

## **MBG5083 PURCHASING AND MATERIALS MANAGEMENT**

Course Code	MBG5083	Semester	IV
Course Title	<b>PURCHASING AND MATERIALS MANAGEMENT</b>		
Credits	3	Type	Elective III-Operations

**This skill-based course is enriched with concept applications, practical knowledge, and competency-oriented.**

### **Course Description**

- To introduce students to the basics of purchasing and material planning to controlling in an organization.

### **Course Outcome**

By the end of the course, students are expected to be able to equip with the following outcomes:

1. Knowledge gained:
  - Demonstrate an understanding of the basic concepts in Materials Management.
  - Understand the Forecasting Techniques in Materials Planning and Budgeting.
  - Have an idea on the role of Purchasing, Suppliers and Vendors in Material Management.
2. Skill gained:
  - Skills on MRP, Budgeting , Value Analysis and Warehouse management with the latest technology.
3. Competency gained:
  - In-depth understanding of Store management, Layout and various disposals.
  - Ability to analyze and evaluate material handling through value analysis and engineering.

### **Course Structure**

The following is a detailed syllabus. ....

#### **Module I**

Importance of materials management, integrated approach. Materials management at micro-macro levels. Total concept – Systems approach. The materials function – interfaces-Benefits of integrated systems approach.

#### **Module II**

Forecasting & Planning. Forecasting methods, factors affecting forecasts – Materials planning, Materials Cycle and Flow Control Systems, Materials Budget.

#### **Module III**

Purchasing, Purchasing organization, duties of purchasing department, centralized and localized purchasing, purchasing policies, budgets, methods of purchasing, buying

factors, source selection, source development, supplier performance appraisal make or buy decision, Vendor – Vendee relations, Vendor development, International purchasing – purchasing procedures and records : Requisition, purchases order follow up and expediting systems, receipt and inspection.

#### **Module IV**

Stores management and Control: Stores and Stores organization: organization of stores location and layout of stores; functions of stores keeping; stores records and procedure; salvage and surplus disposal & scarp disposal. Standardization and variety reduction. Merits and demerits of codification.

#### **Module V**

Materials handling systems basic principles. Types equipment, materials handling, movement and storage cost. Evaluation of material handling – Evaluation of value, essentials of value, essentials of value analysis and engineering. Organization for value analysis.

#### **Testing & Evaluation (if any)**

- Assignments
- Case analysis/ Problems
- Seminar/Project
- Discussions/ Group activity
- Internal Test

#### **References**

1. PremVrat (2016). Materials Management: An Integrated Systems Approach. Springer, First edition.
2. Chapman Stephen N., Arnold J. R. Tony, Gatewood Ann K. & Clive Lloyd M. (2017). Introduction to Materials Management. Pearson Education, Eighth edition. 81
3. Chitale A.K. & Gupta R.C. (2014). Materials Management a Supply Chain Perspective: Text and Cases. Prentice Hall India Learning Private Limited; Third edition.
4. Gopalkrishnan P. & AbidHaleem (2015).Handbook of Materials Management. Prentice Hall India Learning Private Limited; Second edition.
5. Gopalkrishnan P. (2017).Purchasing and Materials Management. McGraw Hill Education, First edition