



End Semester/Reappear (Semester II) Examination July 2022

Programme: BBA (Logistics)
Subject: Forecasting & Inventory Management
Subject Code: L19C14
Enrollment No: _____

Full Marks: 70
Time: 3 Hrs.

Section I

1. Short Answer type questions. Answer any four.

4 x 5 = 20

- Explain what you understand by “Short Term Forecasts” and “Long Term Forecasts”.
- Explain what you mean by “Regression Analysis”.
- For the control of Inventory of Spares in any industry, discuss the different stages where the control can be applied.
- Discuss in brief the categories into which the spares can be classified.
- What is “Codification”? Write about the Principles of Codification of Materials.
- Discuss what you understand by “Customer Service level” in relation to inventories. Explain. Why should we consider measuring service level in place of stock days for inventory management?

Section II

Long Answer type questions. Answer any three.

3 x 10 = 30

- Explain “Demand Forecasting” and “Demand Planning”. Discuss the seven factors which help in determining the demand of goods.
- Discuss what do you understand by Multi-echelon Inventory Systems.
 - Define ‘Inventory Turnover Ratio’. Explain the interpretations that we can make from Inventory Turnover Ratio.
- Explain what do you understand by “Collaborative Planning, Forecasting and Replenishment” (CPFR). Who are basically the stake holders in CPFR? List the various benefits that can be achieved by successful implementation of CPFR.
 - What is the working principle of “Collaborative Planning, Forecasting and Replenishment” (CPFR)? Discuss the (nine) steps involved in the implementation of CPFR model stages.
- Differentiate between “Work-in-Process Inventory” and “Finished Goods Inventory”. Evaluate the reasons for high finished goods inventory.
- Monthly consumption of a particular item belonging to 'B' category and having unit price of Re. I has been estimated to be 300 units. The inventory carrying cost and the procurement cost for the company have been computed to be 18% and Rs. 36 per order respectively. Stock records show that this item can normally be procured within a period of one month. If the company adheres to the policy of one month safety stock for all 'A' and "B" category of items.
Solve & Calculate - (a) re-order quantity (b) re-order level (c) minimum level (d) maximum level, and (e) average inventory assuming re-order level system of replenishment.

Section III

Application based questions. Answer any one.

1 x 20 = 20

- Appraise the relevance of codification in warehousing. Recommend the points that need to be taken care for preparing a good codification system for the items in the inventory
- With the help of Graphical Representation explain the working of “Fixed Order quantity System”. Explain how the “Fixed Order Quantity System” differ from the “Fixed Order Interval System”?
- What do you understand by “Survey Method of Forecasting” and “Statistical Method of Forecasting”? Explain. (5 marks)
 - Discuss and Differentiate between “Moving Average Method” and “Weighted Average Method” of Forecasts. (7.5 marks)
 - Describe the “Delphi Method of Forecasting” and “Jury of Expert’s Method of Forecasting”. Which one of the two methods give more accurate results? (7.5 marks)