

A Study on Inventory Control Management with Reference to Ashok Leyland India

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ABSTRACT: Stock administration is the "stream's administration of materials into an association to the degree where, those materials are changed over into the association's deciding item. This study goes for distinguishing the stock's productivity, administration at Ashok Leyland India. The auxiliary targets incorporate comprehension the perceptual experience of representatives towards the stock administration and the components making the abundance stock inside of the establishment. Through this study, the scientist needs to recognize the suitable measures to shield the great from burglary. To evaluate the for the most part utilized stock administration strategy and the qualities for the low stock turnover proportion has been drawn off as different goals for this venture.

The extent of this study incorporates dodging exorbitant and lacking levels of inventories in the club. Stock administration helps the administration to maintain the business operations of the organization in a smooth and adequate way. Fitting administration of stock levels empowers the organization to stay with adequate stock in the for the smooth creation and self operations. Different decision inquiries have been decided together the answers from 130 workers. The accommodation examining technique has utilized as a part of the Field examination. The information gathered has been concentrated on through different factual instruments like Karl Pearson's Correlation, Chi-square test and One-way Anova test. Various new discoveries have been getting from this examination has served to offer a couple of recommendations to the organization to streamline the stock administration.

KEYWORDS: Inventory management, inventory control, supply chain management, stock optimization, production planning.

I. INTRODUCTION

Stock administration is the procedure of productively taking care of the consistent stream of units into and out of a current store. This procedure as a rule includes controlling the move in of units, keeping in mind the end goal to keep the stock from turning out to be too high, or diminishing to levels that could put the intellectual procedure of the organization into peril.

Equipped stock administration likewise looks to control the money related qualities connected with the stock, both from the completer's perspective estimation of the products included and the taxation rate created by the combined estimation of the store. Working out what is known as support stock is likewise key to successful stock administration. Basically, support stock is extra units well beyond the negligible number needed to keep up creation levels. For instance, the administrator may verify that it would be a sound thought to keep maybe a couple extra units of a given machine part available, barely in the event that a crisis circumstance emerges or one of the units turns out to be inadequate once introduced. Making this pad or cradle serves to minimize the chance for creation to be hindered because of an absence of fundamental capacities in the operation supply stock.

Adjusting the different undertakings of stock administration means paying consideration on three key looks of any breed. The main face needs to act with them. In states of materials obtained for consideration in The aggregate stock, this implies considering to what extent it takes for a supplier to prepare a request and bring through a legitimate transport. Stock administration additionally requests that a strong comprehension of to what extent it will requirement

for those materials to exchange out of the stock be built up. Knowing these two vital lead times makes it conceivable to know when to put in a request and what number of units must be requested to keep generation running easily.

OBJECTIVES OF THE STUDY

- To understand employees’ perception towards inventory management
- To identify the factors responsible for low stock turnover ratio
- To analyze the inventory management techniques used in the organization
- To suggest suitable measures to prevent loss and theft of inventory

II. REVIEW OF LITERATURE

Hari R. Swami (2015) in his research work materials management in public undertakings evaluates the performance of materials management in the central public undertakings in Rajasthan Viz., Instrumentation Limited, Kota Unit, HMT, Ajmer Unit, Hindustan Zinc Limited, Debari Unit, Hindustan Copper Limited, Khetri Unit and Sambhar salts limited. The study covers various aspects of materials management in these enterprises. The methods of investigation includes questionnaire interview, on the spot study and desk work techniques etc. It is observed that the cost of materials accounts for more than 50 percent of the total cost of production in the selected units of the study.

Gunasekaranamarri, H.B, Yusuf.Y Y(2014):Conceptual model has been developed to provide frame work for the decision concerning the implementation of ABC system, ABC system trace more exactly of the real costs of the products than any other volume based cost systems. Therefore, more accurate overhead cost allocations lead to fewest distortions. However, a trade-off should occur between the economic benefits of an ABC and the costs of implementing it. The management should adopt an activity based management system and achieving their primary target, which is making profit.

De Toni, Nassimbeni, Tonchia (2012):It is a method for evaluating performance and for productive resource management. The soundness of the results depends on the reliability production in contexts where competitive drive from cost, time &Quality performance, performances that are heterogenic and not easily estimated.

Research methodology

This study adopts a descriptive research design. Convenience sampling is adopted in this study. Both primary data and secondary data are applied to the study. The size of the sample to be used in this study is 130 respondents .Simple percentage analysis, chi square analysis ,correlation and anova has been used in this study.

Data analysis and interpretation

Table No. 1 Management Review and Follow up Reports of Inventory Turnover, Ageing and Inventory Adjustments

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Management review and follow up reports of inventory turnover, ageing and inventory adjustments	40 (30.8%)	50 (38.5%)	20 (15.4%)	12 (9.2%)	8 (6.1%)	130 (100%)

Source: Primary data

Interpretation

The data shows that 30.8% of respondents strongly agree and 38.5% agree that management reviews and follows up on reports of inventory turnover, ageing, and inventory adjustments, while 15.4% are neutral, 9.2% disagree, and 6.1% strongly disagree.

Table No.2 How Often Do Departments Compare Quantities Received Against Receiving Reports

Statements	Daily	Weekly	Monthly	Occasionally	Total
How often do departments compare quantities received against receiving reports	48 (36.9%)	40 (30.8%)	25 (19.2%)	17 (13.1%)	130 (100%)

Source: Primary data

Interpretation

The data shows that 36.9% of respondents report that departments compare quantities received against receiving reports daily, while 30.8% indicate weekly, 19.2% monthly, and 13.1% occasionally.

Table No. 3 How Important Is Managing Inventory Levels In Your Organization

Statements	Very Important	Important	Moderately Important	Of Low Importance	Not Important	Total
How important is managing inventory levels in your organization	52 (40.0%)	38 (29.2%)	20 (15.4%)	12 (9.2%)	8 (6.2%)	130 (100%)

Source: Primary data

Interpretation

The data shows that 40.0% of respondents consider managing inventory levels as very important and 29.2% as important, while 15.4% view it as moderately important, 9.2% as of low importance, and 6.2% as not important.

Table No. 4 Does Management Monitor and Approve The Write-Offs Of Obsolete And Inactive Inventories

Statements	Yes	No	Total
Does management monitor and approve the write-offs of obsolete and inactive inventories	85 (65.4%)	45 (34.6%)	130 (100%)

Source: Primary data

Interpretation

The data shows that 65.4% of respondents indicate that management monitors and approves the write-offs of obsolete and inactive inventories, while 34.6% report that such monitoring and approval are not carried out.

III. ANOVA CLASSIFICATION

Null hypothesis (Ho):

There is no significance difference between the management monitor and approve the write-offs of obsolete and inactive inventories and often do departments compare quantities received against receiving reports.

Alternate hypothesis (H1):

There is a significance difference between the management monitor and approve the write-offs of obsolete and inactive inventories and often do departments compare quantities received against receiving reports.

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	68.519	1	68.519	377.960	.000
Within Groups	23.205	128	.181		
Total	91.723	129			

INTERPEPRTATION

The calculated value of F is greater than the tabulated value. Hence, we reject the null hypothesis and conclude that there is significance difference between the management monitor and approve the write-offs of obsolete and inactive inventories and often do departments compare quantities received against receiving reports

IV. CORRELATIONANALYSIS: RELATIONSHIP BETWEEN MANAGEMENT REVIEW AND FOLLOW UP REPORTS OF INVENTORY TURNOVER, AGEING AND INVENTORY ADJUSTMENTS MANAGEMENT AND HOW IMPORTANT IS MANAGING INVENTORY LEVELS IN YOUR ORGANIZATION

Null hypothesis (Ho):

There is significant relationship between the management review and follow up reports of inventory turnover, ageing and inventory adjustments and important is managing inventory levels in your organization

Alternate hypothesis (H1):

There is no significant relationship between the management review and follow up reports of inventory turnover, ageing and inventory adjustments and important is managing inventory levels in your organization

Correlations			
		MANAGEMENT REVIEW AND FOLLOW UP REPORTS OF INVENTORY TURNOVER, AGEING AND INVENTORY ADJUSTMENTS	IMPORTANT IS MANAGING INVENTORY LEVELS IN YOUR ORGANIZATION
MANAGEMENT REVIEW AND FOLLOW UP REPORTS OF INVENTORY TURNOVER, AGEING AND INVENTORY ADJUSTMENTS	Pearson Correlation	1	.873**
	Sig. (2-tailed)		0.000
	N	130	130
IMPORTANT IS MANAGING INVENTORY LEVELS IN YOUR ORGANIZATION	Pearson Correlation	.873**	1
	Sig. (2-tailed)	0.000	
	N	130	130
**. Correlation is significant at the 0.01 level (2-tailed).			

INTERPEPRTATION

Since r is significant, there is significant relationship between the management review and follow up reports of inventory turnover, ageing and inventory adjustments and important is managing inventory levels in your organization.

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- The management can take necessary measures to monitor over the write-offs issues.
- Management can promote the usage of different tools and methods have to be implemented to get a better output.
- Quality check can be done on a regular basis. The interval between the periodical quality check has to be reduced to improve the overall quality.
- Establish clear inventory control management goals that align with the overall business strategy. This will help you track progress and ensure that your inventory control management results in profitability.
- Invest in an inventory control management system that can help you track inventory levels, automate ordering processes, and manage suppliers. This may result in reducing manual errors and save time.
- Use forecasting techniques to predict demand for products and plan inventory levels accordingly. This will result in avoiding, stockouts and overstocking and reduce the need for emergency orders.
- Train employees on inventory control management, best practices and procedures. This will help to reduce human errors.

VI. CONCLUSION

Inventory management is a science primarily about specifying the shape and percentage of stocked goods. It is required at different locations within a facility or within many locations of a supply network to precede the regular and planned course of production and stock of materials. With this study, the researcher has been able to find out the efficiency of the inventory management at Ashok Leyland India. It can be inferred from that study that inventory management at Ashok Leyland India is very satisfactory. Company can continue the good work and implement the suggestions derived from this study to optimize their inventory management.

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