

NEW

2015

MBA 3rd Semester Examination

MATERIAL MANAGEMENT

(Specialisation : Logistics and Supply Chain Management)

PAPER—LS-301

Full Marks : 100

Time : 3 Hours

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

Illustrate the answers wherever necessary.

1. Answer any *eight* questions : 5×8
- (a) "In recent times Materials Management is seen as a profit centre." — Briefly explain the statement.
 - (b) List the key objectives of materials management.
 - (c) Discuss the interface of materials management with marketing.

(Turn Over)

- (d) Make a list of methods by which you can achieve profitability in purchasing.
- (e) Distinguish between (any *two*) :
 - (i) Purchase requisition and Purchase order.
 - (ii) Good Receipts Note and Good Receipts Register.
 - (iii) FIFO and LIFO.
 - (iv) Cost on materials and Cost of Materials.
- (f) What is meant by inventory ? What are the different kinds of inventory ?
- (g) What is codification ? What is its importance ?
- (h) What is EOQ ? State the key assumptions under the EOQ system.
- (i) What are the different types of conveyors normally used in industries ? State the use of conveyors as material handling equipment in stores.
- (j) List the various factors that need to be considered while selecting material handling equipment.
- (k) What are the key factors one should keep on mind while determining a stores site.

- (l) Identify various kinds of stores used in Industry with suitable examples.

2. Answer any *four* questions from the following : 10×4

- (a) State the concept of primary objective and secondary objective of materials management. Discuss elaborately the primary objective of materials management. 2+8

- (b) "From the narrow concept of buying purchasing has widened its activity to policy activities and planning covering a wide range of related and complementary activities" — discuss this to establish the concept of purchase management.

- (c) State the factors influencing "make or buy" decision.

Raj Metals can purchase brass plates for Rs. 30 per unit or produce it in-house where the associated fixed and variable costs are Rs. 50,000 and Rs. 23 respectively. If the demand for this component is 5000 units per annum, ascertain whether it is economical to make the product in-house rather than outsourcing it. 4+6

- (d) Write short note on the following *two* : 5×2

- (i) Stockless buying ;
(ii) VED classification in inventory management.

- (e) Briefly discuss the different stages of a typical purchase cycle for a manufacturing organization.
- (f) "Importance and scope of materials management function has increased with globalization and competition." Discuss the statement in context of Indian organizations.

[Internal Assessment : 20]
