

PG Odd Semester (CBCS) Exam., November—2016

BUSINESS ADMINISTRATION

(3rd Semester)

Course No. : MBACC-3402

(Materials Management)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

The figures in the margin indicate full marks for the questions

Answer **all** questions

1. “Materials Management are the key components in supply chain links of a firm.” Comment on the same and give your views on the dynamics of materials management. Highlight the key decisions of ‘Magi Corporation’ related to Materials Management. 10+4=14

OR

2. (a) A distribution centre (DC) in wisconsin stocks Sony TV sets. The centre receives its inventory from a mega warehouse in Kansas with a lead time (L) of 5 days. The DC uses the reorder point (R) of 300 sets and a fixed order quantity (Q) of 250 sets. The current on hand inventory (OH) at the end of day 1 is 400 sets. There are no schedule receipts (SR) and there are no back order (BO). Assume that all demands and receipts occurs at the end of the day. The inventory position is compared to the reorder point after demands and receipts are accounted for. If necessary, an order is placed and inventory position is updated. Given the demand schedule in the table below, determine when to order using a Q system :

8

Day	Demand	Day	Demand
1	50	8	50
2	60	9	45
3	80	10	30
4	40	11	40
5	75	12	70
6	55	13	40
7	95	14	50

(3)

(b) How do you differentiate between P system and Q system of ordering the materials? 6

3. (a) Discuss in brief the time series technique of business forecasting. 6

(b) Using 3 months and 5 months moving average method, forecast for the 12 months : 8

Time (Month)	Observed value
1	210
2	150
3	185
4	195
5	310
6	190
7	160
8	150
9	240
10	265
11	235

OR

4. What do you mean by inventory models? Discuss in brief the inventory models under deterministic and probabilistic conditions. 4+10=14

5. Write short notes on the following : 7×2=14

(a) Materials cycle

(b) Purchasing principles

(4)

6. The table below gives data for three vendors of a single item. The management places great importance on quality, price and delivery. The three factors— quality, price and delivery are assigned individual weights of 40%, 35% and 25% respectively for this item. Calculate composite rating of each vendor. Give your comment : 14

Supplier	Inspection Analysis		Price Analysis		Delivery Analysis	
	Lots record	Lots accepted	Basic	Discount	Trans port	Deliveries missed
S1	75	66	25	5%	1·1	13%
S2	60	56	28	10%	1·2	9%
S3	28	28	32	18%	1·5	Nil

7. Discuss the application of computer and ICT in today's materials management operations. 14

OR

8. What is coding? Discuss in brief the different forms of coding adopted in store operations. Also mention the store operations of Cost Mart Warehouse. 4+6+4=14
