

**CHUKA**



**UNIVERSITY**

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**UNIVERSITY EXAMINATIONS**

**EXAMINATION FOR THE AWARD OF DIPLOMA IN PROCUREMENT AND LOGISTICS MANAGEMENT**

**DPLM 0111: PRINCIPLES PF PROCUREMENT**

**STREAMS:**

**TIME: 2 HOURS**

**DAY/DATE: FRIDAY 10/08/2018**

**11.30 A.M – 1.30 P.M**

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**INSTRUCTION:**

- **Answer question one and any other two questions**

1. (a) Define the following terms in relation to principles of procurement.

Procurement [2marks]

Supply chain [2marks]

Production inventories [2marks]

Finished goods inventories [2marks]

Inventory catalog [2marks]

Fraud [2marks]

(b) Discuss the role of the purchasing department. [8marks]

(c) Factors considered when establishing liaison. [10marks]

2. (a) Discuss the relationship between purchasing department and other departments.

[10marks]

(b) Briefly discuss the disadvantages of information technology in purchasing.

[5marks]

(c) What are some of the reasons why an organization may prefer to holding stock.

[5marks]

3. (a) What are the limitations to the development of purchasing liaison within an organization. [5marks]

(b) Highlight the different types of organization structures stating their merits and demerits. [10marks]

(c) Discuss the steps followed in a purchasing department. [5marks]

4. (a) What are the benefits of bar coding to a purchasing department. [5marks]

(b) Discuss the benefits of electronic point of sale (epos) to customer and sellers.

[10marks]

(c) With examples discuss purchasing fraud. [5marks]

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