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University Examinations 2013/2014

**FIRST YEAR, FIRST SEMESTER EXAMINATION FOR CERTIFICATE IN PURCHASING
AND SUPPLIES MANAGEMENT**

CPS 0102: STORES MANAGEMENT AND STOCK CONTROL

DATE: APRIL 2014

TIME: 1½HOURS

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

QUESTION ONE – (30 MARKS)

- a) Highlight the importance of stores management. (6 marks)
- b) Highlight the objectives of materials inspection. (6 marks)
- c) A good coding system exhibits various characteristics. Discuss. (6 marks)
- d) Discuss the methods used by organizations to control issue of stock. (6 marks)
- e) Discuss the essentials of a good warehouse. (6 marks)

QUESTION TWO (20 MARKS)

- a) Discuss five inventory costs involved when ordering stocks. (10 marks)
- b) Highlight the major assumptions of EOQ. (10 marks)

QUESTION THREE (20 MARKS)

- a) Discuss five documents that are essential in stock receipt control. (10 marks)
- b) Discuss five steps that a warehouse manager would take to minimize redundancy and obsolescence of materials. (10 marks)

QUESTION FOUR (20 MARKS)

- a) Explain five classes of materials that can be held in a storehouse. (10 marks)
- b) Discuss five minimum levels of fire precautions in a warehouse. (10 marks)

QUESTION FIVE (20 MARKS)

- a) Explain five methods of issuing materials that can be adopted in an organization's store. (10 marks)
- b) In line with stock taking and verification, explain the management action to locate discrepancies. (10 marks)