

TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL of Business Studies

DEPARTMENT OF MANAGEMENT SCIENCE

DIPLOMA IN PROCUREMENT AND MATERIALS MANAGEMENT

BPC 2102: PRINCIPLES OF PROCUREMENT

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2016

TIME: 2 HOURS

#### INSTRUCTIONS

This paper consists of FIVE Questions

Answer questions ONE (Compulsory) and any other TWO questions

Do not write on the question paper.

This paper consists of Two printed pages

1. a. Explain any five characteristic features of a purchase of requisition (10 Marks)

b. Briefly explain the objectives of a procurement function

(10 marks)

c. Explain any five factors that favours bulk purchasing and hence maintaining adequate inventories

(10 Marks)

2. a. Describe in brief and five techniques used in actual negotiations stage (10 Marks)

b. Briefly describe the five types of tendency normally used in organisational procurement

(10 Marks)

3. a. Explain in brief any five factors that are used to qualify and select a suitable supply (10 Marks)

b. Define quality and explain the four factors used as a determinant of policy between the buyer and the supplier (10 Marks)

4. a. To purchase from an internal I external market, discuss the situation or circumstances where either is possible and the advantages and disadvantages

(10 Marks)

b. Explain the meaning and four objectives of materials inspection

(10 Marks)

5. a. Briefly describe any five methods used to make payments for the purchase materials (10 marks)

b. Write short notes on the following

(i) principles of right time

(2 Marks)

(ii) follow-up (2 Marks)

(iii) collaborative negotiations

(2 Marks)

(iv) importance of product specifications

(4 Marks)