

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATIONS**

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF COMMERCE**

**BCOP 111: INTRODUCTION TO CO-OPERATIVE MANAGEMENT**

**STREAMS: BCOM (ODEL)**

**TIME: 2 HOURS**

**DAY/DATE: TUESDAY 05/10/2021**

**11.30 A.M – 1.30 P.M.**

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**INSTRUCTIONS:**

- **Answer question ONE and any other TWO questions.**

**QUESTION ONE**

- (a) Savings and credit co-operatives are popular in many parts of the country. Explain the reasons that may be influencing many persons to join these types of enterprises. (10 marks)
- (b) Describe characteristics of cooperative societies that provide a distinction from other organizations. (8 marks)
- (c) Explain the merits and demerits of the principle of “open and voluntary membership” as applied in cooperative societies. (12 marks)

**QUESTION TWO**

- (a) Some agricultural cooperatives have collapsed while others remain dormant. Explain the factors that have contributed to this scenario and suggest member related solutions to this problem. (10 marks)
- (b) Analyse the causes of inadequate funds in some cooperatives and suggest methods that maybe used in non-deposit taking Savings and Cooperatives in order to deal with this problem. (10 marks)

**QUESTION THREE**

- (a) Describe the role of Sacco Society Regulatory authority in regard to deposit-taking and non-deposit taking Savings and Credit Co-operatives. (10 marks)
- (b) Using examples explain the difference between cooperative financial institutions and other financial institutions. (10 marks)

**QUESTION FOUR**

- (a) Cooperative societies are largely managed through meetings. Explain the merits and demerits of using this method in making decisions. (12 marks)
  - (b) Explain the bases on which a person maybe denied a loan by a credit committee of a cooperative society. (8 marks)
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