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University Examinations 2013/2014

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

CPS 0102: STORES MANAGEMENT AND STOCK CONTROL

DATE: DECEMBER 2013

TIME: 1 ½ HOURS

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

QUESTION ONE – (30 MARKS)

- (a) Explain the objectives of stores management. (6 Marks)
- (b) Highlight the material pre issuance procedure followed in a store. (6 Marks)
- (c) Explain the benefits derived from coding of materials. (6 Marks)
- (d) State the sources from which an organization can receive its materials. (6 Marks)
- (e) State inventory costs associated with holding stores. (6 Marks)

QUESTION TWO – (20 MARKS)

- (a) Highlight five features that a good coding system should exhibit. (10 Marks)
- (b) Explain five factors that are considered when selecting the location of a warehouse. (10 Marks)

QUESTION THREE – (20 MARKS)

- (a) Explain five benefits that an organization may derive from using periodic method of stock control. (10 Marks)
- (b) Explain reasons why an organization may sometimes purchase materials more than the Economic Order Quantity (EOQ). (10 Marks)

QUESTION FOUR – (20 MARKS)

As a store Manager, explain how you would dispose off redundant and obsolete stock in your organization. (20 Marks)

QUESTION FIVE – (20MARKS)

- (a) Highlight the major causes of accidents in a warehouse.

- (b) Highlight the major possible outcomes of inspection of stores in a warehouse.