



# MACHAKOS UNIVERSITY

University Examinations for 2020/2021 Academic Year

SCHOOL OF AGRICULTURAL SCIENCES

DEPARTMENT OF AGRICULTURAL EDUCATION AND EXTENSION

SECOND YEAR SPECIAL/ SUPPLEMENTARY EXAMINATION FOR

BACHELOR OF SCIENCE IN AGRICULTURAL EDUCATION AND EXTENSION

AGB 206: AGRICULTURAL COOPERATIVE DEVELOPMENT & MANAGEMENT

DATE: 23/3/2021

TIME: 2.00-4.00 PM

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## INSTRUCTIONS:

Answer question ONE and any other TWO questions

### QUESTION ONE (30 MARKS)

- a) Define the following economic terms
  - i. Cooperative (2 marks)
  - ii. Share capital (2 marks)
  - iii. Dividend (2 marks)
- b) Cooperatives are autonomous and independent organizations controlled by the members and they are as independent of government and private firms as possible. Explain this statement in relation to developing countries like Kenya (4 marks)
- c) Explain five roles of agricultural cooperatives in development of value chains in Kenya (10 marks)
- d) Explain five factors that affect the performance of agro-based marketing co-operatives in Kenya (10 marks)

### **QUESTION TWO (20 MARKS)**

- a) With examples, explain five differentiated producer pricing strategies in cooperative management (10 marks)
- b) Explain five reasons why as a bank you would think twice before advancing any finance to local Cooperative Society (10 marks)

### **QUESTION THREE (20 MARKS)**

- a) Explain types of cooperatives by ownership structure (6 marks)
- b) When an urgent matter occurs in a cooperative society before an annual general meeting is due, a special general meeting (SGM) may be called. Explain the procedure and reason for such meeting (9 marks)
- c) Once a cooperative has been registered, it is required to hold its' first general meeting within one month of receiving the certificate of registration from the commissioner. Explain why this should be adhered to. (5 marks)

### **QUESTION FOUR (20 MARKS)**

- a) Explain four principles of cooperatives (8 marks)
- b) Starting a cooperative is a complex undertaking in comparison with a project starting with a small group of producers discussing a common problem and developing an idea of how to solve it. Explain various categories of meetings that are required in this process and the reason for each meeting (12 marks)

### **QUESTION FIVE (20 MARKS)**

- a) Explain five reasons for encouraging population to join 'Savings and credit cooperative societies' especially in Kenya (10 marks)
- b) Explain five roles of women in local cooperatives development (10 marks)

