

2 Materials management is a core supply chain function and includes supply chain planning and supply chain execution capabilities.

Specifically, materials management is the capability firms use to plan total material requirements. The material requirement and other functions for sourcing.

Materials management is the planning, directing, controlling and coordinating those activities which are concerned those with materials and inventory requirement, from the point of their introduction into the manufacturing process.

→ Importance of Material management.

① The material cost content of total cost is kept at a reasonable level. Scientific purchasing helps in acquiring materials at reasonable price proper storing of materials also helps in reducing their wastages. ~~There is~~

② The cost of indirect materials is kept under check. Some times cost of indirect materials also increases total cost of production.

③ The equipment is properly utilized because there are no break downs due to late supply of material.

④ The loss of direct labour is avoided.