



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY SPECIAL/SUPPLEMENTARY EXAMINATION

2018/2019 ACADEMIC YEAR

**SECOND YEAR FIRST SEMESTER EXAMINATION FOR, DIPLOMA IN
BUSINESS MANAGEMENT (PROCUREMENT OPTION)**

DBP 1211 – STOCK CONTROL

DURATION:2 HOURS

DATE: 10/12/2018

TIME: 9 – 11 A.M.

Instructions to candidates:

1. Answer question One and Any Other Two questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

QUESTION ONE (30 MARKS)

- a) Outline FIVE reasons for preservation of materials. (5 Marks)
- b) Highlight Five Objectives of purchase research in an organization. (5 Marks)
- c) Identify any FIVE benefits of internal recruitment as opposed to external recruitment. (5 Marks)
- d) Highlight types of cost concerned with stock control. (5 Marks)
- e) Outline FIVE demerits of hand to mouth system of purchasing. (5 Marks)
- f) Discuss why the government insists on tendering for supplying of its goods. (5 Marks)

QUESTION TWO (20 MARKS)

- a) Highlight relationships of purchase department with account, production and marketing department. (10 Marks)
- b) Explain importance of insuring stores. (10 Marks)

QUESTION THREE (20 MARKS)

- a) Discuss way of ensuring that there is safeguard and security for personnel in the stores department. (10 Marks)
- b) Highlight benefits of material planning and control. (10 Marks)

QUESTION FOUR (20 MARKS)

- a) Explain FIVE reasons for importation of goods. (10 Marks)
- b) Describe FIVE importance of warehousing in the economy. (10 Marks)