

# Material Management ?

Every organization uses a number of materials. It is necessary that these materials are properly **purchased, stored and used**. Any avoidable amount spent on materials or any loss due to wastage of materials increases the cost of production.

# Direct Materials

Examples : Fabric , Steel , Timber

# Indirect Materials

Examples : ~~Cleaning supplies, grease and~~  
disposable items like gloves  
used in a manufacturing process

## function/scope

Material  
Planning  
and  
Control

Purchasing

- Supplier selection
- Mkt Research
- Order placement
- Receive purchase Request.

store  
mgt.

- Physical stock
- Transfer stock
- store design.
- Material sufty.

Inventory  
mgt

- ABC analysis
- First In First out.
- Minimum order qty.
- Economic order qty.
- Just In Time

Other aspect of  
material m.

- Standard
- simplification
- specification