

Open Elective Course-3
SEMESTER I
MBOE104:Material Management

Course objective:-The aim of this course is to provide students knowledge about material management.

Syllabus & Detailed Contents

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Unit	Content	Hrs/Weightage			
Unit1:	Importance of material management -need of integrated concept – definition and scope –advantages in integrated material management concept. Organisation – based on commodities – based on function – interdepartmental relationship – material planning and budgeting – concept of logistics management.	10/25%			
Unit2:	Purchase management – negotiation – purchase system Material requisition – Purchase order –limited tender – open tender – comparative statement – follow-up purchase orders- purchase of capital items – payback period approach – return on investment approach – Internal Rate of return – Discounted cash flow method.	10/25%			
Unit3:	Import purchase procedure – capital equipment letter of credit – Bill of lading – importsubstitution – public buying rate and running contracts – service contracts. Buyer seller relation and ethics.Stores management – store keeping – objectives – functions – locations and layout- Store keeper – duties – responsibilities – stores system and procedures – goods received notes – goods receipt voucher – bin card – stores issue voucher – discrepancy report – stores accounting and stock verification – LIFO – FIFO average price method.	10/25%			
Unit4:	Inventory control – replenishment of stock – tools –ABC, VED and FSH Analysis – EOQ –Roeder point – safety stock – lead time analysis.Computers in materials management application – inventory control system – Material Resource planning system – list MIS reports in material management.	10/25%			

Course Learning Outcomes(CLO)

On completion of this course, the students will be able to:

1. Understand the concept and importance of material management.
2. Understand the functions of purchase management.
3. Apply import purchase procedure.
4. Analyze stores management functions.
5. Evaluate economic order quantity for inventory control.

SUGGESTED READINGS

TextBooks:

1. Material Management - M.M. Verma

ReferenceBooks:

1. Material Management-An Integrated Approach Inventory Control Theory & Practice – Gopalakrishna

