



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

UNIVERSITY EXAMINATION FOR:

DPMM,

BPC 2101: STORAGE AND DISTRIBUTION MANAGEMENT

END OF SEMESTER EXAMINATION

SERIES: DECEMBER 2016

TIME: 2 HOURS

DATE: Pick Date Dec 2016

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **FIVE** questions. Attempt Choose instruction.

Do not write on the question paper.

Question ONE (Compulsory)

- a) An improved system of material handling procedure can be advantageous to the organization. State **SIX** advantages of material handling procedures (6 marks)
- b) Two items named x and y are being used in an organization. You are required to calculate the following for each item with the help of the information given below.
- i) Maximum level (6 marks)
 - ii) Minimum level (8 marks)
 - iii) Re- order level (4 marks)
 - iv) Average stock-level (6 marks)

The necessary information is detailed below;

Normal usage of both items 100 units per week (6 days)

Minimum usage of both items 50 units per week (6 days)

Maximum usage of both items 150 units per week (6 days)

Re- order quantity of item x 600 units

Re- order quantity of item y 1000 units

Re-order period for item x 4 to 6 weeks

Re-order period for item y 2 to 4 weeks

Question TWO

- a) Describe the factors which help in the selection of mode of transport (12 marks)
- b) Describe the main functions of inventory (8 marks)

Question THREE

- a) Explain the following;
 - i) Alphabetical system (3 marks)
 - ii) Alphanumerical (3 marks)
 - iii) Dead inventory (3 marks)
 - iv) Defective goods (3 marks)
- b) State main purposes of physical verification of stores (8 marks)

Question FOUR

- a) Describe the salient features of a lay out of a small storehouse (8 marks)
- b) State the main functions of storage (12 marks)

Question FIVE

- a) Write short notes on the following;
 - i) First In First Out (4 marks)
 - ii) Highest In First Out (4 marks)
 - iii) Last In First Out (4 marks)
 - iv) Safety stock level (2 marks)
 - v) Stock out cost (2marks)
 - vi) Bill Of Materials (4 marks)