



MURANG'A UNIVERSITY COLLEGE
(A Constituent college of Jomo Kenyatta University of Agriculture and Technology)
SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT: COMMERCE

ORDINARY EXAMINATION DECEMBER 2015

ACADEMIC YEAR: 2015/2016

CAMPUS: MAIN

PROGRAMME: BUSINESS MANAGEMENT PROCUREMENT

YEAR OF STUDY: 2ND YEAR SEESTER 1

UNIT NAME: MATERIAL MANAGEMENT

UNITD CODE: DBP 1215

DATE 9TH DECEMBER 2015

TIME: 2 HOURS

INSTRUCTIONS:

ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS

QUESTION ONE

- (a) Explain *FIVE* purposes of material control [5 marks]
- (b) As materials manager of Just Time stores explain *FIVE* activities involved material control. [5 marks]
- (c) Highlight *FIVE* ways in which requisition might arise. [5 marks]
- (d) Explain *FIVE* costs involved in holding of stock in stores.
- (e) Outline *FIVE* ways in which redundant or obsolete stock can be disposed off [(5 marks)]
- (f) As a store's manager explain to ways in which standardization will assist in store management. [5 marks]
- (g) Briefly explain effective control on quality of materials. [5 marks]

[Total 30 marks]

QUESTION TWO

- (a) Describe *FIVE* purpose of value analysis. [10 marks]
- (b) From the following information forecast demand of product X using
- Simple average
 - Weight average

Month	Actual demand
Jan	40
Feb	30
March	70
May	120
June	140

[10 marks]

[Total 20 marks]

QUESTION THREE

- (a) Discuss *FOUR* methods of pricing issues. [10 marks]
- (b) Describe *FIVE* merits which accrue to an organization by use of franchising method of business control. [10 marks]

[Total 20 marks]

QUESTION FOUR

- (a) Describe *FOUR* types of tender a store would engage in. [10 marks]
- (b) Explain *FIVE* function records play in storage. [10 marks]

[Total 20 marks]