Time: Three hours

Maximum: 75 marks

PART A — $(10 \times 2 = 20 \text{ marks})$

Answer any TEN questions.

- 1. What is materials management?
- 2. What is inventory control?
- 3. What is inventory reduction?
- 1. Define re-order level.
- 5. What is safety stock?
- 6. What is XYZ analysis?
- 7. What is contract purchasing?
- 8. Define import sourcing.
- 9. Define main store.
- 10. What is scrap yard?
- 11. What is stock record?
- 12. What is quality control?

PART B — $(5 \times 5 = 25 \text{ marks})$

Answer any FIVE questions.

- 13. Describe the scope and need of materials management.
- 14. Explain the importance of economic order quantity in inventory control.
- 15. Describe the assumptions of economic lot production.
- 16. Explain the general procedure for implementing ABC techniques.
- 17. Describe the method of purchasing.
- 18. Differentiate between centralised and decentralised stores.
- 19. Explain the advantages of a centralised store.

PART C —
$$(3 \times 10 = 30 \text{ marks})$$

Answer any THREE questions.

- 20. Explain the factor for promoting goodwill between buyer and supplier.
- 21. Discuss the functional areas of materials management.

- 22. Discuss the limitations of EOQ model.
- 23. Discuss the steps involved in import purchase.
- 24. Explain the various stages in value analysis.

