**MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**P.O. Box 972-60200 – Meru-Kenya.**

 **Tel: 020-2069349, 061-2309217. 064-30320 Cell phone: +254 712524293, +254 789151411**

**Fax: 064-30321**

**Website:** [**www.must.ac.ke**](http://www.must.ac.ke) **Email:** **info@must.ac.ke**

**University Examinations 2015/2016**

FIRST YEAR, SECOND SEMESTER EXAMINATION FOR THE DIPLOMA IN PURCHASING AND SUPPLIES MANAGEMENT.

**BBD 2153: SUPPLIES AND MATERIALS MANAGEMENT I.**

**DATE: AUGUST 2016 TIME: 11/2 HOURS**

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

**QUESTION ONE (30 MARKS)**

1. Discuss the key objectives of materials management within an organization set up. (10 marks)
2. Identify and discuss the 6R’s of materials management in an organization. (12 marks)
3. Explain the benefits of total quality management in the procuring entity. (8 marks)

**QUESTION TWO (20 MARKS)**

1. Supplier appraisal can be a time consuming and costly activity. In view to this statement, discuss the situations in which appraisal is essential. (10 marks)
2. Explain the advantages of quality control and quality assurance to an organisation set up. (10 marks)

**QUESTION THREE (20 MARKS)**

1. Distinguish capital expenditure from revenue expenditure while giving relevant examples of each. (10 marks)
2. Highlight the difference between quality assurance and quality control. (10 marks)

**QUESTION FOUR (20 MARKS)**

1. Discuss the factors that influence unethical behaviour within the procuring entity. (10 marks)
2. Explain the purpose of supplier development programme in an organization. (10 marks)

**QUESTION FIVE (20 MARKS)**

1. Write short explanatory notes on the following terms that are conspicuous to suppliers and materials management.
2. Quality assurance (4 marks)
3. Materials management (4 marks)
4. Total Quality Management (4 marks)
5. Identify and discuss any four (4) modern inventory management techniques that a manufacturing firm could advocate to use in order to avoid inventory surplus/shortage. (8 marks)