



Sanjay Ghodawat University, Kolhapur

Established as State Private University under Govt. of Maharashtra. Act No XL, 2017

2018-19

EXM/P/09/01

Year and Program: 2018-19

School of Commerce and Management

Department of BBA

Course Code: MBC112.2

Course Title: Purchase Management

Semester – II

Day and Date

Tuesday 04 Dec 18

End Semester Examination (ESE)

Time: 3 Hours

Max Marks: 100

10:00 am to 1:00 pm

Instructions:

- 1) All Questions are compulsory.
- 2) Use of non-scientific calculator is allowed

		Marks	COs
Q.1	Answer all of the following		
a)	State whether following statement is True or False	10	
i.	Purchase Management refers to sourcing of goods & services from different suppliers.		112.2.1
ii.	Purchase Management and Procurement Management are same.		112.2.1
iii.	Suppliers do not have role in Product Design Meeting to avoid sharing of information.		112.2.1
iv.	Request for quotation should be sent only after selection of supplier.		112.2.2
v.	Buying an insurance is not part of purchase management.		112.2.2
vi.	Quality control in purchase has relevance with quality of Finished goods.		112.2.2
b)	Answer any 5 of the following questions shortly	10	
i.	What is Learning Curve Effect?.		112.2.3
ii.	What is NICSI?		112.2.3
iii.	What does blanket order mean?		112.2.3
iv.	Differentiate between Re order Quantity and Re order Level of Material		112.2.4
v.	What do you mean by Danger Level of Material?		112.2.4
vi.	State the formulae for calculation of ROL.		112.2.4
Q.2	Answer any Two of the following questions.		
a)	What do you mean by Purchase Management? Explain importance of it.	10	112.2.1
b)	Write a note on Buyer Seller Relationship.	10	112.2.1
c)	Compare Centralized and Decentralized Purchasing.	10	112.2.1
Q.3	Answer any Two of the following questions		
a)	Write a note on Quality Control in Purchasing.	10	112.2.2
b)	Draft Request for Quotation for Arjun Edible Oil Pvt. Ltd. for purchasing different types of edible oil from Super StockiestPreetusha Ltd.	10	112.2.2

- c) Explain Purchase Procedure in detail. 10 112.2.2

Q.4 Answer any Two of the following questions

- a) Write a note on any 5 Special Purchase Systems. 10 112.2.3
b) Discuss Public Buying in India. 10 112.2.3
c) Explain 5 phase negotiation system 10 112.2.3

Q.5 Answer the following questions

- a) Calculate Re order Level, Maximum Level and Minimum Level for the 10 112.2.4
following data

Materials A and B are used as follows

Minimum Usage: 50 units/week

Normal Usage: 100units/ week

Maximum Usage:150 units/week

Re order period:

A: 3 to 5 weeks

B: 5 to 7 weeks

Reorder quantity

A: 500 units

B: 800 units

- b) You are purchase manager of Aniruddha Pvt. Ltd. and observed the 10 112.2.4
following things.

1. To produce final product P, raw material A, B and C are consumed in 4:5:6 ratio
2. Normal Production of P=175 units/week
3. Maximum Production of P = 225 units/week
4. Minimum Production = 150 units/week
- 5.

Raw Material	A	B	C
Re order Quantity	1000	500	100
Re order Period in weeks	3-5	5-7	7-10

Calculate

- i. Maximum Stock Level
- ii. Minimum Stock Level
