

## **CHAPTER II**

## 2.1 OBJECTIVES

The main objective of the present study is to develop a Computerised Scientific Inventory Control System for a selected Co-operative Product Manufacturing Unit.

The other objectives are ;

- i) To study and analyse the manual procedures adopted by the Stores Dept. for the selected unit and to study & analyse the profit & sales of finished goods in market. Hence, the data related to enhance the sale of finished goods will be studied and analysed.
- ii) To study the present reporting procedure adopted by the organisation. (While studying the present reporting procedures it is necessary to study the existing method of reporting which is useful for the development of computerised system.)
- iii) To analyse and interpret the present classification of the stores data, so as to minimise the risk of losses.
- iv) To reduce the administrative workload of Stores and other related departments.
- v) To minimise the capital investments made in inventories with references to the sales and financial requirements of the organisation.

vi) To maintain uniform flow of materials so as to ensure continuity of production operations by avoiding the stock-out situations.

vii) To maintain periodical reconciliation between the physical stock and book balance.

viii) To develop the software package which is user friendly.

ix) To implement the developed software package by giving proper information and training to the Store Department.

x) To audit the output reports.

xi) To rehabilitate employees affected by the introduction of computer systems.

## 2.2 METHODOLOGY

The methodology adopted for the study is as follows.

The initial activities of the stores department and its co-related departments are studied by discussing with the Senior Officers, Clerks of the Stores Dept,. The Manager plays an important role while discussing the existing and expected working of Stores Department. While discussion it is found that the Stores Department has various activities which can be broadly categorised in it.

1. Daily Reports.
2. Monthly Reports.
3. Half Yearly Reports
4. Yearly Reports.

The various manual report formats are collected, studied and the required information is collected from the concern departments. The new computerised formats of all necessary reports are prepared and shown to respective authorities and by inspection, the approval has been given.

The developed software is tested first with test data and then with the actual data. For development of Computerised Scientific Inventory Control System the data regarding Stores, Purchase and Accounts has been collected from respective departments.