

**MASTER OF BUSINESS ADMINISTRATION
(SCM)**

Term-End Examination

December, 2011

MCQ-006 : INVENTORY MANAGEMENT-BASIC

Time : 3 hours

Maximum Marks : 100

Note : *Answer any five questions.*

All questions carry equal marks.

1. Explain the concept of "Inventory Management." 20
What are the key issues involved in managing inventory ?
2. What is the need and relevance of "safety level" 20
in inventory management ? How the safety level is calculated ?
3. What are the different control mechanisms for 20
managing the inventory ? Explain with suitable examples.
4. What is EOQ ? How is it calculated ? 20
5. Write notes on following : 20
 - (a) Quantity discounts,
 - (b) Cost implications

6. Compare and contrast the terms "Value added Movements" and "Non Value added movements" under the framework of inventory management. 20

 7. What are the challenges and issues involved in packaging? Explain with a few examples. 20

 8. What do you mean by the term "Supplier Variability"? Which are the key points to ensure the selection of the most suitable supplier for a merchandise item? 20
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