

Plot No. 2, Knowledge Park-III, Greater Noida (U.P.) –201306

PGDM/PGDM (General) -2021-23
END TERM EXAMINATION (TERM -IV)
Academic Session: 222-23

Subject Name: **Material and Purchase Management**

Time: **02.30 hrs**

Sub. Code: **PG041**

Max Marks: **40**

Note:

All questions are compulsory. Section A carries 5 marks: 5 questions of 1 marks each, Section B carries 21 marks having 3 questions (with internal choice question in each) of 7 marks each and Section C carries 14 marks one Case Study having 2 questions of 7 marks each.

SECTION - A

Attempt all questions. All questions are compulsory.

1×5 = 5 Marks

Q. 1: (A). Define the major functions of materials management.

Q. 1: (B). Point out the basic characteristics of material requirement planning (MRP).

Q. 1: (C). Write your understanding about Value Analysis and Value Engineering

Q. 1: (D). Differentiate between Purchase Order (PO) and Blanket Purchase Order (BPO)

Q. 1: (E). Enumerate the principles make or buy decisions.

(CO 1.)

SECTION – B

All questions are compulsory (Each question have an internal choice. Attempt any one (either A or B) from the internal choice)

7 x 3 = 21 Marks

Q. 2: (A). Discuss the risks to be considered by purchase material manager in manufacturing organizations.

Or

Q. 2: (B). What objectives should be kept in mind while planning and design of stores should be carried out? (CO2)

Q. 3: (A). Describe basis and application of ABC and FSN Analysis with examples.

Or

Q. 3: (B). Describe Vendor rating in an organization. Briefly explain how an organization will select a suitable vendor and various measures for vendor development.

(CO3)

Q. 4: (A). “Material Handling, Transportation, Warehousing and Inventories are four pillars on which the building of logistics is constructed.” Comment on this statement.

Or

Q. 4: (B). How has e-procurement changed the current scenario of purchase management? Explain with examples.

(CO3)

SECTION - C

Read the case and answer the questions

7×02 = 14 Marks

Q. 5: Case Study:

Septon, a data protection company based in Marlborough, Mass, was about to take off, and COO and CFO Bob Iacono needed a new headquarters. The new space had to be about three times larger than his current one, furnished, and move-in ready, with all of the special electrical and air-conditioning facilities that high-tech firms require. And he wanted his rent to remain more or less the same. Who would help him find it? He began meeting with brokers from some large corporate real estate firms. But in meeting after meeting, Iacono came away feeling as if they were reading from a script, one in which his role—the scrappy little fellow thrilled that the big-shot real estate executives could remember his name—had been plotted out ahead of time. Every office they showed him was wrong. “I was looking for 20,000 square feet, and they were used to renting in 100,000-square-foot increments,” Iacono says. After two months and eight brokers, Iacono began to wonder if he’d ever find what he was looking for. Then, his banker and lawyer recommended him to talk to an outfit called T3 Realty Advisors. Iacono had never heard of T3. But he liked what he saw. For one thing, T3 worked only as a buyer’s broker—so it had no built-in incentives to fill its own buildings and no need to scratch the back of financing and construction partners. What’s more, it sent at least two brokers to meetings, ensuring that more than one person was on the case. Assigning multiple brokers to each client is part of self-defense, says Roy Hirshland, T3’s CEO and cofounder. “Early-stage clients tend to be very frenetic and require a ton of handholding,” he says. Having more than one person assigned to each account means more hands to do the holding. Entrepreneurs also need more support than larger companies because they often have no one working on facilities management and may not even have an office manager.

In fact, Hirshland created T3 to function like a real estate department for technology startups. It handles interior and exterior architectural issues, finds and manages contractors, advises on lease negotiations, and even manages the leases for clients—it purchased a document-management system specifically for that purpose. “If we can’t make the smallest three-person company happy about T3, we’ve failed,” Hirshland says. The logic, he adds, is simple: Successful small companies don’t stay small for long. In Septon’s case, T3’s brokers found six spaces that met Iacono’s criteria. He picked the top two and told Hirshland to get a deal done. Days later, Septon signed a three-year lease on a new 21,000-square-foot home. Hirshland also managed to get some new office furniture thrown in free of charge. Following the frustration of dealing with the large corporate brokers, Iacono found the experience satisfying—as well as comfortably familiar. “It was the kind of service we hope we give our customers,” he says.

Questions:

Q. 5: (A). Critically analyze the case as the material manager and put forward the prime challenges of septon.

Q. 5: (B). Suggest as an operation manager, the most satisfying thing that Iacono found about T3?

Mapping of Questions with Course Learning Outcome

Question Number	COs	Bloom’s taxonomy level	Marks Allocated
Q. 1:	CO1	L2	5 marks
Q. 2:	CO2	L3	7 marks
Q. 3:	CO3	L4	7 marks
Q. 4:	CO3	L4	7 marks
Q. 5:	CO4	L4	14 marks

Note: Font: Times New Roman, Font size: 12.