

1903/101
WAREHOUSING OPERATIONS
AND STOCK CONTROL
July 2016
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

**CRAFT CERTIFICATE IN SUPPLY CHAIN MANAGEMENT
MODULE I**

WAREHOUSING OPERATIONS AND STOCK CONTROL

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists of TWO sections; A and B.
Answer ALL questions in Section A and any other FOUR questions from Section B
in the answer booklet provided.
Candidates should answer the questions in English.*

This paper consists of 3 printed pages.

**Candidates should check the question paper to ascertain that
all the pages are printed as indicated and that no questions are missing.**

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SECTION A: (32 marks)

Answer ALL the questions in this section.

1. Highlight **four** reasons for packaging materials in an organisation. (4 marks)
2. Outline **four** advantages of using Material Requirement Planning (MRP1) as a stock control method in an organisation. (4 marks)
3. Identify **three** factors that a warehouse manager may consider in choosing the location of a warehouse for an organisation. (3 marks)
4. Outline **three** benefits that may accrue to an organisation from maintaining an efficient stock location system. (3 marks)
5. State **three** types of information that should be contained in a stores ledger. (3 marks)
6. Highlight **three** measures that may be instituted in a warehouse to reduce injuries to warehouse staff. (3 marks)
7. Outline **four** factors that should be considered when determining the material handling system to adopt in a warehouse. (4 marks)
8. State **three** types of symbols that may be used to code materials in an organisation. (3 marks)
9. Identify **two** sources of material requisitions in a warehouse. (2 marks)
10. Outline **three** disadvantages of using packaging as a method of preserving materials in an organisation. (3 marks)

SECTION B: (68 marks)

Answer any FOUR questions from this section.

11. (a) Tarakimu Company Limited has decided to decentralize its warehousing operations. Explain **six** benefits that may accrue to the organisation from such a decision. (9 marks)
- (b) Highlight **four** ways in which a warehouse manager may ensure effective maintenance of stores records. (8 marks)
12. (a) Explain **six** factors that may influence an organisation to mechanize its materials handling system. (9 marks)

- (b) Explain **four** benefits that may accrue to an organisation from effectively preserving its materials. (8 marks)
13. (a) Explain **six** measures that may be instituted in an organisation to enhance safety of equipment used in the warehouse. (9 marks)
- (b) A newly established firm has decided to package its materials using plastic containers. Highlight **four** reasons that may account for such a decision. (8 marks)
14. (a) Highlight the importance of inspecting materials in an organisation. (8 marks)
- (b) Jawaka Company Limited has adopted the ABC analysis method of classifying materials in the Company. Highlight **six** advantages of using such a method. (9 marks)
15. (a) Highlight **four** challenges that an organisation is likely to experience from using the 'Through Flow' type of a stores layout. (8 marks)
- (b) Explain **six** factors that may influence the materials re-order levels in an organisation. (9 marks)
16. (a) Jimka Company Limited undertakes continuous stocktaking in the Company. Highlight **six** advantages of such an exercise. (9 marks)
- (b) Explain **four** benefits that may accrue to an organisation from indexing its stock items. (8 marks)

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