

1. (a) The Managing Director of a large parastatal has asked the supplies manager to prepare materials plan for the next financial year.
Explain **five** factors that would be considered in preparing such a plan. (10 marks)
- (b) Explain the role of in-bound logistics in supply chain. (10 marks)
2. (a) An item stocked by a manufacturing firm has a lead time of 4 weeks. Its average weekly usage is 40 units. A buffer stock of 20 units is maintained.
 - (i) Explain the re-order level system of inventory control.
 - (ii) Calculate the re-order level for the item. (8 marks)
- (b) Explain **six** essential attributes of an effective storage system. (12 marks)
3. (a) Explain **five** factors which a supplies manager would consider in forecasting demand for stock items. (10 marks)
- (b) Explain **five** factors which a stores manager would consider in devising an appropriate stores layout system. (10 marks)
4. (a) Explain **five** consequences of an inefficient materials handling system in supplies department. (10 marks)
- (b) Explain **five** functions that are performed by packages. (10 marks)
5. (a) Highlight **five** advantages of an automated materials handling system. (10 marks)
- (b) Explain **five** special considerations involved in packaging products for sale in international markets. (10 marks)
6. (a) Explain the steps that a distribution manager would follow in the preparation of a strategic plan for a distribution department. (10 marks)
- (b) Explain the role of transportation in the Kenyan economy. (10 marks)
7. (a) Highlight **five** factors which a distribution manager would consider in the selection of a distribution channel policy. (10 marks)
- (b) Explain **five** advantages of contracting out transportation services. (10 marks)