

S.No. : 106

BBAS 1402

No. of Printed Pages : 04

Following Paper ID and Roll No. to be filled in your Answer Book.

PAPER ID : 18803

Roll
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1	2	3	4	5	6	7	8	9	0	1	2	3	4	5	6	7	8	9	0
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B. B. A. (LSCM) Examination 2021-22

(Even Semester)

MATERIALS AND INVENTORY MANAGEMENT

Time : Three Hours]

[Maximum Marks : 60

Note :- Attempt all questions.

SECTION - A

1. Attempt all parts of the following : $8 \times 1 = 8$
- (a) Define the 4M of input resource.
 - (b) What do you understand by MRP?
 - (c) Explain the term procurement.
 - (d) What do you understand by speculative purchasing?
 - (e) Explain the term lead time.

[P. T. O.]

- (f) Briefly describe the term EPQ.
- (g) What do you understand by VED analysis.
- (h) Explain the term KANBAN.

SECTION – B

2. Attempt any two parts of the following : $2 \times 6 = 12$

- (a) What is purchase management? Explain the purchasing process system in a firm.
- (b) Explain how a materials manager has to keep in touch with various departments of a firm to ensure its smooth working.
- (c) From the following data for the last twelve month compute the average stock level for a component.

Maximum usage in a month = 300 units

Minimum usage in a month = 200 units

Average usage in a month = 225 units

Re-ordering quantity = 750 units

Time lag procurement for material = max 6 months and min 2 months.

- (d) What do you understand by vendor managed inventory? How can vendor managed inventory be applied successfully?

SECTION – C

Note:- Attempt all questions. Attempt any two parts from each questions. $8 \times 5 = 40$

3. (a) Define material management and its objective.
- (b) What is meant by a budget? How does budgeting control help a firm to know which way is the business moving?
- (c) Explain the different organisational structure types for material management department.
4. (a) Define the term 'Outsourcing'. Under which scenario, outsourcing is beneficial for an organisation? Explain in detail.
- (b) Briefly describe the various criteria while selecting by the supplier for a firm.
- (c) Define material handling. Why material handling is needed? Why minimization of material handling is necessary?

[P. T. O.]

5. (a) A company uses annually 14,000 units of a raw material costing Rs. 125 per unit. Placing each order costs Rs. 550 and the carrying costs are 15% per year per unit of the average inventory. Find the economic order quantity.
- (b) What are the different benefits of ABC classification? Explain in detail.
- (c) Discuss the P system and Q system of inventory management.
6. (a) Explain the process of JIT purchasing. How it is beneficial in terms of cost-effectiveness?
- (b) What is meant by bullwhip effect? How to eradicate the ill effects of the bullwhip effect?
- (c) Kanban is not just an inventory control system but rather a scheduling system. Highlight the main differences between JIT and KANBAN.

