Final Test Semister 3 Paper 13 INDIAN INSTITUTE OF MATERIALS MANAGEMENT Purchase Management [PGDMM, PGDSCM & L (2 years)]

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

1. Email *


2. Name *


3. Roll Number *


4. There are ___ important goals for the purchasing department of an organisation:
   Mark only one oval.

   □ 3R's
   □ 5 R's
   □ 7 R's
   □ 9 R's
5. Of the following, one of them is NOT the objective of Purchase Management:

Mark only one oval.

- Ensure irregular supply
- Reducing the Cost
- Fulfil business requirements
- Increase the Quality

6. Procurement involves the following except this one:

Mark only one oval.

- Identify needs and requirements
- Evaluating the source
- Evaluating the quotes from supplier
- Perform profit margin analysis

7. One of the following is the function of purchase department:

Mark only one oval.

- Preparation of Goods Receipt Note
- Visual Inspection of items received
- Deliver the goods to the Production floor
- Identify the requirements and purchase indents

8. Managing various processes effectively impacts the organization ________ and the marketing strategies

Mark only one oval.

- Profitability
- Procedures
- Performance
- Purchasing
9. Purchasing Management has a ________ scope and purchasing provides the basis for supplying the materials.  

Mark only one oval.

- Narrow
- Broad
- Integrated
- Thin

10. Advantages of centralized purchasing are all, except one, please identify the odd one:

Mark only one oval.

- Higher transport cost
- Helps purchasing in bulk quantities
- Lesser overhead cost
- Decreased Inventory

11. Advantages of Decentralized purchasing are the following, except this one:

Mark only one oval.

- Ease of purchasing materials locally
- Purchasing of right quality and quantity
- Replacement of defective material takes less time
- Lack of co-ordination and co-operation

12. Materials Management is a process that involves ________ flow and control of materials through an organisation.

Mark only one oval.

- Conceptualized
- Complex
- Systematic
- Classified
13. One of the following is NOT a main objectives of Materials Management.

   Mark only one oval.
   ☐ Make or buy decisions
   ☐ Affective Material Planning
   ☐ Facilitate product designing & development
   ☐ Maintain quality control

14. ASTM stands for:

   Mark only one oval.
   ☐ American School for Testing Materials
   ☐ Australian School of Time Measurement
   ☐ Australian Society for Testing Materials
   ☐ American Society for Testing Materials

15. The following are the principles of classification and coding, except one, identify the odd one out:

   Mark only one oval.
   ☐ Comprehensive
   ☐ Mutually inclusive
   ☐ Consistent
   ☐ Easy to adapt

16. The Brisch / British system of coding consists of ______ digits which are applied in three phases.

   Mark only one oval.
   ☐ 10
   ☐ 8
   ☐ 7
   ☐ 5
17. This system consists of ten-digit numerical code.  

*Mark only one oval.*

☐ Kodak  
☐ Indian Railways  
☐ DGS&D  
☐ British System

18. This department works with the materials management department for creating innovative methods for materials procurement.  

*Mark only one oval.*

☐ Production  
☐ Quality Control  
☐ Finance  
☐ Engineering

19. This risks helps identify the risks that can come up or things that can go wrong while performing an organizational activity.  

*Mark only one oval.*

☐ Risk Analysis  
☐ Risk Assessment  
☐ Risk Mitigation  
☐ Risk Environment

20. This process of determines the metrics that are needed for measuring and comparing the size, shape, value and performance of the materials.  

*Mark only one oval.*

☐ Classification  
☐ Standardization  
☐ Codification  
☐ Communication
21. The purpose of MRP is to track the _____________ schedules so that the organizational goals are met.

   Mark only one oval.

   ☐ Planning
   ☐ Delivery
   ☐ Production
   ☐ Distribution

22. The concept of MRP was first developed in 1964 in response to _____________

   Mark only one oval.

   ☐ Ford Program
   ☐ Toyota Manufacturing Program
   ☐ GE Inventory Schedules
   ☐ Harley Davidson Program

23. The levels of inventory are divided into ______ categories.

   Mark only one oval.

   ☐ Five
   ☐ Four
   ☐ Three
   ☐ Two

24. The full form of MPS is:

   Mark only one oval.

   ☐ Master Production Schedule
   ☐ Maintenance Production Schedule
   ☐ Master Production Site
   ☐ Master Plan Schedule
25. The following are the pre-requisites of JIT implementation, except one of these:

Mark only one oval.

- Prevent defects with the production system
- Eliminate unnecessary waste
- Identify and respond to customer needs
- Manage efficiently offline data

26. The main objective of JIT implementation is to _____________ the number of inventory stocks.

Mark only one oval.

- Maximise
- Fluctuating
- Minimise
- Status Quo

27. Which of the function is not a part of Purchasing:

Mark only one oval.

- To select the source of supply
- To receive indents from other departments
- To set the quality standards of the components
- To place the order

28. This refers to the waste that poses a potential threat to public well-being.

Mark only one oval.

- Non-hazardous
- Hazardous
- Bio-medical
- eWaste
29. Control of scrap cannot be classified into one of the following categories, identify the same (P/51)  

   *Mark only one oval.*

   - [ ] Legitimate
   - [ ] Administrative
   - [ ] Executive
   - [ ] Defective

30. Full form of EPA is:  

   *Mark only one oval.*

   - [ ] Expert Panel of Architecture
   - [ ] Environmental Protection Agency
   - [ ] Export Promotion Agency
   - [ ] Environment Pollution Agent

31. Full Form of SDC is:  

   *Mark only one oval.*

   - [ ] Standard Development Committee
   - [ ] Surplus Disposal Committee
   - [ ] Scrap Disposal Committee
   - [ ] Standing Disposal Committee

32. Full Form of ISF is:  

   *Mark only one oval.*

   - [ ] Independent Status File
   - [ ] Inventory Scrap File
   - [ ] Inventory Status File
   - [ ] Inventory Surplus File
33. Strategic Sourcing requires _________ to implement and support the sourcing strategy.  

*Mark only one oval.*

- [ ] Commitment
- [ ] Tools
- [ ] ERP System
- [ ] Standardization

34. This step is NOT part of sourcing strategies.  

*Mark only one oval.*

- [ ] Negotiate with Suppliers
- [ ] External Need Analysis
- [ ] Evaluate Supplier Marketplace
- [ ] Collect Supplier Information

35. Disadvantages of Outsourcing is:  

*Mark only one oval.*

- [ ] Offers lower wages and is cost effective
- [ ] Available 24/7 effectively
- [ ] High Management Costs
- [ ] Availability of specialized labour

36. Advantage of Insourcing is:  

*Mark only one oval.*

- [ ] Lower Management Costs
- [ ] Expensive compared to outsourcing
- [ ] Not easy to find the right skill at short notice
- [ ] Lower level certifications
37. The following is NOT a variant of e-auction. (P/69)  2 points

Mark only one oval.

☐ Reverse Auction
☐ eProcurement
☐ Sealed Bid e-auction
☐ Forward e-auction

38. Full form of SRM is:  2 points

Mark only one oval.

☐ Structural Road Map
☐ Supplier Relationship Management
☐ Strategic Review Management
☐ Supplier Road Map

39. Disadvantages of SRM is:  2 points

Mark only one oval.

☐ Increase efficiency
☐ Innovation
☐ Consolidates supply team
☐ More impetus on conflicts

40. Advantages of e-auction is:  2 points

Mark only one oval.

☐ Fair method of awarding contracts to L1 vendor
☐ Low bidding leads to low quality
☐ Fair method of awarding contracts to H1 vendor
☐ May lead to Cartel Formation
41. This method of approach is NOT commonly used for determining prices.

*Mark only one oval.*

- Cost-Plus Pricing
- buy-in Pricing
- Fluctuated Pricing
- Rule-of-Thumb Pricing

2 points

42. This is an approach used by supply chain management for procurement of goods and services

*Mark only one oval.*

- Global Sourcing
- Single Sourcing
- Multi-Sourcing
- Strategic Sourcing

2 points

43. One of the following options does NOT serve the purpose of quality management systems

*Mark only one oval.*

- Improve Processes
- Reduce Waste
- Increased production Cost
- Helps impart training

2 points

44. Law of Sale of Goods Act was framed in the year ________.

*Mark only one oval.*

- 1930
- 1924
- 1932
- 1956

2 points
45. The process to check whether the product meets the pre-defined performance specifications or not is termed as __________ inspections.

   *Mark only one oval.*
   - Production Line
   - Calibration
   - Audit
   - Operator Line

46. Inspection is NOT done for the following reasons:

   *Mark only one oval.*
   - Analyse between better products and inferior products
   - To analyse process capability
   - To ascertain if the process is constant
   - To ascertain if there is process change

47. This type of sampling plan is not efficient in terms of the average number of samples needed.

   *Mark only one oval.*
   - Double Sampling Plan
   - Multiple Sampling Plan
   - Sequential Sampling Plan
   - Single Sampling Plan

48. Under this lot sampling technique only limited number of products from the lots are sent for inspection.

   *Mark only one oval.*
   - Single Sampling Plan
   - Double Sampling Plan
   - Skip Lot Sampling Plan
   - Sequential Sampling Plan
49. This is a decision making device, which helps in reasoning.  

*Mark only one oval.*

☐ Sensor  
☐ Processor  
☐ Memory  
☐ Actuator

50. Full Form of TCP is:

*Mark only one oval.*

☐ Total Cost of Purchase  
☐ Total Consumption Plan  
☐ Total Cost of Production  
☐ Time Check for Purchase

51. This pricing is based on the price that competitors charge for the product.

*Mark only one oval.*

☐ Target Return Pricing  
☐ Value Pricing  
☐ Going Rate Pricing  
☐ Auction-type Pricing

52. In this phase, the item that needs to be studied is identified and chosen.

*Mark only one oval.*

☐ Information Phase  
☐ Innovation Phase  
☐ Evaluation Phase  
☐ Orientation Phase
53. The _______________ document contains information about material arrival date, details of shipping organization, tracking number, a copy of PO number and invoice.

Mark only one oval.

☐ Delivery Challan
☐ Goods Receipt Note
☐ Inspection Note
☐ Payment Voucher

This content is neither created nor endorsed by Google.

Google Forms