

18

# KIBABII UNIVERSITY



## UNIVERSITY EXAMINATIONS

### 2021/2022 ACADEMIC YEAR FIRST YEAR SECOND SEMESTER MAIN EXAMINATION

**FOR THE DIPLOMA OF BUSINESS MANAGEMENT**  
**COURSE CODE: DPS 101**  
**COURSE TITLE: STORES MANAGEMENT AND STOCK CONTROL**  
**DATE: 30/08/2022**                      **TIME: 2.00 – 4.00PM**

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#### INSTRUCTION TO CANDIDATES

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

**TIME: 2 Hours**

**KIBU observes ZERO tolerance to examination cheating**

### QUESTION ONE

- a) Define 'Stock control'. [8 marks]
- b) Explain the objectives of stores management. [10 Marks]
- c) What is a store house? [2 marks]
- d) Discuss the benefits that accrue from a successful and efficient storekeeping. [8 Marks]
- e) What are the benefits of codification in a warehouse [5 Marks]
- f) Elaborate the categories of items termed as 'Dead inventory' [5 Marks]

### QUESTION TWO

- a) Explain the factors underlying successful storekeeping [10 Marks]
- b) Explain FIVE codification systems used in stores management and stock control. [10 Marks]

### QUESTION THREE

- a) Explain the actions that can be taken to dispose of redundant stock. [10 Marks]
- b) Discuss the Health and safety considerations in a warehouse [10 Marks]

### QUESTION FOUR

- a) Explain the factors that will need to be considered in identifying the location for, and constructing, a stockyard. [10 Marks]
- b) Discuss the advantages and disadvantages of decentralized stores [10 Marks]

### QUESTION FIVE

Write short notes on the following concepts;

[20 Marks]

- i) Annual stock taking
- ii) Maximum stock level
- iii) Inventory carrying cost
- iv) FSN Analysis
- v) XYZ Analysis