



ZIMBABWE

**MINISTRY OF HIGHER AND TERTIARY EDUCATION,
INNOVATION, SCIENCE AND TECHNOLOGY DEVELOPMENT**

**HIGHER EDUCATION EXAMINATIONS COUNCIL
(HEXCO)**

NATIONAL DIPLOMA

IN

PURCHASING AND SUPPLY

MODULE: Inventory Management

PAPER NO: 543/23/M02

DURATION: 3 hours

JUNE 2026 EXAMINATION

REQUIREMENTS

Scientific calculator

INSTRUCTIONS TO CANDIDATE

- 1. Answer any five (5) questions.**
- 2. Each question carries 20 marks.**

This paper consists of 3 printed pages.

QUESTION 1

Describe any five (5) objectives of stores management. (20 marks)

QUESTION 2

Explain any five (5) elements of inventory management. (20 marks)

QUESTION 3

Suggest ten (10) factors to be considered when choosing a warehouse location. (20 marks)

QUESTION 4

Describe any five (5) safety, health and environmental measure that define a good working environment. (20 marks)

QUESTION 5

Evaluate any five (5) effects of double handling to an organisation. (20 marks)

QUESTION 6

- a) Network analysis (10 marks)
- b) Decision trees (10 marks)

QUESTION 7

Explain any five (5) benefits of an automated warehouse. (20 marks)

QUESTION 8

Use the following information to answer the question below.

March purchased 100 units @ \$16 each
September purchased 220 units @ \$19 each
December issued 130 units

From the above figures calculate the closing inventory that would be shown using:

- a) FIFO (7 marks)
- b) LIFO (7 marks)
- c) AVCO (6 marks)

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