



***“Investing in Africa’s future”***

**COLLEGE OF HEALTH, AGRICULTURE AND NATURAL SCIENCES**

**AEC306: AGRIBUSINESS MANAGEMENT**

**SUPPLEMENTARY EXAMINATION**

**JULY/AUGUST 2020**

**LECTURER: DR. K. MUKUMBI**

**DURATION: 48HRS**

---

### **INSTRUCTIONS**

Choose and Answer **ONE** question

All questions carry equal marks (100)

## QUESTION 1

*Read the SeedCo 2019 Annual Report*

Would you invest in this company? Why or why not?

Your response should be based on general information in the annual report and on calculation and interpretation of key financial ratios. (100)

### **End Of Question 1**

## QUESTION 2

*a) Read the SeedCo 2019 Annual financial report*

You work as a Loan Officer for Agribank Zimbabwe. Would you lend money to SeedCo? Why or why not?

Your response should be based on general information in the annual report and on calculation and interpretation of key financial ratios. (80)

b) After graduation you decide to start your own vegetable seed retail company.

i. Which sources of finance will you use? Justify your choice (s). (10)

ii. How will you organize your business? Justify your choice. (10)

### **End Of Question 2**

### **QUESTION 3**

*Read the SeedCo 2019 Annual Report*

You work as an Operations Manager at SeedCo.

- a) What can you conclude about the performance of the company based on this report? Explain. Your response should be based on the general information in the report and calculation and interpretation of key financial ratios. (25)
- b) Based on the information in the report. What can you do as an Operations Manager to improve the performance of SeedCo? (30)
- c) Currently SeedCo sells its products through various distributors and retailers. You have been asked to establish a retail store that sells SeedCo products only. What would influence your decision on the location of the retail store? Explain. (25)
- d) In 1983 SeedCo-operative was formed by seed producers as a cooperative. In 1996 SeedCo was listed on the Zimbabwe Stock Exchange.
  - i. What do you think are the reasons the company decided to start as a cooperative? (10)
  - ii. Why would a cooperative switch from being organized as a cooperative to being a corporation listed on the stock exchange? (10)

**End Of Question 3**