

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**SECOND YEAR EXAMINATION FOR THE AWARD OF
DIPLOMA IN PROCUREMENT AND LOGISTICS MANAGEMENT**

DPLM 0211: STORES AND INVENTORY MANAGEMENT

STREAMS: DPLM Y2S1

TIME: 2 HOURS

DAY/DATE: MONDAY 05/08/2019

8.30 AM – 10.30 AM

INSTRUCTIONS:

ANSWER QUESTION ONE AND ANY OTHER TWO

Question One

- (a) Using a diagram describe the material requirement planning 1 technique of inventory management. [6 marks]
- (b) Describe any four ways which an organization can use in coding materials. [8 marks]
- (c) Explain the various types of inventories that can be used by an organization. [8 marks]
- (d) Discuss the various factors that are involved in determining a stock holding policy. [8 marks]

Question Two

- (a) Explain the association of the stores department with the following departments
 - (i) Quality department
 - (ii) Production department
 - (iii) Sales department[10 marks]
- (b) Explain the various types of stores vocabulary. [4 marks]
- (c) Elaborate on the various ways an organization can use in disposal of inventory that is no longer useful. [6 marks]

Question Three

- (a) Explain the various types of warehouses used in storage of goods. [9 marks]
- (b) Explain any 4 advantages and disadvantages of fixed location storage system. [8 marks]
- (c) Outline the characteristics of an ideal warehouse. [3 marks]

Question Four

- (a) Explain some of the objectives for planning and maintaining the right quantity of material for a given production programme. [10 marks]
 - (b) Explain the advantage of electronic data interchange to an organization especially in inventory management. [6 marks]
 - (c) Highlight the advantages of disposing inventory to an organization. [4 marks]
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