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PRESIDENCY UNIVERSITY

Presidency University Act, 2013 of the Karnataka Act No. 41 of 2013 | Established under Section 2(f) of UGC Act, 1956
Approved by AICTE, New Delhi | Approved By BCI
Bengaluru

Even Semester Mid Term, March 2026

Date: 12/03/2026

Time: 09:30 AM - 11:00 AM

Course Code: MBA3151	Course Name: Inventory and Warehousing Management	
Semester: Fourth Semester	Max. Marks: 50	Weightage: 50%

CO - Levels	CO1	CO2
Marks	15	55

Part A: Answer Following Questions. 15 M

Qn.No	Questions	M	CO	BT
1	Describe the role of an "Advance Shipment Notice" (ASN) in the inbound warehousing process.	3	CO1	BT2
2	Explain briefly all the six steps of Warehousing.	3	CO1	BT2
3	Explain the concept of "Cross-Docking" and its impact on inventory holding.	3	CO1	BT2
4	Summarize the "Golden Zone" principle in warehouse slotting.	3	CO1	BT2
5	A retailer's Warehouse Management System (WMS) shows 50 units of an item, but the shelf is empty. Explain the financial consequences of this "understocking" error.	3	CO1	BT2

Part B: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
6	A pharmaceutical warehouse stores temperature-sensitive vaccines. A WMS audit shows that "Work-in-Process" (WIP) is being held in the receiving bay for 4 hours before put-away. Illustrate the risk to "Supply Chain Surplus" and the "Perfect Order" metric.	10	CO2	BT3
7	A high-fashion retailer uses "A-Item" policies for its trendy items but finds that a low-cost, "C-Class" plastic security tag is out of stock, preventing all shipments. Examine this situation using "Criticality Analysis" and suggest a re-classification strategy.	10	CO2	BT3

Part C: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
8	A pharmaceutical warehouse stores high-value vaccines. An audit reveals that the "Perfect Order Rate" is declining because 5% of shipments are arriving at customers with compromised temperature integrity. Examine the warehouse cycle to identify where the failure might be occurring and suggest a technology-driven solution.	10	CO2	BT3
9	A warehouse can use simple unit -based costing or an Activity-Based Costing (ABC). Demonstrate the similarities and differences between the two. Also illustrate then importance of ABC analysis for managing a diverse SKU portfolio.	10	CO2	BT3

Part D: Answer Following Questions. 15 M

Qn.No	Questions	M	CO	BT
10	<p>A warehouse specializing in heavy industrial machinery parts has a total monthly operating cost CWHS of ₹20,00,000. You need to analyze the cost for SKU-Heavy, a bulky engine component.</p> <p>Warehouse Data:</p> <ul style="list-style-type: none"> · Total units handled in the month UTOT: 5,00,000 units · Total usable storage area STOT: 4,000 m² · Total monthly storage-related cost pool CSTO: ₹10,00,000 · Total monthly handling-related cost pool CHND: ₹10,00,000 · Total order lines picked in the month HTOT): 1,00,000 lines <p>SKU-Heavy Data:</p> <ul style="list-style-type: none"> · Units handled for SKU-Heavy UHeavy: 20,000 units · Average storage area occupied by SKU-Heavy SHeavy: 200 m² · Number of order lines involving SKU-Heavy HHeavy: 8,000 lines <p>Questions:</p>	15	CO2	BT3

1.	Calculate the cost for SKU-Heavy using Method A (Units Handled) .			
2.	Calculate the cost for SKU-Heavy using Method B (Storage Space) .			
3.	Calculate the cost for SKU-Heavy using Method C (Activity-Based Costing) .			