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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
FIRST YEAR, FIRST SEMESTER EXAMINATION
FOR THE CERTIFICATE IN PROCUREMENT & SUPPLY CHAIN
MANAGEMENT
CPS 015 COMMERCE

Date: 6th AUGUST, 2024
Time: 11.30AM-1.30PM

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Highlight the importance of commerce in a country's economy. **(6 Marks)**
- b) Briefly explain the **THREE** factors of production stating why each is important in a country's economy. **(6 Marks)**
- c) Expound on **TWO** challenges that may face an organization that is importing goods. **(6 Marks)**
- d) Pipelines are one of the cheapest modes of transport. Give **THREE** merits and three challenges of pipeline transport in an economic set up. **(6 Marks)**
- e) Differentiate between Domestic Trade and International trade. **(6 Marks)**

QUESTION TWO (20 MARKS)

- a) Expound on what the JIT concept represents, giving **FOUR** justifications why it cannot be successful in the Kenyan business setup. **(6 Marks)**
- b) Payments for goods in commerce may be done in a variety of ways, elaborate on three such modes. **(6 Marks)**
- c) Discuss the importance of Commerce to a country. **(8 Marks)**

QUESTION THREE (20 MARKS)

- a) When planning to do business, one can choose to either run the business alone or in partnership with others. Discuss Partnership as a mode of doing business. **(6 Marks)**
- b) Insurance is a key factor in economics, briefly discuss the importance of insurance. **(6 Marks)**
- c) Discuss **FOUR** sources of business funds. **(8 Marks)**

QUESTION FOUR (20 MARKS)

- a) Money is a tool for aiding trade. The society uses money in performing various tasks. State and explain the **THREE** functions of money. **(6 Marks)**
- b) The government's involvement and participation in business activities happens in the world at large. Highlight **SIX** importance of government involvement. **(6 Marks)**
- c) Briefly explain **FOUR** types of insurance covers that one can take to counter disasters. **(8 Marks)**

QUESTION FIVE (20 MARKS)

- a) Transport is the movement from one place to another with the help of the various modes. Explain **FOUR** factors that Influence the Choice of an Appropriate Means of Transport. **(8 Marks)**
- b) Explain **FOUR** types of warehouses that exist in an economy. **(8 Marks)**
- c) A stock exchange is a marketplace where securities, such as stocks and bonds, are bought and sold. State **FOUR** Functions of Stock Exchange. **(4 Marks)**

