



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

DIPLOMA IN LOGISTICS AND TRANSPORT MANAGEMENT

BLT 2110: WAREHOUSING AND INVENTORY MANAGEMENT

SPECIAL/SUPPLEMENTARY EXAMINATIONS

SERIES: FEBRUARY 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.

This paper consists of Two printed pages.

QUESTION 1 (Compulsory)

- a) Explain **FIVE** reasons for holding inventory. **(10 marks)**
- b) Discuss costs associated with holding stock. **(10 marks)**
- c) Analyse the benefits of using an automated warehouse. **(10 marks)**

QUESTION 2

- a) Discuss **FOUR** methods that may be used in disposal of stock. **(10 marks)**
- b) Explain the various stocks that qualify to be disposed off. **(10 marks)**

QUESTION 3

- a) Analyze the push factors for using Third Party' contractors and logistics service providers. **(10 marks)**
- b) Explain the limitations of "In House" service delivery. **(10 marks)**

QUESTION 4

- a) Discuss factors to consider in designing and laying out of an ideal warehouse. **(10 marks)**
- b) Explain **FIVE** cost reduction measures that may be put in place by a logistics firm. **(10 marks)**

QUESTION 5

- a) Analyse the push factors for outsourcing. **(10 marks)**
- b) Write short notes on the following topics:
 - i) J.I.T **(5 marks)**
 - ii) ABC analysis. **(5 marks)**