

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

CHUKA & THARAKA

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

BCOP 111: INTRODUCTION TO COOPERATIVE MANAGEMENT

STREAMS: BCOM YIS2

TIME: 2 HOURS

DAY/DATE: FRIDAY 09/08/2019

8.30 AM – 10.30 AM

INSTRUCTIONS:

- **Answer Question One (Compulsory) and any other Two**
- **Don't write anything on the question paper**

QUESTION ONE (COMPULSORY)

A group of farmers engaged in the production of raw bananas has shown interest to form a cooperative society in your Country. The group has requested you to present a paper on matters of cooperative movement. In your presentation

- (a) Discuss the main characteristics of cooperative organizations. [10 marks]
- (b) Explain the steps involved in the formation of cooperative society. [10 marks]
- (c) Describe any four main provisions of the Co-operative Act 2004 of Kenya. [10 marks]

QUESTION TWO

- (a) Explain any five good principles of lending that should be complied with by credit management committee of a Sacco. [10 marks]
- (b) The Kenya Rural Savings and Credit Cooperative Societies Union (KRRUSSU) is the umbrella national cooperative organization for rural Saccos and other forms of savings and credit associations in Kenya. Discuss the specific functions of KERUSSU. [10 marks]

QUESTION THREE

- (a) Cooperatives around the world generally operate according to the same core principles and values, adopted by the International Cooperative Alliance (ICA) in 1995. Explain these core principles and set out the functions of this global association to members. [10 marks]
- (b) Discuss the role of Sacco Societies Regulatory Authority (SASRA) in enhancing effective and efficient supervision of Sacco operations. [10 marks]

QUESTION FOUR

- (a) “Cooperatives by their very nature contribute to the improvement of the living conditions of their members especially the low-income earning segments of the population”. Describe the role and contributions of cooperative movement in national development of a country. [10 marks]
- (b) Analyze the challenges facing savings and credit cooperative societies in formal urban sector in Kenya. [10 marks]
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