

**Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE
AND ECONOMICS, PONDA-GOA**

**M.COM. (SEMESTER-III) EXAMINATION, APRIL 2016
ACCOUNTING & FINANCE
CO3A1 STRATEGIC MATERIALS MANAGEMENT (OB10A)**

Duration: 2 hours

Total Marks: 38

Instructions: Answer all questions.

Q1] Write short note on: (3X2=6)

- a) Strategic intent
- b) Importance of IT in materials management
- c) Value analysis

Q.2.A] Explain the nature of strategy implementation and barriers to strategy implementation. (8)

OR

Q.2.B] What is corporate social responsibility. Discuss its importance. (8)

Q.3.A] Define the term business ethics. Discuss its importance and outline the sources of ethics. (8)

OR

Q.3.B] Explain pre-purchase, purchase and post purchase stages while purchasing materials for the organisation. (8)

Q.4.A] Glamour ltd. produces a product which has a monthly demand of 4,000 units. The product requires a component X which is purchased at Rs. 20. For every finished product, one unit of component is required. The ordering cost is Rs. 120 per order and the holding cost is 10% p.a. you are required to calculate:

- a) Economic order quantity
- b) If the minimum lot size to be supplied is 4,000 units, what is the extra cost, the company has to incur?
- c) What is the minimum carrying cost, the company has to incur?

OR

Q.4.B] The “received” side of the stores ledger account shows the following particulars:

Jan 1 opening balance:	500 unit's @Rs. 4
Jan 5 received from vendor:	200 units @ Rs. 4.25
Jan 12 received from vendor:	150 units @ Rs. 4.10
Jan 20 received from vendor:	300 units @ Rs. 4.50
Jan 25 received from vendor:	400 units @ Rs. 4

Issues of materials were as follows:

Jan. 4 – 200 units;
Jan. 10 – 400 units;
Jan. 15 – 100 units;
Jan. 19 – 100 units;
Jan. 26 – 200 units;
Jan. 30 – 250 units;

Issue prices to be priced on the principle of FIFO. Write out the stores ledger account in respect of the materials for the month of January. (8)

Q.5.A] Explain approaches for controlling inventory investment. (8)

OR

Q.5.B] Explain the fundamentals of store keeping. (8)