



**TECHNICAL UNIVERSITY OF MOMBASA**  
***Faculty of Business & Social Studies***

DEPARTMENT OF BUSINESS STUDIES

DIPLOMA IN BUSINESS MANAGEMENT II

**BPC 2103: PURCHASING MANAGEMENT**

END OF SEMESTER EXAMINATIONS

**SERIES:** AUGUST 2014

**TIME:** 2 HOURS

**INSTRUCTIONS:**

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.

***This paper consists of Two printed pages.***

### **QUESTION 1 (Compulsory)**

- a) Explain any **FIVE** objectives of Purchasing Management. **(10 marks)**
- b) Discuss the importance of warehousing. **(10 marks)**
- c) Explain the need for inventory control. **(10 marks)**

### **QUESTION 2**

- a) Identify and explain the importance of stores layout. **(10 marks)**
- b) Explain the role of other departments in purchasing. **(10 marks)**

### **QUESTION 3**

- a) Discuss the purchasing process. **(10 marks)**
- b) Explain the advantages of decentralization. **(10 marks)**

### **QUESTION 4**

- a) Explain the need for inspection of materials. **(10 marks)**
- b) Illustrate the organization structure of purchase function. **(10 marks)**

### **QUESTION 5**

- a) Explain the factors to consider when locating a warehouse. **(10 marks)**
- b) Discuss the advantages of centralization as an organizational structure. **(10 marks)**