

**CHUKA**



**UNIVERSITY**

**UNIVERSITY EXAMINATIONS**

**CHUKA, EMBU AND IGEMBE CAMPUSES**

**EXAMINATION FOR THE AWARD OF CERTIFICATE IN PROCUREMENT AND LOGISTICS MANAGEMENT**

**CPLM 00114: INTRODUCTION TO STORES AND INVENTORY MANAGEMENT**

**STREAMS: CPLM Y1S2**

**TIME: 2 HOURS**

**DAY/DATE: FRIDAY 06/12/2019**

**8.30 A.M. – 10.30 A.M.**

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**INSTRUCTIONS:**

- **Answer question ONE and any other TWO.**

**QUESTION ONE**

- (a) Describe 5 reasons for holding stocks and its effect in an organization. (10 marks)
- (b) Describe any 4 types of inventories that would be found in a store. (4 marks)
- (c) Define the following terms
- (i) Store (2 marks)
  - (ii) Inventory Management (2 marks)
- (d) Explain 6 functions of a store found in any organization. (12 marks)

**QUESTION TWO**

- (a) Explain the term stockholding. (2 marks)
- (b) Describe any 4 advantages of employing a stockholding policy in an organization. (6 marks)
- (c) Discuss the main classification of warehouses. (6 marks)
- (d) Outline 6 characteristics of an ideal warehouse. (6 marks)

**QUESTION THREE**

- (a) Discuss the relationship of stores department and the following departments in an organization
- (i) Quality department
  - (ii) Transport department
  - (iii) Sales department
  - (iv) Production department (8 marks)
- (b) Outline 6 precautionary measures that can be applied to ensure effective stores security. (6 marks)
- (c) Describe 4 methods of coding materials within the store. (6 marks)

**QUESTION FOUR**

- (a) Explain any 2 types of inventory control techniques. (6 marks)
- (b) Describe any 4 methods used by stores in disposing inventories. (8 marks)
- (c) Outline 6 advantages of a coding system. (6 marks)
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