**MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**P.O. Box 972-60200 – Meru-Kenya.**

**Tel: 020-2069349, 061-2309217. 064-30320 Cell phone: +254 712524293, +254 789151411**

**Fax: 064-30321**

**Website:** [**www.must.ac.ke**](http://www.must.ac.ke) **Email:** **info@must.ac.ke**

**University Examinations 2016/2017**

FIRST YEAR, SECOND SEMESTER EXAMINATION FOR DIPLOMA IN PURCHASING AND SUPPLIES MANAGEMENT

**BBD 2152 : STORES MANAGEMENT AND STOCK CONTROL**

**DATE: DECEMBER, 2016 TIME: 1½ HOURS**

**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***two*** *questions.*

**QUESTION ONE (30 MARKS)**

1. Explain the various methods used to dispose obsolete / scrap materials in an organization. (6 Marks)
2. What are dangers of holding excessive inventory in an organization? (6 Marks)
3. Highlight characteristics of a good store room in an organization. (6 Marks)
4. Explain three inventory control systems in details. (6 Marks)
5. State any six documents that can be used in preparation of receiving and inspection of goods. (6 Marks)

**QUESTION TWO (20 MARKS)**

1. Explain the purpose of stores management. (10 Marks)
2. What are possible causes of inventory obsolescence in a store? (10 Marks)

**QUESTION THREE (20 MARKS)**

1. State and explain five material coding methods well known to you. (10 Marks)
2. Highlight the main characteristics of a good coding system. (10 Marks)

**QUESTION FOUR (20 MARKS)**

1. You have been appointed a store manager in a busy environment of receipt inspection and dispatch. What arrangement should you make in readiness to receive newly acquired goods? (12 Marks)
2. State any four problems that may be encountered in your functional role. (4 Marks)
3. State any four classes of inventories. (4 Marks)

**QUESTION FIVE (20 MARKS)**

1. Discuss characteristics of good store layout. (12 Marks)
2. Highlight three types of stores. (3 Marks)
3. Giving examples state the classes of cost in inventory management. (5 Marks)