



**KIBABII UNIVERSITY COLLEGE**

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**UNIVERSITY EXAMINATIONS**

**2012 /2013 ACADEMIC YEAR**

**FOR THE DEGREE OF  
BUSINESS MANAGEMENT**

**COURSE CODE:** BBM 209 **COURSE TITLE:** PURCHASING AND SUPPLY CHAIN  
MANAGEMENT

**DATE:** 22<sup>nd</sup> August 2013

**TIME:** 2.00pm-5.00pm

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**Instructions to Candidates**

- SECTION A :Compulsory
- SECTION B: Chose any three questions

## **SECTION A: COMPULSORY**

### **QUESTION 1**

1. Write short notes on the purchasing principles (25 marks)

### **SECTION B**

2. Explain the following control levels:-
- a) Maximum level
  - b) Minimum level
  - c) Re-order level
  - d) Average stock level
  - e) Safety stock level (15 marks)
3. Discuss the JIT concept. Highlight its importance (15 marks)
4. What is negotiation? Explain the various aspects of negotiation between buyers and sellers. (15 marks)
5. Write short notes on:
- a) Purchase requisition
  - b) Purchase inquiry
  - c) Purchase order
  - d) Purchase inspection
  - e) Supplier invoice