



SDV – 06

M.Com. (Semester – III) Examination, November 2012

ACCOUNTING AND FINANCE

CO3A1 : Strategic Materials Management

Duration : 2 Hours

Max. Marks : 50

- Instructions :** 1) Question No.1 is **compulsory**.  
2) Answer any of the **internal** choices of **remaining** questions.  
3) **Marks** are indicated against **each** question.

1. Answer the following : (5x2=10)
- a) Define 'Vision'
  - b) Explain the importance of purchasing.
  - c) Briefly describe ISO 9000.
  - d) What is EOQ ? Discuss its assumptions.
  - e) What is TQM ? Describe its basic concepts.
2. a) Explain the strategic management process. 10
- OR
- x) "A managers task is to select an appropriate approach to implement a strategy".  
Discuss the fundamental approaches practised. 5
  - y) Explain the qualitative and quantitative control techniques in strategic control. 5
3. a) Define the term 'Business Ethics'. Discuss its importance and outline the sources of ethics. 10
- OR
- x) Explain the terms 'Corporate Culture' and ethical climate. 5
  - y) Describe the CSR practices adopted in the Indian Corporate Sector. 5
4. a) Prepare a Stores Ledger Account from the following details from Kumar and Co. using LIFO method of pricing the issue of materials. 10
- |                                       |                              |
|---------------------------------------|------------------------------|
| April 1 <sup>st</sup> Opening Balance | 10,850 Kgs. @ Rs. 130 per kg |
| " 2 <sup>nd</sup> Purchased           | 20,000 Kgs. @ Rs. 134 per Kg |
| " 3 <sup>rd</sup> Issued              | 6750 Kgs. to production      |
| " 5 <sup>th</sup> Issued              | 8500 Kgs. to production      |

P.T.O.

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" 6 <sup>th</sup> Receive back	550 Kgs. from production being surplus
" 7 <sup>th</sup> Purchased	17550 Kgs. @ Rs. 128 per Kg.
" 8 <sup>th</sup> Issued	11,250 Kgs. to production
" 9 <sup>th</sup> physical verification revealed a loss	250 kgs
" 10 <sup>th</sup> Issued	8,950 Kgs. to production
" 12 <sup>th</sup> Issued	6,300 kgs. to production
" 13 <sup>th</sup> Purchased	10,000 kgs. @ Rs. 132 per Kg.
" 16 <sup>th</sup> Issued	7,750 Kgs. to production

OR

x) From the following data for the year ending March 31, 2010, compute 6

- Cost of materials consumed
- Average Inventory
- Inventory turnover ratio
- Which of the two items of inventory is fast moving ?

	Material A	Material B
Opening stock	40,000	36,000
Purchases during the year	2,08,000	1,08,000
Closing stock	24,000	48,000

y) Following information relating to raw material 'x' is available. 4

Annual demand	2400 units
Unit price	Rs. 2.40
Ordering cost per order	Rs. 4.00
Storage cost	2% p.a
Interest Rate	10% P.a

Calculate EOQ.

5. a) The function of purchasing department is considered as a boundary spanning function. Discuss. 10

OR

- x) Write short notes on :
- Sample inspection 5
  - Selective inventory control techniques. 5