



GRE TSA UNIVERSITY - THIKA

UNIVERSITY EXAMINATIONS JANUARY-APRIL 2025 SEMESTER

CERTIFICATE IN BUSINESS MANAGEMENT

COURSE CODE: CIPS 001

COURSE TITLE: FUNDAMENTALS OF PURCHASING

DATE: APRIL 2025

TIME: 2 HOURS

INSTRUCTIONS TO CANDIDATES

1. SECTION A IS **COMPULSORY**.
2. SECTION B: ANSWER ANY OTHER **TWO** QUESTIONS.
3. **DO NOT** WRITE ANYTHING ON THIS QUESTION PAPER AS IT WILL BE AN EXAM IRREGULARITY.
4. ALL ROUGH WORK SHOULD BE AT THE BACK OF YOUR ANSWER BOOKLET AND CROSSED OUT.

CAUTION: *All exam rooms are under CCTV surveillance during the examination period.*

SECTION A: COMPULSORY

Question One

- a) Purchasing department is a crucial office in a manufacturing firm. Highlight the main Roles played by purchasing department in any purchase department **[10 Marks]**
- b) Identify the various rights that directs the purchasing department and its officers. **[10 Marks]**
- c) State and explain any 4 documents that are used by procurement officers in their daily routine. **[10 Marks]**

SECTION B: ANSWER ANY TWO QUESTIONS

Question Two

- a) Define the term quality as used in modern purchase departments. **[4 Marks]**
- b) State the importance of inspections as method of controlling quality. **[8 Marks]**

Question three

- a) What are the key qualities of a good supplier that procurement officers look for when assessing potential suppliers. **[8 Marks]**
- b) Examine the methods used by procurement officers while assessing the suppliers. **[6 Marks]**
- c) Highlight the main sources from where purchasing officers get information about potential suppliers. **[6 Marks]**

Question Four

One main role of purchasing is to ensure continuous flow of materials with an organization.

- a) State any 4 types of materials/inventory kept within an organization. **[8 Marks]**
- b) Examine the various reasons why organizations hold materials **[6 Marks]**
- c) Identify any two types of costs associated with materials giving relevant examples. **[6 Marks]**

Question five

- a) Highlight the main advantages of Single source as method of procurement **[10 Marks]**
- b) Discuss various attributes of a good supplier that a procurement officer looks for when selecting suppliers. **[8 Marks]**