, but included other process such as generation or acquisition of production input, use of farm produce in different forms through processing and trading of farm products”.

i. According to the above statement, what are the three major sectors of Agribusiness? (06 marks)

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ii. Give two examples for each of the above three sectors. (06 marks)

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iii. Write two specific features of the Agribusiness when compared with other business. (04 marks)

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iv. Write two differences between Agribusiness and Marketing. (04 marks)

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02. (Total 20 marks)

i. How do you define the farm management according to the business point of view? (05 marks)

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ii. What is the most important factor/activity to run a farm as a business and define it? (05 marks)

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iii. Write four factors to be considered in designing the commercial farm. (05 marks)

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iv. "Different forms of Agricultural farming need to fulfill different requirements."

a. Do you agree with above statement? (01 marks)

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b. Give four examples to prove your answer. (04 marks)

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Part II

03(Total 30 marks)

i. Compare the followings.

- a. Complete budget and partial budget (10 marks)
- b. Market price method and cost method of valuing farm asset (10 marks)

iii. Briefly explain the followings as important requisites for successful Agribusiness.

- a. Research
- b. Finance (10 marks)

04 (Total 30 marks)

- i. Write two definitions for entrepreneur. (10 marks)
- ii. Write short notes on the followings.
 - a. Double entry book keeping system (10 marks)
 - b. Supply chain management (10 marks).

05(Total 30 marks)

- i. Explain the importance of keeping accounts in Agribusiness. (10 marks)
- ii. From the following trial balance of ABC Company, draw up a trading and profit and loss account for the year ended 31st December 2015 and balance sheet as on that date. (20 marks)

**N Trial balance of ABC Company
as at 31st December 2015**

Account Name	Dr.(Rs)	Cr.(Rs)
01.01.2015 previous stock	8000	
Purchases	145000	
Carriage In ward	9000	
Sales		456000
Land	40000	
Machineries	140000	
Insurance	8000	
Stationary	5000	
Advertising expenses	20000	
Salaries	36000	
Rent	30000	
Debtors	50000	
Cash	61000	
Bank Loan		80000
Capital		16000
	552000	552000

Note at 31.12.2015: All stock was sold