



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS  
SCHOOL OF SCIENCE AND TECHNOLOGY  
OCTOBER 2013 EXAMINATION**

**Course Code: ENT 324**

**Credit Unit: 2**

**Course Title: Principles of Purchasing and Supply**

**Time Allowed: 2hrs**

**Instructions: 1. Attempt question Number one (1) and any other two (2)**

**questions.**

**2. Question number 1 carries 30 marks, while the other questions**

**carry 20 marks each**

**3. Present all your points in coherent and orderly manner**

1a. Define the following terms:

- i. Purchasing
- ii. Supply Chain Management
- iii. Procurement

1b. Outline 7 functions of purchasing department.

2a. List and explain 5 factors in supplier's selection.

2b. List 8 attributes of a good supplier.

3a. Briefly discuss 4 methods used in price determination.

b. Explain 3 factors influencing price setting.

4. List and discuss 4 modes of payment.

5a. Explain 4 sources of used equipment's.

5b. List the reasons for purchasing used equipment's.