

AC 29/4/13

Item no. 4.108



## **Purchasing and Storekeeping (Applied Component) - I**

**w.e.f. the academic year 2013-2014**

**T.Y.B.Com. Semester - V**

### **Module – I Materials Management - Classes & Types (15 lectures)**

- Definition, Meaning
- Importance
- Essentials of Materials Management
- Scope
- Objectives
- Functions of Materials management
- Benefits of Materials Management
- Materials requirement planning (MRP) - meaning, needs, factors affecting MRP
- Materials Budget – factors and procedure
- ‘E’ materials management - Computer application and operation, uses and advantages
- Classes of Materials / Types of materials
- Raw materials, parts, WIP, inventories, finished goods, tools, equipments, etc.

### **Module – II Scientific Purchasing (15 lectures)**

- Types of Buyers, Consumers
- Personality traits for purchase executives (qualities on qualification)
- Organization of purchase department – functions of purchase department
- Objectives of Scientific Purchasing
- Purchasing Principles
- Importance of Purchasing
- Co-ordination of purchase department with other department
- Purchasing Policy
- Speculative buying v/s Conservative buying
- Concentrated buying v/s Diversified buying
- Reciprocal buying policy
  - Purchase methods and Classification – advantages, limitation & distinguish
  - Market purchasing
  - Contract purchasing
  - Centralized and decentralized purchasing
  - Speculation and Hedging

- Forward purchasing
- Group purchasing
- Job lot purchasing through commission agent
- Purchase through quotations

### **Module – III Purchase Procedure**

(15 lectures)

- Make or buy or import decision
- Ethics in buying
- Buyer and Seller relationship
- Purchase Cycle
- Sources and supplier's development – methods
- Selection of suppliers – factors
- Vendor rating and vendor development
- Home trade purchasing
  - Purchase requisition, Quotation – types, invoice to final settlement and payment
- Legal aspects of contract – contents – clauses
- Records maintained by Purchase Department
- Documentation
- Import trade procedure
  - Indent house / firm
  - Functions and services offered by indent house
  - Procedure of Importing
  - Documentation

**Suggested Reading Material: (Sem – V & VI)**

1. Ammer, Dean S : Materials Management (Richard D. Irwin Inc. U.S.A.).
2. Baily, Peter and Farmer, D. : Purchasing Principles and Techniques : Arnold Heinemann Publishers India – New Delhi.
3. Baily, Peter : Purchasing Principles and Management.
4. Benjamin Melnitsky : Industrial Storekeeping Manual (Chilton Company, Philadelphia).
5. Branch, Alan E. : International Purchasing and Management : Thomson Learning.
6. Buchan and Keenigsberg : Scientific Inventory Management : Prentice – Hall, U.S.A.
7. Bagade, Shankar D. : Production and Materials Management : Himalaya.
8. Chadha, H. L. : Industrial Purchasing and Materials Management (Jaico Publishing House, Bombay).
9. Datta, A. K. : Modern Materials Management (Indian Society for Materials Management, Calcutta).
10. Deb. A. : Materials Management (Academic Publishers, Calcutta).
11. Dr. P. K. Bangar and Dr. B. S. Rupnawar  
Purchasing and Storekeeping – Himalaya Publication House.
12. Dobler, Donald W. : Purchasing and Supply Management – Text and Cases : Tata McGraw Hill, 2000.
13. Gupta D. R. : Purchasing and Storekeeping : Tata McGraw Hill.
14. Gokarn, P. R. : Essentials of Materials Management : Somaiya.
15. Gopalakrishnan, P. and Sandiya, M. S. : Purchasing Strategy (Sterling Publishers Pvt. Ltd., New Delhi).
16. Gopalakrishnan, P. and Sundaresan, Materials Management : Prentice Hall of India, New Delhi).

17. Gopalakrishnan, P. Purchasing and Materials Management : Tata McGraw Hill – 2001.
18. Heinritz, Stuart F. : Purchasing Principles and Applications (Prentice Hall–U.S.A.)
19. Kapoor, P. P. : Modern Purchasing – Principles and Practices : S. Chand and Co. Ltd., New Delhi.
20. Lee, Lamer : Purchasing and Materials Management – Texts and Cases : Tata McGraw Hill.
21. Magee, John F. : Production Planning and Inventory Control (McGraw Hill, U.S.A.).
22. Materials Management, Inventory Control and Logistics – Texts and Cases.
23. Menon K. S. : Stores Management : McMillan India Ltd., 1996.
24. Menon K. S. : Purchasing and Inventory Control : Wheeler.
25. Morrison, A : Storage and Control of Stock (Pitman Publishing Co., London).
26. Nair, N. K. Purchasing and Materials Management : Vikas.
27. Roy Chowdhury, B. K. : Management of Materials (Sultan Chand and Sons, New Delhi).
28. Varma : Essentials of Store Keeping and Purchasing : M. M. Sultan Chand.
29. Westing, J. H., Fine, I.V., Zenz, G. J. : Purchasing Management (Wiley Eastern Ltd., New Delhi).

**Paper Pattern of Semester V  
T.Y.B.Com.  
Purchasing and Storekeeping**

Maximum Marks: 60  
Duration: 2 hours

- N.B. (i) All questions are compulsory.  
(ii) All questions carry equal marks.

Q.1 Answer any one from the following - (15 marks)

- a.
- b.

(from module no. I)

Q.2 Answer any two from the following - (15 marks)

- a.
- b.
- c.
- d.

(from module no. II)

Q.3 Answer any two from the following - (15 marks)

- a.
- b.
- c.
- d.

(from module no. III)

Q.4 Answer the following (objective type question)  
(Covering entire syllabus)

- a. Match the following (5 marks)
- b. True or False (not reason) (5 marks)

- c. Multiple Choice (5 marks)  
OR  
Fill in the blanks (5 marks)





## **Purchasing and Storekeeping (Applied Component) - II**

**w.e.f. the academic year 2013-2014**

**T.Y.B.Com. Semester - VI**

### **Module – I Store Department & Inspection of Materials (15 lectures)**

- Definition and Meaning
  - Objectives
  - Functions
  - Duties and responsibilities of Storekeeper /Store Controller /Stock Controller
1. Types of Organization of stores
  2. Storage Section / Department – Stages in Storekeeping
  3. Objectives of storekeeping
  4. Functions of Store-keeper
  5. Layout of stores - factors affecting, importance
- Preservation of materials / Care taken by store department
  - Store Records – objectives, needs
  - Store recording and documents used
  - Store Ledger and Bin Card - meaning, advantages
  - Documentation
  - Inspection of materials – meaning, importance, methods
  - Physical verification of stores – meaning, methods

### **Module – II Store Accounting (15 lectures)**

- Importance of Store Accounting & Issue Section
  - Advantages of Stores Accounting System
  - Documents maintained
- Issue Section – Methods of valuation of materials
- Control of material cost
  - Valuation of purchases
  - Material handling section – objectives, principles and advantages

- Codification – features, methods and advantages
- Goods received note material, return note, material transfer note

#### Materials control activities and functions

Identifiable cost method – uses and applicability

- Methods of valuation of materials – meaning, advantages, disadvantages
- FIFO method
- LIFO method
- Simple average method
- Weighted average method
- Deficiencies and surplus at stock materials
- Stock taking and stock audit
- Documentation
- Lead time – meaning and classification

#### **Module – III Inventory Control**

(13 lectures)

- Inventory levels – various stock levels - Maximum level, Average Stock level, Re-order level, Minimum level
- Meaning of Inventory control, objectives of Inventory control
- Essentials of successful inventory - control system
- Activities of Inventory of control techniques
- Perpetual Inventory control system
- Importance and advantages
- Selective in techniques of Inventory control
- Value analysis / Cost reduction techniques – steps
- ABC analysis
- Zero inventory culture
- Economics order quantity – methods and importance

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T.Y.B.Com.  
Purchasing and Storekeeping**

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