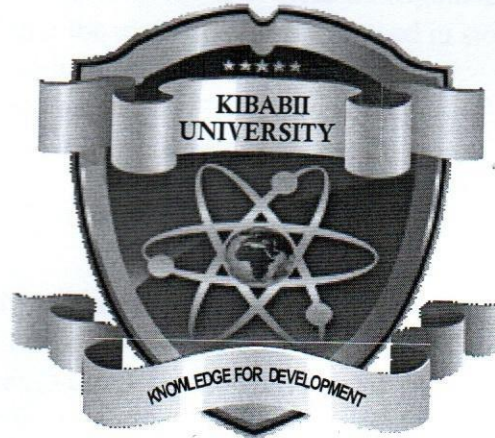


# KIBABII UNIVERSITY



## 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: 13/05/2022      TIME: 9.00AM – 11.00AM**

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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) What is stock control? Give five objectives of store management [6 Marks]
- b) Define the term 'Store'. State the main activities involved in storekeeping [8 Marks]
- c) Describe the benefits of codification [5 Marks]
- d) State the categories of items termed as 'Dead inventory' [5 Marks]
- e) Give Three advantages and disadvantages of centralized stores [6 Marks]

### QUESTION TWO

- a) Stores procedures manuals can be found in most, if not every store. As well as bringing many advantages to a stores manager, these manuals also have their disadvantages. Analyse the advantages and disadvantages of a stores procedure manual. [12 Marks]
- b) Explain the advantages of improved system of materials handling [8 Marks]

### QUESTION THREE

- a) Every store will need to have agreed and understood procedures for dealing with obsolescent stock. Explain the options available to a stores manager for dealing with obsolescent and redundant stock. [10 Marks]
- b) Health and safety considerations must be given proper attention in the organisation and management of a store. Explain **seven** factors to be considered. [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 centralized stores [10 Marks]

### QUESTION FIVE

[20 Marks]

Write short notes on the following concepts;

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