

02186

**MANAGEMENT PROGRAMME**

**Term-End Examination**

**June, 2017**

**MS-056 : MATERIALS MANAGEMENT**

*Time : 3 hours*

*Maximum Marks : 100*

*(Weightage : 70%)*

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*Note : Attempt any four questions. All questions carry equal marks.*

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1. (a) Material flow and information flow are equally important in the material flow process. Elaborate.  
(b) Why is it said that focussed Human Resources Management acts as a key to Materials Management effectiveness ?
2. (a) Briefly discuss the various stages of the source selection process.  
(b) How is the performance of purchasing function dependent on supplier development ? Illustrate with an example.
3. (a) What are the various activities of materials management in manufacturing and process industries ? Elaborate the flow of materials with the help of a diagram.  
(b) MRP II evolved from MRP through a series of extensions to the functionality of MRP technique. Elaborate.

4. (a) Define inventory. What are the two sources of demand for inventory ?  
(b) Why is it said that a process inventory is the inventory of goods that are an essential part of the production process ?
  
  5. (a) What is meant by the concept of simplification ? How this concept is closely related to standardisation ?  
(b) Describe the factors that influence the decision making while locating the warehouse.
  
  6. (a) What are the advantages and disadvantages of organizing a purchasing department into specialized sub units ?  
(b) What is a safety stock ? How does it reduce the risk of stockout during the lead time ?
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