BRAINWARE UNIVERSITY

Term End Examination 2025-2026
Programme – MBA-2024
Course Name – Inventory and Warehouse Management
Course Code - MBA40205F
(Semester IV)

Full Marks : 60 **Time : 2:30 Hours**

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A

(Multiple Choice Type Question) 1 x 15=15

1. *Choose the correct alternative from the following :*

(i) Define inventory in the context of operations management.

a) Finished goods only b) Raw materials only
c) Stock of goods held for future use or sale d) Cash balance

(ii) Define the primary objective of inventory management.

a) Maximize stock levels b) Minimize customer service
c) Balance cost and availability d) Increase warehouse size

(iii) Cite the role of inventory in ensuring smooth production.

a) Increases idle time b) Acts as a buffer against uncertainty
c) Reduces sales d) Eliminates suppliers

(iv) Define cycle inventory.

a) Inventory for emergencies b) Inventory due to batch production
c) Obsolete inventory d) Returned goods

(v) Cite which of the following is NOT a type of inventory.

a) Raw material b) Work-in-progress
c) Finished goods d) Depreciation

(vi) Apply effective inventory management to reduce

a) Customer satisfaction b) Holding and shortage costs
c) Sales volume d) Product quality

(vii) Define carrying cost of inventory.

a) Cost of purchasing goods b) Cost of maintaining inventory over time
c) Cost of transportation d) Cost of order processing

(viii) Cite which factor directly affects inventory profitability.

a) Office rent b) Inventory turnover ratio
c) Employee attendance d) Advertising frequency

(ix) Define the importance of inventory in supply chain continuity.

a) Causes delays | b) Prevents production stoppages
c) Reduces supplier role | d) Eliminates forecasting

(x) Apply inventory policy to decide order quantity based on

a) Random choice | b) Demand and lead time
c) Advertising budget | d) Competitor pricing

(xi) Analyse the Economic Order Quantity (EOQ) concept.

a) Maximizes ordering cost | b) Minimizes total inventory cost
c) Eliminates holding cost | d) Increases shortages

(xii) Evaluate the assumptions of the EOQ model.

a) Variable demand | b) Constant demand and lead time
c) Frequent shortages | d) No ordering cost

(xiii) Evaluate the effect of EOQ on inventory levels.

a) Increases variability | b) Maintains optimal order size
c) Eliminates inventory | d) Causes overstocking

(xiv) Analyse the importance of JIT inventory system.

a) Encourages overstocking | b) Reduces waste and holding cost
c) Increases safety stock | d) Delays production

(xv) Evaluate a limitation of Just-in-Time (JIT).

a) High inventory buffers | b) High dependency on suppliers
c) Reduced quality | d) Increased storage

Group-B

(Short Answer Type Questions) 3 x 5=15

2. Determine the importance of inventory management. (3)
3. Define the types of inventory. (3)
4. Cite the major costs associated with inventory. (3)
5. Analyse the role of ERP modules in inventory management. (3)
6. Evaluate the scope of inventory control in supply chain management. (3)

OR

Estimate the need for selective inventory control. (3)

Group-C

(Long Answer Type Questions) 5 x 6=30

7. Define inventory and explain its principles, role, and importance in an organization. (5)
8. Determine the relationship between inventory and profitability and explain the impact of inventory on total logistics cost. (5)
9. Analyse the impact of inventory control on working capital in a pharmaceutical company. (5)
10. Evaluate JIT implementation challenges and solutions in the automobile industry. (5)
11. Estimate how VMI improves supplier-customer collaboration in the retail sector. (5)
12. Evaluate the scope of inventory control in a retail company like Walmart. (5)

OR

Estimate the application of Just-in-Time (JIT) inventory in the automotive sector. (5)

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