

TECHNICAL UNIVERSITY OF MOMBASA.

FACULTY OF BUSINESS STUDIES.

DEPARTMENT OF MANAGEMENT SCIENCE.

**DIPLOMA IN ACCOUNTANCY, DIPLOMA IN BUSINESS ADMINISTRATION AND
DIPLOMA IN BUSINESS MANAGEMENT.**

BPC 2103: PURCHASING MANAGEMENT

TIME: 2HRS.

APRIL 2016 SERIES.

INSTRUCTIONS:

Answer question ONE and any other TWO questions

BPC 2103: PURCHASING MANAGEMENT. A.

QUESTION ONE

Allan Ltd is a large and established firm that deals with technology solutions.

- a) Explain the need to local purchase in order to achieve effectiveness. (10mks)

- b) Identify and explain the sources of supplier information. (10mks)
- c) Explain the importance of purchase contract. (10mks)

QUESTION TWO

- a) Evaluate any five reasons for e-procurement. (10mks)
- b) Explain the methods of determining levels of price of a given product. (10mks)

QUESTION THREE

- a) Explain the role of other departments that work closely with the purchasing department. (10mks)
- b) Explain the importance of stocktaking. (10mks)

QUESTION FOUR

- a) Evaluate the benefits associated with buying inventory in large volume. (10mks)
- b) Explain the significance of inventory management. (10mks)

QUESTION FIVE

- a) Explain the objectives of purchasing as a function. (10mks)
- b) Explain the purchase cycle. (10mks)