



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

DIPLOMA IN PROCUREMENT AND MATERIALS MANAGEMENT

BPC 2203: PURCHASING PRINCIPLES AND TECHNIQUES

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

This paper consists of Two printed pages.

QUESTION 1 (Compulsory)

- a) Highlight **FIVE** importance of purchasing. **(10 marks)**
- b) Explain any **FIVE** factors considered when selecting a good supplier. **(10 marks)**
- c) Explain **FIVE** sourcing methods. **(10 marks)**

QUESTION 2

- a) Explain **FIVE** methods of specification. **(10 marks)**
- b) Describe any **FIVE** activities a Supply Chains Officer will be performing in preparing to receive materials. **(10 marks)**

QUESTION 3

- a) Explain **THREE** conditions under which a receiving officer can use to reject the incoming materials. **(6 marks)**
- b) Describe any **SEVEN** roles of a warehouse in a supply chain. **(14 marks)**

QUESTION 4

- a) Explain **FIVE** contents of a purchase requisition. **(10 marks)**
- b) LPO/LSO is a legal document that contracts the buying entity and the supplier. Describe **FIVE** contents of such a document. **(10 marks)**

QUESTION 5

With the aid of a diagram, describe a centralized purchasing function. **(20 marks)**