

VidyaVikasMandal's

Shree Damodar College of Commerce & Economics

M. Com (Semester III) Examination, November 2019

BUSINESS MANAGEMENT

COO320 – Materials Management (OA-18)

Duration: 3 Hours

Total Marks: 60

Instructions: 1) This paper consists of nine questions carrying equal marks.

2) Question 1 consists of 5 compulsory questions of 2 marks each.

3) Answer any 5 questions from question 2, 3, 4, 5, 6, 7, 8 and 9

4) Each question carries 10 marks. Figures to the right indicate marks.

1. Write short notes on the following: (5x2=10)
- A) JIT
 - B) Importance of Negotiation in Purchasing.
 - C) Inventory Management
 - D) FSN
 - E) Value of Information Technology in Materials Management
2. What is Integrated Materials Management? Discuss its significance. 10
3. 'Material Planning is an important activity in Materials Management.' Discuss this statement. 10
4. 'Discuss the procedure of the purchasing function in an organization. 10

VidyaVikasMandal's

Shree Damodar College of Commerce & Economics

M. Com (Semester III) Examination, November 2019

BUSINESS MANAGEMENT

CO0320 – Materials Management (OA-18)

Duration: 3 Hours

Total Marks: 60

Instructions: 1) This paper consists of nine questions carrying equal marks.

2) Question 1 consists of 5 compulsory questions of 2 marks each.

3) Answer any 5 questions from question 2, 3, 4, 5, 6, 7, 8 and 9

4) Each question carries 10 marks. Figures to the right indicate marks.

1. Write short notes on the following: (5x2=10)

A) JIT

B) Importance of Negotiation in Purchasing.

C) Inventory Management

D) FSN

E) Value of Information Technology in Materials Management

2. What is Integrated Materials Management? Discuss its significance. 10

3. 'Material Planning is an important activity in Materials Management.' Discuss this statement. 10

4. 'Discuss the procedure of the purchasing function in an organization. 10

5. Explain various strategies an organization can use for Supplier Development. 10
6. Outline various techniques to control Inventory Investment. 10
7. Explain the various Selective Inventory Control Techniques. Which technique do you recommend? Why? 10
8. Write a note on finalizing the purchase price of materials in an organization. 10

9. A manufacturer in Surat purchased 3 chemicals – A, B & C from Mumbai. The invoice gave the following information:

Chemical A 3000 kgs @ Rs.4.20 per kg	Rs. 12,600
Chemical B 5000 kgs @ Rs.3.80 per kg	Rs. 19,000
Chemical C 2000 kgs @ Rs.4.75 per kg	Rs. 9,500
Sales Tax @ 5%	Rs. 2055
Railway freight	<u>Rs. 1000</u>
Total	Rs. 44,155

A shortage of 200 kgs in Chemical A, 80 kgs in Chemical B and 100 kgs in Chemical C was noticed due to breakage. At Surat, the manufacturer paid Octroi duty at Rs. 0.40 per kg. He also paid cartage of Rs. 20 for Chemical A, Rs.60 for Chemical B and Rs.31 for Chemical C.

Calculate the stock rate that you would suggest for the issue price of chemicals assuming the provision of 5% towards future deterioration. 10