

Purchase and Material Management

SL.No	Particulars	Sessions
1	Materials Management an overview a) Introduction, b) Importance of Materials Management c) Objectives of Materials Management d) Costs involved in the Management of Materials e) Integrated approach to Materials Management f) Organizing Materials Management. g) Organization based on Commodities. h) Organization based on Location. i) Organization based on function j) Inter-departmental relationships k) Centralized versus Decentralized materials management.	1 Session of 3 Hours
2	Materials Planning a) Introduction and factors influencing materials planning b) Techniques of materials planning c) Bill-of-Materials d) Materials Requirement Planning (MRP). e) Past Consumption Analysis Technique f) Moving Average method. g) Exponential Smoothing	1 Session of 3 Hours
3	Purchasing a) Purchasing principles, policies, procedures and practices b) Objectives, scope, responsibility and limitations c) Sources of supply and Supplier selection. d) Vendor development-evaluation and rating. e) Price forecasting f) Price-cost analysis g) Negotiations h) Reciprocity i) Legal aspects of purchasing	1 Session of 3 Hours

	<ul style="list-style-type: none"> j) Purchase orders/ contracts k) Method of buying- under certainty, under risk, and under uncertainty. 			
4	<p>Purchasing and Procurement Activities under Materials Management.</p> <ul style="list-style-type: none"> a) Supplier Quality Assurance Programme b) Buyer Supplier Relationship c) Self certified suppliers. d) Elements of procurement cycle. 	1 Session of 3 Hours		
5	Purchasing of Capital Equipment	1 Session of 3 Hours		
	<ul style="list-style-type: none"> a) Significant differences b) Considerations in evaluation of bids c) Purchase of used equipment d) Sources of used equipments e) Purchase versus lease. f) Role of Purchasing Committees/ Purchase Managers. 			
	International procurement-Imports.			
	<ul style="list-style-type: none"> a) International commercial terms. b) Import procedures and documentation. 			
	6		<ul style="list-style-type: none"> c) Categories of importers. d) Identification of foreign sources. e) Payment terms including Letter of credit. f) Types of L/Cs. g) Custom tariff h) Custom clearance. i) Bill of Lading and other documents. 	1 Session of 3 Hours
	7		<ul style="list-style-type: none"> Classification of Materials a) Introduction and objectives of classification. b) Basis of classification. c) Classification on the basis of stage of conversion process d) Classification on the basis of nature of materials. e) Classification on the basis of usability of materials. 	1 Session of 3 Hours

	f) Types of inventories.	
	Materials receipt and stores	
	a) Introduction and functions of scientific store management.	
	b) Types of stores and benefits of scientific storekeeping.	
	c) Store location and layout.	
	d) Typical layout plans	
	e) Storing practices and identification of materials.	
	f) Centralization and Decentralization of stores.	
	g) Preservation of stores.	
	h) Issue control.	
	Codification	
	a) Introduction	
	b) Benefits of codification.	
	c) Stages of scientific codification.	
	d) Systems of codification.	
	e) Colour coding.	
	Standardization	
	a) Introduction and different levels of standards	
	b) Various Foreign Standards in use in India.	1 Session
9	c) How is an Indian standard evolved?	of 3 Hours
	d) Advantages of Standardization.	
	e) Standardization as a tool for variety reduction	
	f) The Role of Materials Management (Purchase/Stores) in Standardization/ Variety Reduction.	
10	Stores Accounting and Stock verification	1 Session of
	a) Costing of Receipt of Materials.	3 Hours
	b) Costing of Issues to Production.	
	c) Stock verification	
	d) Periodic Verification.	
	e) Perpetual Verification.	
	f) Process of Verification.	

Material Transportation
20 Principles of Material Handling
Palletisation
Containerization
Transportation Modes / Attributes
Transportation mix in Economy
Total cost concept in Material Handling and Transportation.

Reference Text

- Materials and Logistics Management By Prof. L.C. Jhamb (Everest Publishing House, Pune).
- Purchasing and Materials Management By P.Gopalkrishnan (Tata McGraw Hill, New Delhi).
- Materials Management –An integrated approach By P.Gopalkrishnan and M. Sundaresan (Prentice-Hall India, New Delhi).
- Materials Management-Procedures, Text and Cases By A.K. Datta (Prentice-Hall India, New Delhi).
- Introduction to Materials Management By JR Tony Arnold and Stephan Chapman (Pearson Education, New Delhi) 2004 Fifth Edition.
- Purchasing and Materials Management By N.K.Nair (Vikas Publishing House, New Delhi).