

530



**MASINDE MULIRO UNIVERSITY OF SCIENCE AND  
TECHNOLOGY  
(MMUST)**

**MAIN CAMPUS**

**UNIVERSITY EXAMINATIONS  
2022/2023 ACADEMIC YEAR  
YEAR TWO SEMESTER TWO**

**MAIN EXAMINATIONS  
FOR THE DEGREE  
OF  
BACHELOR OF COMMERCE/BACHELOR OF  
EDUCATION**

**COURSE CODE:    BCB 209**

**COURSE TITLE: PURCHASING AND SUPPLY CHAIN MANAGEMENT**

**DATE: THURSDAY, 13<sup>TH</sup> APRIL 2023    TIME : 3:00 – 5:00PM**

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INSTRUCTIONS TO CANDIDATES

1. Answer question ONE (**Compulsory**) and any other TWO questions

TIME: 2 HOURS  
MMUST observes ZERO tolerance to examination cheating

This Paper Consists of 2 Printed Pages. Please Turn Over.

### **QUESTION ONE (compulsory)**

You work as a procurement manager of an organization of your own choice and your managing director requires you to write an outline report on the following:

- a) The uses of Goods Receipt Note (GRN) in the firm. (10 marks)
- b) The three techniques of determining competitive prices for resource inputs to be procured. (10 marks)
- c) Why the concept of timing is relevant in purchasing function. (10 marks)

### **QUESTION TWO**

- a) Summarize the pre-conditions for adopting the competitive bidding as a technique of procuring supplies and materials in an organization. (10marks)
- b) Explain the procedure of competitive bidding as the best technique of purchasing resource inputs among medium and large business enterprises. (10marks)

### **QUESTION THREE**

- a) Outline the duties and responsibilities of a purchasing manager in an organization. ( 10 marks)
- b) Explain the three types of materials inspection that are likely to be undertaken before the buyer off-loads the consignment into the store. (10marks)

### **QUESTION FOUR**

- a) Briefly explain the reasons for overstocking of supplies and materials over and above the maximum stock level. (10 marks)
- b) Highlight the factors that determine the quality of inventories that should be procured for use in an organization. (10marks)

### **QUESTION FIVE**

- a) Outline the key areas of negotiation that both potential buyer and supplier should focus on to ensure smooth procurement transaction. ( 10 marks)
- b) Explain the criterion that a firm needs to consider when selecting an appropriate potential supplier to source materials from. ( 10 marks)