Final Test Paper 5 INDIAN INSTITUTE OF MATERIALS MANAGEMENT
Purchasing Management
GDMM/PGDMM 3 YEARS

Instructions:
1. Answer all 50 questions. Each question carries 2 marks Total : 100 Marks
2. Duration 1 Hour.

*Required

1. Email *

_________________________________

2. Name *

Mark only one oval.

☐ Option 1

3. Roll Number *

_________________________________

4. 1. The Golden Rules that will successfully carry out the purchasing effectively are:

Mark only one oval.

☐ 3R’s
☐ 5 R’s
☐ 7 R’s
☐ 9 R’s
5. In order to consider whether an item proposed to be brought represents the best value for money. This study is known as:

Mark only one oval.

☐ Value Engineering
☐ Value Analysis
☐ Value Addition
☐ Value Re-engineering

6. Strategic planning is a process of determining which one of the following the range of direction for an organization.

Mark only one oval.

☐ Long
☐ Medium
☐ Short
☐ Low

7. Every step in the __________ Development Process reveals ways to reduce variation and eliminate bottlenecks.

Mark only one oval.

☐ Program
☐ Project
☐ Product
☐ Procurement

8. A __________ Code is an independent accounting unit used for external (legal) reporting purposes.

Mark only one oval.

☐ Project
☐ Program
☐ Revenue
☐ Company
9. ________ is a concept in ethics with several meanings often used synonymously with concepts such as blameworthiness, etc.

Mark only one oval.

- Responsibility
- Accountability
- Answerability
- Enforcement

10. 7. The Accountability that is answerable to the Government, Civil Servants and to the public is known as:

Mark only one oval.

- Administrative Accountability
- Market Accountability
- Political Accountability
- Financial Accountability

11. 8. There are ________ main groups of green consumers.

Mark only one oval.

- One
- Two
- Three
- Four

12. 9. One of the advantages of Decentralized Purchasing is:

Mark only one oval.

- Impaired Efficiency
- Operation Inflexible
- Slow procurement
- Control Over purchase is no longer
13. 10. Examples of Cross-functional teams is:

*Mark only one oval.*

- Service to society
- Implement new technologies throughout organisation
- No control on product cost
- Regulation of natural resources

14. 11. One of the function of materials management is:

*Mark only one oval.*

- Minimum co-ordination
- Optimum Maximum Expenditure
- Optimum Minimum Expenditure
- Preparing Sales Budget

15. 12. Function of Purchasing Department does not include:

*Mark only one oval.*

- Handle sub contract of low business activity
- Keep and maintain Records
- Prepare purchase budget
- Review and Standardization

16. 13. Strategic outsourcing services range from:

*Mark only one oval.*

- ADM
- MDM
- CDM
- EDM
17. Overhead Costs are of _________ in Nature

   Mark only one oval.
   
   ( ) Direct
   ( ) Indirect
   ( ) Variable
   ( ) Semi-Variable

18. Full form of NAEB in relation to purchasing profession is:

   Mark only one oval.
   
   ( ) National Afforestation & Eco-development Board
   ( ) National Association of Education Buyers
   ( ) National Association of Educational Broadcasters
   ( ) National Agricultural Education Board

19. Full form of BOT in relation to business re-engineering is:

   Mark only one oval.
   
   ( ) Build Own Transfer
   ( ) Bought Operate Transfer
   ( ) Bought Out Technology
   ( ) Build Operate Transfer

20. Out Tasking model is suitable for:

   Mark only one oval.
   
   ( ) Short Term Business Needs
   ( ) Long Term Business Needs
   ( ) Medium Term Business Needs
   ( ) Project Based Business Needs
21. Full Form of VQR is:

*Mark only one oval.*

- [ ] Value Quality Rating
- [ ] Value Quality Report
- [ ] Vendor Quality Report
- [ ] Vendor Quality Rating

22. Profit is an economic cost and must be considered in:

*Mark only one oval.*

- [ ] Fixed Cost Analysis
- [ ] Semi-Variable Cost Analysis
- [ ] Price-Cost Analysis
- [ ] Variable Cost Analysis

23. Niche Brands are brands with:

*Mark only one oval.*

- [ ] Low Volume Share and High Price Sensitivity
- [ ] High Volume Share and Low Price Sensitivity
- [ ] High Volume Share and High Price Sensitivity
- [ ] Low Volume Share and Low Price Sensitivity

24. Value Analysis is also called as

*Mark only one oval.*

- [ ] Cost Analysis
- [ ] Functional Analysis
- [ ] Variable Analysis
- [ ] Semi-Variable Analysis
25. Central Excise is a ___________ which is levied and collected on the goods/commodities manufactured in India.

*Mark only one oval.*

- [ ] Direct Tax
- [ ] Tariff
- [ ] Import Duty
- [ ] Indirect Tax

26. BPO that is contracted to a company’s neighbouring/nearby country is called:

*Mark only one oval.*

- [ ] Nearshore Outsourcing
- [ ] Longshore Outsourcing
- [ ] Front Office Outsourcing
- [ ] Back Office Outsourcing

27. KPO stands for:

*Mark only one oval.*

- [ ] Knowledge Power Outsharing
- [ ] Knowledge Process Outsourcing
- [ ] Knowledge Price Outsourcing
- [ ] Knowledge Price Outsharign

28. This is used for forecasting the demand for a product or services for which there is no past demand data:

*Mark only one oval.*

- [ ] Survey of Buyer’s Expectations
- [ ] Time Series Analysis
- [ ] Historical Analogy Method
- [ ] Program Evaluation Review Technique
29. 26. Factors affecting Price are:

*Mark only one oval.*

- Delivery Schedule
- Cost Price Analysis
- Quality
- Planning

30. 27. The Consumer Welfare Fund Rules were framed in the year:

*Mark only one oval.*

- 1994
- 1993
- 1992
- 1991

31. 28. The activity of checking goods or services to make sure that they are good is known as:

*Mark only one oval.*

- Quality Assurance
- Inspection
- Random Sampling
- Testing

32. 29. An organisation or person that provides a product or technology is defined as:

*Mark only one oval.*

- Customer
- Supplier
- Buyer
- Technician
30. In Local Buying Vs National Buying, one of the advantages of National Buying is:

Mark only one oval.

- Disputes resolved more easily
- Lower Inventories
- Larger Capacity
- Shorter Lead Times

31. Full form of JETRO is:

Mark only one oval.

- Japanese External Trade Organization
- Joint External Treaty Organization
- Junior Entrance Testing Organization
- Joint Electro technical Testing Organization

32. One of the following factors is not used in analysing supplier performance:

Mark only one oval.

- Product Quality
- Cost
- Vendor Payment
- Delivery

33. Develop the foundation of agreement by framing the issues is known as:

Mark only one oval.

- Ideology
- Polarization
- Framework
- Conceptualization
34. These are not really identified as problems until they emerge from a latent state to a manifest state:

Mark only one oval.

☐ Incompatible Frames
☐ Conflicts
☐ Ambiguous Goals
☐ Scoping Problems

35. Communication which is threatening or hostile and can do more to escalate a conflict than it can to defuse it, is referred to as:

Mark only one oval.

☐ Inflammatory Statement
☐ Inflammatory Media
☐ Inflammatory Motives
☐ Inflammatory Stereotypes

36. Especially troublesome wherein an individual or a small group routinely makes decision which favour their interests over the larger interest of society is known as:

Mark only one oval.

☐ Complexity Muddle
☐ Vested Interests
☐ Dictatorial Process
☐ Excluded Parties

37. An escalation which intensifies conflicts to the point where the parties use all available resources to protect their interests is known as:

Mark only one oval.

☐ Stalemate
☐ Emotions
☐ Extremists
☐ Polarization
41. 38. Parties sometimes attempt to negotiate an agreement when one or more key parties is not ready, is known as:

*Mark only one oval.*

- Prejudice
- Discrimination
- Uphalval Conflicts
- Poor Timing

42. 39. One of the following is not a negotiation strategy / tactics:

*Mark only one oval.*

- Big Fish
- Bluff
- Better Offer
- Defense

43. 40. One of the following is a strategy / tactics of negotiation:

*Mark only one oval.*

- Deterrence
- Brooklyn Optician
- Defense
- Subversion

44. 41. A foreign buyer applies for issuance of a letter of credit from the buyer’s bank to the exporter’s bank and therefore is called as __________ and exporter is called the _____________.

*Mark only one oval.*

- Applicant, Beneficiary
- Beneficiary, Applicant
- Bill of Exchange, Promissory Note
- Promissory Note, Bill of Exchange
42. Full form of LVO is:

*Mark only one oval.*

- [ ] Limited Verification Option
- [ ] Limited Visual Option
- [ ] Low Value Order
- [ ] Light Vehicle Operation

43. One of the following is not a purchase order

*Mark only one oval.*

- [ ] Regular Purchase Order
- [ ] Blanket Purchase Order
- [ ] Standing Purchase Order
- [ ] Closed Purchase Order

44. Full form of EDI:

*Mark only one oval.*

- [ ] Employment Data of India
- [ ] Electronic Data Interchange
- [ ] Enforcement Directorate of India
- [ ] Enrolment Department of India

45. A written agreement under which a property owner allows a tenant to use the property for a specified period of time and rent.

*Mark only one oval.*

- [ ] Lessor
- [ ] Lessee
- [ ] Leasing
- [ ] Liaisoning
49. The Headquarters of DGS&D is located at:

*Mark only one oval.*

- [ ] Mumbai
- [ ] Delhi
- [ ] Chennai
- [ ] Kolkata

50. For overseas purchases, the DGS&D has its office called India Supply Mission located at:

*Mark only one oval.*

- [ ] London
- [ ] New Jersey
- [ ] Paris
- [ ] Ontario

51. In India, Public Sector Undertaking is a government owned corporation and owns a majority of its equity, with a share of _____.

*Mark only one oval.*

- [ ] 49%
- [ ] 50%
- [ ] 52%
- [ ] 51%

52. The CVC Commissioner is appointed by:

*Mark only one oval.*

- [ ] The Chief Justice of India
- [ ] The President of India
- [ ] The Prime Minister of India
- [ ] The Home Minister of India
53. 50. The full form of NRM is:

*Mark only one oval.*

- [ ] Natural Resource Management
- [ ] New Refinery Management
- [ ] National Resource Management
- [ ] New Rational Management