

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: TUESDAY 21/04/2020

2.30 PM – 4.30 PM

INSTRUCTIONS:

- **Answer Question ONE and any other TWO Questions**
- **Do not write on the question paper**

QUESTION ONE

- (a) Warehouses play a very important role in day to day inventory management functions. Discuss. [10 marks]
- (b) Just in time is increasingly being adopted by many organizations in production. Explain the reasons that may account for this trend. [10 marks]
- (c) Discuss five reasons for holding inventories in an organization. [10 marks]

QUESTION TWO

- (a) Coding process is an important function that cannot be avoided in stores and inventory management. Discuss five methods of coding. [10 marks]
- (b) Discuss the role of information technology (IT) in inventory management. [10 marks]

QUESTION THREE

- (a) Discuss reasons against holding inventories in an organization. [10 marks]
- (b) Enumerate five distinct five functions of store in an organization. [10 marks]

QUESTION FOUR

- (a) Explain five components of material requirement planning (MRP1) as used to control inventory. [10 marks]
 - (b) Identify and explain five security measures that should be undertaken in the stores facility. [10 marks]
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