

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

**POST GRADUATE DIPLOMA IN MANAGEMENT (2024-26)
END TERM EXAMINATION (TERM -IV)**

Subject Name: **Materials and Purchase Management**

Time: **02.00 hrs**

Sub. Code: **PGO-41**

Max Marks: **40**

Note: All questions are compulsory. Section A carries 12 marks: 6 questions of 2 marks each, Section B carries 18 marks having 3 questions (with internal choice question in each) of 6 marks each and Section C carries 10 marks one Case Study having 2 questions of 5 marks each.

Kindly write the all the course outcomes as per your TLEP in the box given below:

Cos	Statement of Course Outcomes	Bloom's Taxonomy
CO-1	Understand theoretical and practical aspects of materials and purchase management. Recognize people and improving processes to meet customers 'and stakeholders 'expectations.	Remember- L-1 Understand- L-2
CO-2	Apply theoretical knowledge in the key decision-making areas like production, price negotiation modern material planning and delivery systems like MRP and JIT and material handling and logistics systems.	Apply- L-3
CO-3	Develop ability to assess and solve materials and purchase related problems effectively and efficiently.	Create-L-6.
CO-4	Analyze the materials management data with mathematical models and IT tools for improving overall business performance.	Analyze-L-4. Evaluate-L-5

SECTION - A

Attempt all questions. All questions are compulsory.

2×6 = 12 Marks

Questions	CO	Bloom's Level
Q. 1: (A) What is the difference between Value Analysis and Value Engineering?	CO1	L1
Q. 1: (B) List any two factors influencing Make-or-Buy decisions.	CO1	L1
Q. 1: (C) Define Purchasing Research and state any one area where it is applied.	CO1	L1
Q. 1: (D) What are internal and external sources of supply? Give one example each.	CO2	L2
Q. 1: (E) State any two methods of purchasing.	CO2	L2
Q. 1: (F) . Mention any two criteria used for vendor rating.	CO2	L2

SECTION – B

All questions are compulsory (Each question has an internal choice. Attempt anyone (either A or B) from the internal choice)		
		6 x 3 = 18 Marks
Questions	CO	Bloom's Level
<p>Q. 2: (A). A manufacturing company frequently faces production delays due to shortages of raw materials. As a Materials Manager, explain how you would apply the principles of Materials Management (such as material planning, inventory control, and coordination with other departments) to solve this issue.</p> <p style="text-align: center;">Or</p> <p>Q. 2: (B). A company notices that its inventory carrying cost has increased significantly in the past year. Based on the concepts of cost involved in Materials Management, describe how you would identify the causes and suggest practical steps to reduce total material-related costs while maintaining production efficiency.</p>	CO2	L1
<p>Q. 3: (A) A government department plans to procure IT equipment worth ₹50 lakhs. Explain how the principles of public purchasing and tendering should be applied to ensure transparency, fairness, and value for money throughout the procurement process.</p> <p style="text-align: center;">Or</p> <p>Q. 3: (B). A company is planning to buy high-value capital equipment from an international supplier. Apply the concepts of international purchasing, documentation, Incoterms, supplier evaluation, and capital equipment appraisal methods to explain how the company should manage this purchase.</p>	CO3	L1
<p>Q. 4: (A). A company is facing frequent delays and errors in identifying materials, leading to excess inventory and slow order processing. Using the concepts of classification, codification, and materials information systems, explain how you would redesign their material logistics system to improve accuracy and efficiency.</p> <p style="text-align: center;">Or</p> <p>Q. 4: (B). A manufacturing firm reports high handling costs, unsafe working conditions, and delays in dispatch due to poor warehouse layout and material movement. Apply the principles of warehousing management, material handling, and traffic & transportation to propose a practical plan for improving overall operational performance.</p>	CO4	L1
<u>SECTION - C</u>		
Read the case and answer the questions		5×02 = 10 Marks
Questions	CO	Bloom's Level
<p>Q. 5: Case Study:</p> <p>ABC Manufacturing Ltd. produces electrical appliances and relies heavily on timely procurement of raw materials such as copper coils, plastic components, and electronic circuits. Recently, the company has been facing several issues:</p> <ol style="list-style-type: none"> 1. Delayed deliveries from existing suppliers, causing production stoppages. 2. Frequent quality defects in materials, leading to higher rejection rates in 	CO4	L1

<p>inspection.</p> <ol style="list-style-type: none"> 3. Poor coordination between the purchasing department and the production team, resulting in incorrect quantity orders. 4. Lack of vendor evaluation, as purchasing decisions are made based only on the lowest quoted price. 5. No proper follow-up system, leading to uncertainty about shipment status and delivery dates. <p>Due to these problems, the company is experiencing increased costs, customer complaints, and loss of market share. Top management has now decided to review the entire purchase management system and implement improvements in supplier selection, vendor rating, negotiation practices, and follow-up procedures.</p> <p>Questions:</p> <p>Q. 5: (A). Identify the problems in the existing purchase management system at ABC Manufacturing Ltd. and explain how effective vendor rating and selection could help resolve these issues.</p> <p>Q. 5: (B). As a Purchase Manager, propose a structured purchasing procedure for ABC Manufacturing Ltd. to ensure timely delivery, good quality, and proper coordination with production.</p>		
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Kindly fill the total marks allocated to each CO's in the table below:

COs	Question No.	Marks Allocated
CO1	1	6
CO2	2	12
CO3	3	6
CO4	4, 5	16

(Please ensure the conformity of the CO wise marks allocation as per your TLEP.)

Blooms Taxonomy Levels given below for your ready reference:

- L1= Remembering**
- L2= Understanding**
- L3= Apply**
- L4= Analyze**
- L5= Evaluate**
- L6= Create**