

■■■■ CHAPTER - VI ■■■■

CONCLUSIONS & SUGGESTIONS

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INTRODUCTION:-

This is the last and concluding chapter of the present study summerising in brief the main observations and suggestions based on the analysis and interpretation of materials management.

Following are the important conclusions and suggestions of the study:

CONCLUSION AND SUGGESTIONS:-

1. The factory (Ajinkyatara Sahakari Sakhar Karkhana Ltd.,) has centrally organised store for its convience and benefit. The researcher is also of the opinion that, the type of stores organisation (central store) is suitable and benefical to the factory.

2. The factory has followed the purchase procedure which is convience and scientific procedure.

The researcher is also of the opinion that, the purchase procedure is suitable and benefical to the factory.

3. It is observed that, in selecting a vendor, committee is appointed. In this committee there are seven members viz. Five Board of Directors and Managing Director and Purchase Officer.

For supplying particular type of material, as there is no representation of a concerned expert on that committee there is possibility of wrong selection of vendor. In order to avoid the adverse consequence of such selection. It is suggested that an expert should invited while selecting the vendor.

4. It is observed, in 'Ajinkyatara Sahakari, Sakhar Karkhana Ltd., Shahunagar', all stocks and stores are denoted by their common or proper names and this is the most reading understandable method of describing them. But, difficulty arises when the same article is known by different names and slightly different nomenclature may lead to wrong issue. Codification avoids these variations.

Therefore, the researcher is of the opinion that, if in store, codification system is followed the routine work may be done efficiently and without mistakes. Codification system is used for efficient working.

5. For some items of materials, it is observed that, the stock levels have been fixed and recorded on the Bin card.

But for the large number of items, such

levels are not been fixed. Naturally, the question of observing these levels and exercising the control through it doesn't arise.

Hence, it is suggested that, for all items of materials stock levels should be fixed and observed for effective controlling.

6. It is observed that, the factory at present followed a method 'First in First Out' for issuing the inventory and also receiving raw materials for production.

This is convenience and right method that they used.

The researcher is also of the opinion that, this 'First In First Out' method of issuing is beneficial to the factory.

7. It is observed that, factory at present is not using, Inventory control, system called 'ABC Analysis System' Now a days, ABC analysis system of inventory control has come into vogue and the control is exercised over the variety of inventory according to value.

For reducing inventory carrying cost control through ABC analysis is proved an effective tool.

Therefore, the researcher suggests the use of this technique in the factory.

8. The factory at present is using the Annual stock checking system. The number of persons looking after store is five which is insufficient according to the concerned officer's work. For stock taking purposes perpetual inventory system is more useful than the annual stock checking. This is because, the purpose of annual stock checking system can very well be served by perpetual inventory system without closing the working of the stores.

Taking into consideration the availability of staff, the researcher thinks that, of continuous stock checking system is used. It will be more beneficial from the point of view the available staff and the factory.

9. It is observed that, computer system is used in the factory for the purpose of accounting, other than stores accounting.

It is suggested that, the computer system may also be applied to materials management in order to take advantage of modern technology for increasing efficiency.

10. From the discussion carried on with the staff of purchase and stores department. It is observed that, nobody has received any formal training in materials management. In order to increase the efficiency the staff in the area of materials manager they should be given formal training.

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