



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND  
TECHNOLOGY  
SCHOOL OF BUSINESS & ECONOMICS  
Bachelors Degree of logistics and supply chain management Y2S1  
KISUMU CAMPUS  
EXAMS**

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**COURSE CODE: BAB 1346**

**COURSE TITLE: PROCUREMENT AND INVENTORY MANAGEMENT**

**DATE: 13/12/2022**

**SESSION: 9.00-11.00AM**

**TIME: 2 HOURS**

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**Instructions:**

- 1. Answer question one and any other three questions**
- 2. Candidates are advised not to write on the question paper.**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room.**

### **QUESTION ONE:**

- a) Explain the immense contribution of EDI as integrated in the links between the various stages in the supply chain enumerate key components adopted in your firm **[10marks]**
- b) Explain the rational for benchmarking and stock audit maintenance in regards to the stock safety is concerned **[10 marks]**
- c) **Explain the advantages of ABC analysis model adopted in your company [5 marks]**

### **QUESTION TWO**

- a) List and explain different types of stock and the way storage has affected this issue both positively and negatively in your company during and post covid-19 pandemic **[10 marks]**
- b) Poor inventory management can cost up to 75% of the value of the product, as a newly employed transport manager list and explain to your boss ways that you will employ to reduce the carrying costs **[5marks]**

### **QUESTION THREE**

- a) Explain classifications of procurement records and documentations used in international trade **[10marks]**
- b) Describe the components of EOQ and its role in enhancing efficiency in your firm **[5marks]**

### **QUESTION FOUR**

- a) Enumerate the meaning of the dependent and independent demand by highlighting their differences giving examples of each **[10marks]**
- b) Explain some of the reasons for holding inventory and its direct effect of the same to your company **[5marks]**

### **QUESTION FIVE**

- a) You have been assigned a session by the dean to give a talk the differences of the internal and external customers to the first years logistics students **[10 Marks]**
- b) Define standardization and variety reduction and explain their effects to the greater logistics chain supply management **[5marks]**