

041605T4SCM

SUPPLY CHAIN MANAGEMENT LEVEL 6

BUS/OS/SC/CR/03/6

Oversee Distribution of Stored Goods

March/April 2026



**TVET CURRICULUM DEVELOPMENT, ASSESSMENT AND CERTIFICATION
COUNCIL (TVET CDACC)**

WRITTEN ASSESSMENT

TIME: 2 HOURS

INSTRUCTIONS TO CANDIDATE

1. This paper consists of **TWO** sections: **A** and **B**.
2. Answer **ALL** questions in section A.
3. Answer question **THIRTEEN** (13) and any other **TWO** (2) questions in section B.
4. Marks for each question are indicated in the brackets.
5. Candidates are provided with a separate answer booklet
6. Do not write on the question paper

This paper consists of FIVE (5) printed pages
Candidates should check the question paper to ascertain that all
pages are printed as indicated and that no questions are missing.

SECTION A (40 MARKS)

Answer all the questions in this section.

1. A distribution company plans to supply goods to wholesalers and retailers located in different counties across Kenya. Identify FOUR factors the company should consider when identifying prospective customers by location. (4 Marks)
2. A logistics manager is required to plan deliveries for customers located in both urban and rural areas. State THREE benefits of preparing a customer location map before establishing distribution routes. (3 Marks)
3. An organization wants to reduce fuel consumption, delivery time, and vehicle wear. List THREE principles that should be considered when establishing efficient and cost-effective distribution routes. (3 Marks)
4. Before dispatching goods, a warehouse prepares items for transportation to various destinations. Identify TWO ways goods can be categorized to ensure safe and efficient distribution. (2 Marks)
5. A company distributes goods of different quantities, values, and handling requirements. List FOUR factors considered when selecting an appropriate mode of transport for distributing goods. (4 Marks)
6. A fleet manager is assigning trucks and pick-ups to serve different delivery routes. State THREE considerations that should guide the assignment of transport fleet to specific routes. (3 Marks)
7. Before vehicles leave the distribution yard, clearance must be granted by management. Identify FOUR methods or documents used to authorize movement of the transport fleet. (4 Marks)
8. A logistics firm has fitted its vehicles with GPS and cellular tracking systems. List FOUR reasons why vehicle tracking systems are important in managing distribution operations. (4 Marks)
9. Drivers, loaders and dispatch clerks are involved in daily delivery operations. State THREE responsibilities of a supervisor when overseeing distribution staff. (3 Marks)
10. After goods are delivered to customers, signed delivery notes are returned to the warehouse. Identify THREE reasons why endorsed delivery notes must be surrendered to the organization. (3 Marks)
11. A transport manager notices frequent delays and route deviations during delivery operations. Identify THREE actions that should be taken to ensure adherence to predetermined transport channels. (3 Marks)

12. An organization distributes high-value and sensitive goods to different customers. State FOUR risks associated with poor distribution management and how they may affect customer satisfaction. (4 Marks)

SECTION B (60 MARKS)

*Answer questions **THE**TEEN (13) and any other **TWO** (2) questions in this section.*

Merchandise Warehouse, a family-owned logistics company in Kenya, began its operations with a small dry warehouse serving local traders and wholesalers. Over time, the company recognized the growing demand for specialized storage solutions, particularly for perishable goods such as dairy, meat, fruits, and vegetables. To remain competitive and meet the needs of supermarkets and food processors, the business invested in cold storage facilities. This expansion allowed them to diversify their services, attract new clients, and position themselves as a reliable partner in the Kenyan logistics sector.

As demand for temperature-controlled goods increased, the company faced challenges with its traditional pallet racking system, which limited storage capacity and required significant manual labor. To address these inefficiencies, Merchandise Warehouse upgraded to a high-density deep-lane racking system integrated with an automated pallet handling system. This innovation enabled the warehouse to maximize space utilization, reduce congestion in aisles, and handle larger volumes of goods without hiring additional staff. The automation also minimized human error, improved accuracy in stock movement, and enhanced safety standards within the facility.

The new system transformed the company's operations by improving efficiency, reducing product handling times, and shortening movement cycles. Spacer removal became quicker, and the streamlined processes allowed faster turnaround for clients. As a result, Merchandise Warehouse strengthened its competitiveness in the Kenyan market, offering reliable cold storage solutions that supported the growing retail and food industries. The investment not only boosted customer satisfaction but also positioned the company as a forward-thinking logistics provider capable of adapting to modern supply chain demands.

13.

- a) From the case study, explain FIVE reasons why customers in Kenya increasingly need cold storage facilities in warehouses. (10 Marks)
- b) Describe FIVE benefits Merchandise Warehouse gained after introducing the new high-density racking system with automated pallet handling. (10 Marks)

14.

- a) When receiving goods into the warehouse, you must check various paperwork. Explain FIVE essential documents you should verify before accepting items into stock. (10 Marks)
- b) Sometimes items lose value while in storage. Describe FIVE factors that can cause items to become obsolete in warehouse inventory. (10 Marks)

15.

- a) Hazardous materials require special care during transport. Analyze FIVE principles you must follow to ensure safety and compliance. (10 Marks)
- b) One method of inventory control is Last-In, First-Out (LIFO). Explain FIVE challenges that can arise when using LIFO in stock management. (10 Marks)

16.

- a) Moving goods in a warehouse depends on equipment. Describe FIVE factors that affect the effectiveness and efficiency of materials handling equipment. (10 Marks)
- b) Goods often are transported for long distances in containers. Explain FIVE situations where containerization is necessary for safe and efficient transport. (10 Marks)