

Ans 2) Material management is defined as the co-ordination function responsible to plan for ~~acquiring~~ acquiring, storing, moving and control material and final product to optimize usage of facilities personal capital funds and to provide customer services in line with corporate goals.

Importance of Material mgmt

- ① According to reports material cost is about 60 to 80% of the total cost of production
 - ② Indirect cost and the cost of materials movement are well within control
 - ③ Loss of time of direct labour is minimized.
 - ④ Material planning and programming are required
- Material Management

- of production related activities
- ⇒ It is applicable in inspection of raw material parts and component and finished goods.
 - ⇒ It is applicable in plant location (Place of the plant) and layout (Physical arrangement of the plant) related activities.
 - ⇒ It is applicable in quality control by means of which product of uniform acceptable quality is manufactured.



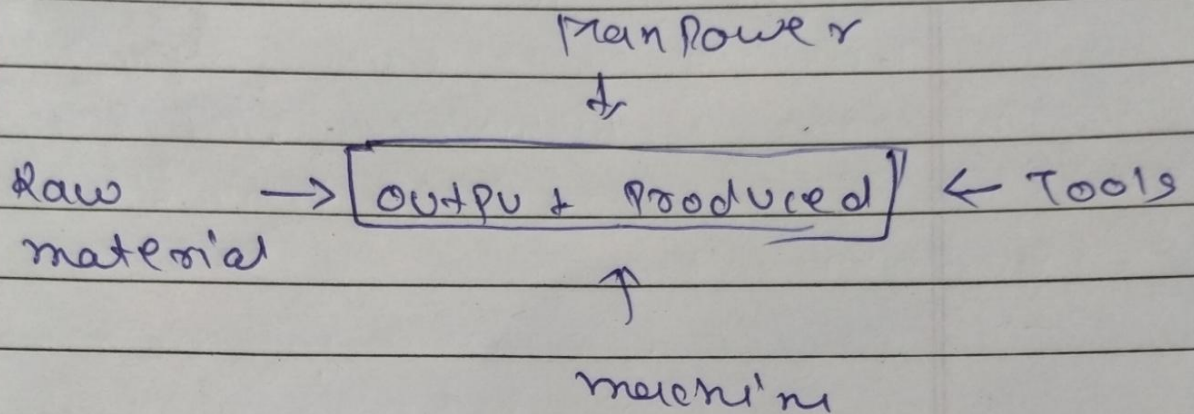
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Fixed Position layout

The layout in which production operation is performed in a fixed position is called project layout or fixed position layout. Airplane and ship building industries use this type of layout. While making a rocket, the workmen / scientists, machines, and tools and the raw materials are moved to the place of construction

(21)

of the socket. Building bridges
roads metro rails etc.
are all projects



Advantages of project layout

(1) It minimizes movement of
machineries & equipment,

(2) More continuity in production
several activities can take
place simultaneously.