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STOREKEEPING



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WHAT IS STOREKEEPING?

- ✘ According to Alford and Beatty “storekeeping is that aspect of material control concerned with the physical storage of goods.” In other words, storekeeping relates to art of preserving raw materials, work-in-progress and finished goods in the stores.



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MEANING OF STOREKEEPING

- After the completion of purchase procedure, the next important aspect of materials management is storekeeping.
- A storehouse is a building provided for preserving materials, stores and finished goods.
- Storekeeping is the storage, preservation and control of material in a store or storehouse.



MEANING OF STOREKEEPING

- **The in-charge of store is called storekeeper or stores manager.**
- **The organization of the stores department depends upon the size and layout of the factory, nature of the materials stored and frequency of purchases and issue of materials.**



TYPES OF STORES

- ✘ **Stores may be centralized or decentralized.**
- ✘ **Centralized storage means a single store for the whole organization.**
- ✘ **Decentralized storage means independent small stores attached to various departments.**



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DIFFERENCE BETWEEN CENTRALIZED AND DECENTRALIZED STORES-ADVANTAGES

- Centralized storekeeping ensures better layout and control of stores.
- economical use of storage space.
- lesser staff
- saving in storage costs
- appointment of experts for handling storage problems.
- It further ensures continuous stock checking.
- **Decentralized stores involve lesser costs in managing material in the stores.**
- **Lesser time in moving bulky materials to distant departments .**
- **Helpful in avoiding overcrowding in central store.**
- **Easy and quick procurement by production department possible as decentralized stores are normally located near production department.**



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DIFFERENCE BETWEEN CENTRALIZED AND DECENTRALIZED STORES - DISADVANTAGES

- It leads to higher cost of materials handling,
- delay in issue of materials to respective departments,
- exposure of materials to risks of fire and accident losses are practical difficulties in managing big stores
- uniformity in storage policy of goods cannot be achieved under decentralized storekeeping,
- more staff is needed
- experts may not be appointed.



OBJECTIVES OF STOREKEEPING

- ❑ To ensure uninterrupted supply of materials and stores without delay to various production and service departments of the organization.
- ❑ To prevent overstocking and understocking of materials,
- ❑ To protect materials from pilferage, theft fire and other risks.



OBJECTIVES OF STOREKEEPING

- ❑ **To minimize the storage costs.**
- ❑ **To ensure proper and continuous control over materials.**
- ❑ **To ensure most effective utilization of available storage space and workers engaged in the process of storekeeping.**



WORKING OF THE STORES

- ✘ There are four sections in the process of storekeeping
- ✘ (a) Receiving section,
- ✘ (b) Storage section,
- ✘ (c) Accounting section, and
- ✘ (d) Issue section.



RECEIVING SECTION

- ✘ (i) Receiving incoming materials in stores.
- ✘ (ii) Checking and inspection of these incoming materials and stores.
- ✘ (iii) Recording the incoming materials in goods received book.
- ✘ (iv) Preparing and forwarding goods inwards note to purchasing section.



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RECEIVING SECTION

- ✘ (v) Informing the purchase department about damaged and defective goods and surplus or deficit supplies etc. along with rejection forms and notes.
- ✘ (vi) Returning damaged or defective goods to the suppliers in accordance with the instructions of the purchase department.
- ✘ (vii) Forwarding the materials to respective stores and locations where these are to be stored or preserved.



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STORAGE SECTION

- ✘ **The store room should be located at a convenient and appropriate place.**
- ✘ **It should have ample facilities to store the materials properly viz. bins, racks and shelves etc.**
- ✘ **There can be a single store room in case of a small organization, but a large scale concern can have different or multiple stock rooms in addition to general or main store.**



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STORAGE SECTION

- ✘ The separate stockrooms may be used for different classes of inventories.
- ✘ The material should be stored in such a manner as to protect it against the risks of damage, destruction and any kind of loss.
- ✘ Each article should have identifying marks viz., stamping, embossing, colour, coding and painting etc. These marks are very useful in locating or identifying an article in the stores.



ACCOUNTING SECTION

- ✘ **This section is concerned with keeping proper records with regard to receipt and issue of materials.**
- ✘ **The primary task of this section is to undertake the process of inventory control.**



ISSUE SECTION

- ✘ **The materials should be issued to respective departments on receiving duly authorized requisition slips.**
- ✘ **An entry should be made immediately on the bin card attached with the bin from where the material has been issued.**



ISSUE SECTION

- ✘ **Bin cards contain valuable information with regard to receipt and issue of materials, which is greatly helpful in exercising a system of inventory control.**
- ✘ **These cards are further helpful in determining various levels of materials viz., maximum, minimum, and re-ordering level.**



THANK YOU

✘ Source:

<http://www.yourarticlelibrary.com/material-management/store-keeping-meaning-types-objectives-functions-and-working-of-the-stores/26132>