



**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 Email: info@must.ac.ke**

---

**University Examinations 2013/2014**

**FIRST YEAR, FIRST SEMESTER EXAMINATION FOR CERTIFICATE/DIPLOMA IN  
PURCHASING AND SUPPLIES MANAGEMENT**

**CPS 0101: INTRODUCTION TO PURCHASING AND SUPPLIES**

**DATE: APRIL 2014**

**TIME: 1½HOURS**

---

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

---

**QUESTION ONE – (30 MARKS)**

- a) Describe the procurement process. (12 marks)
- b) Explain briefly five specific activities included in supplies management. (10 marks)
- c) Business people, managers and individuals are not as concerned about ethical code in any other area of the enterprise as much as they are in purchasing and supply. Discuss four reasons for this. (8 marks)

**QUESTION TWO (20 MARKS)**

- a) Explain five examples of suppliers related fraud. (10 marks)
- b) Briefly explain the following:
  - i. Supply chain (2 marks)
  - ii. Centralized purchasing (2 marks)
  - iii. Logistics (2 marks)
  - iv. Tendering (2 marks)
  - v. Invoice (2 marks)

**QUESTION THREE (20 MARKS)**

Discuss the role of the purchasing officer in the procurement function. (20 marks)

**QUESTION FOUR (20 MARKS)**

a) Discuss five ways in which supply chain risks can be managed. (10 marks)

b) Explain five advantages of tendering. (10 marks)

**QUESTION FIVE (20 MARKS)**

a) Explain five sources of information about suppliers. (10 marks)

b) Explain five documents required during purchase. (10 marks)