

Name: \_\_\_\_\_ Index No. \_\_\_\_\_ / \_\_\_\_\_

2906/203

**SUPPLY AND TRANSPORT  
MANAGEMENT**

November 2015

Time: 3 hours

Candidate's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**THE KENYA NATIONAL EXAMINATIONS COUNCIL****DIPLOMA IN BUSINESS MANAGEMENT****MODULE II****SUPPLY AND TRANSPORT MANAGEMENT****3 hours****INSTRUCTIONS TO CANDIDATES***Write your name and index number in the spaces provided above.**Sign and write the date of the examination in the spaces provided above.**This paper consists of **SEVEN** questions.**Answer any **FIVE** questions in the spaces provided in this question paper.**All questions carry equal marks.**Do not remove any page from this question paper.**Candidates should answer the questions in English.***For Examiner's Use Only**

Question	1	2	3	4	5	6	7	TOTAL SCORE
Candidate's Score								

**This paper consists of 16 printed pages.****Candidates should check the question paper to ascertain that  
all the pages are printed as indicated and that no questions are missing.**

1. (a) Highlight **five** functions of the supply department in an organization. (10 marks)  
(b) Outline the circumstances under which an organization may find it necessary to initiate a purchase process. (10 marks)
2. (a) Explain the role of the transport department in facilitating incoming shipment. (10 marks)  
(b) Fulani has been hired as a supplies officer in a transport organization. Explain the factors that Fulani should consider when selecting suppliers of materials for the organization. (10 marks)
3. (a) Highlight the factors that influence the amount of stock held in an organization. (10 marks)  
(b) Mr. Cheche has been hired as a transport manager for a medium size supplies company. Highlight the duties he will be expected to perform. (10 marks)
4. (a) The management of Simba Company Limited intends to construct a storehouse. Highlight **five** factors that may determine the site for the construction. (10 marks)  
(b) The government of Kenya recently imposed controls which public service vehicle (PSV) operators should comply with in order to operate at night. Explain the positive effects of these controls on the transport industry. (10 marks)
5. (a) Toleo Company Limited has received a consignment of materials at its warehouse. Highlight the steps they should take before off-loading the consignment. (10 marks)  
(b) Lela Company Limited has fitted its new warehouse with closed-type shelving for materials storage. Explain the advantages of using this type of materials storage facility. (10 marks)
6. (a) Mr. Neno has been hired as a security officer in a large warehouse facility. Outline the duties he will be expected to perform. (10 marks)  
(b) Patia Transport Company has adopted a straight-line stores layout in its operations. Highlight the advantages of using this layout. (10 marks)
7. (a) Highlight the salient characteristics of an efficient materials coding system. (10 marks)  
(b) Outline the role of warehousing in physical distribution. (10 marks)