

**CHUKA**



**UNIVERSITY**

**UNIVERSITY EXAMINATIONS**

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

**DPLM 0111: PRINCIPLES OF PROCUREMENT**

**STREAMS: DIPLOMA DPLM**

**TIME: 2 HOURS**

**DAY/DATE: TUESDAY 19/07/2016**

**11.30 A.M. – 1.30 P.M.**

**INSTRUCTIONS:**

- **ATTEMPT QUESTION ONE AND ANY OTHER TWO.**

- Q1. (I) Discuss the following main procurement documents and their usage.
- (a) Request for Quotation
  - (b) Local Purchase Order
  - (c) Purchasing Requisition
  - (d) International Purchase Order
  - (e) Request for Proposal. (10 marks)
- (II) Vividly explain the main areas upon which a supplier may be appraised upon. (five areas) (10 marks)
- (III) Using examples explain any five major factors which determines the decision of Either applying centralized and decentralized purchasing. (10 marks)
- Q2. (I) Discuss the roles specifications plays on procurement using examples. (10 marks)
- (II) ABC analysis is a tool used to control inventory, outline the main classes of the same and briefly expand on their respective management. (10 marks)

- Q3. (I) Outline any five advantages of e-procurement and environmental procurement. (10 marks)
- (II) Discuss the main principals of ethics in purchasing as a professional. (10 marks)
- Q4. (I) Explain any five alternative methods of procurement and their conditions under which they are applied. (10 marks)
- (II) Outline the importance of purchasing and supplies within an organization using examples. (10 marks)
- Q5. (I) Discuss the purchasing cycle using a diagram and including all the activities at each level. (10 marks)
- (II) Discuss the relationship between purchasing and the following departments. (10 marks)
- (a) Purchasing and finance
  - (b) Purchasing and design
  - (c) Purchasing and human resource
  - (d) Purchasing and ICT
  - (e) Purchasing and marketing
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