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**NOIDA INSTITUTE OF ENGINEERING AND TECHNOLOGY, GREATER NOIDA**  
(An Autonomous Institute Affiliated to AKTU, Lucknow)

**MBA (Integrated)**

**SEM: VII - THEORY EXAMINATION (2025 - 2026)**

**Subject: Vendor Development and Procurement Management**

**Time: 2.5 Hours**

**Max. Marks: 60**

General Instructions:

*IMP: Verify that you have received the question paper with the correct course, code, branch etc.*

*1. This Question paper comprises of three Sections -A, B, & C. It consists of Multiple Choice Questions (MCQ's) & Subjective type questions.*

*2. Maximum marks for each question are indicated on right -hand side of each question.*

*3. Illustrate your answers with neat sketches wherever necessary.*

*4. Assume suitable data if necessary.*

*5. Preferably, write the answers in sequential order.*

*6. No sheet should be left blank. Any written material after a blank sheet will not be evaluated/checked.*

**SECTION-A**

15

1. Attempt all parts:-

1-a. Vendor selection process include, (CO1, K2)

1

- (a) (a) Determining the business needs
- (b) (b) Identify potential vendors
- (c) (c) Connect with and evaluate vendor
- (d) (d) All of the above

1-b. The factors essential to consider between insourcing and outsourcing are, (CO2, K3)

1

- (a) (a) Business goals
- (b) (b) Deadlines
- (c) (c) Maturity level of the organisation
- (d) (d) All of the above

1-c. The purchasing objective refers to, (CO3, K2)

1

- (a) (a) Inventory control, Efficiency, Cost
- (b) (b) Flow of material, Responsiveness, Cost
- (c) (c) Responsiveness, Efficiency, Quality
- (d) (d) Cost, Quality, Reliability

1-d. A document used by companies to ask for price quotes from vendors for a specific good or service. is known as, (CO4, K3)

1

- (a) (a) Request for Quotation
- (b) (b) Request for Information
- (c) (c) Invitation to Bid
- (d) (d) All of the above

- 1-e. The process in which the supplier works with the company in the design process to ensure the most effective design possible, (CO5, K3) 1
- (a) (a) Design process
- (b) (b) Collaborative process
- (c) (c) Innovative process
- (d) (d) All of the above

2. Attempt all parts:-

- 2.a. Explain what is cost of quality. (CO1, K2) 2
- 2.b. Name the two major sourcing decisions taken at the strategic level. (CO2, K3) 2
- 2.c. Discuss what type of auction is performed when government is selling land for residential plots to builders. (CO3, K2) 2
- 2.d. Explain what is forward auction. (CO4, K3) 2
- 2.e. Mention three situations when global tender is viable. (CO5, K3) 2

### **SECTION-B**

15

3. Answer any three of the following:-

- 3-a. Describe different methods of vendor rating with examples. (CO1, K3) 5
- 3-b. Explain that the production cost is a term used for 'Make' situation while purchase cost is used for 'Buy' situation. (CO2, K3) 5
- 3.c. Define procurement and explain what is meant by procurement follows procure-to-pay cycle. (CO3, K2) 5
- 3.d. Explain what is meant in negotiation. Mention three objectives of negotiation. (CO4, K3) 5
- 3.e. Mention any four global trade barriers and elaborate any two. (CO5, K3) 5

### **SECTION-C**

30

4. Answer any one of the following:-

- 4-a. Explain the terms Request for Information (RFI), Request for Proposal (RFP) and Request for Quotation (RFQ) in vendor selection. (CO1, K3) 6
- 4-b. Financial strength of the vendor is one common vendor selection criteria. Write ten most common vendor selection criteria followed by the companies. (CO1, K3) 6

5. Answer any one of the following:-

- 5-a. Discuss how to Integrate the objectives of purchasing management and Material Management with the Supply Chain (CO2, K4) 6
- 5-b. Uptron is a manufacturer of TV and buys TV cabinet at Rs500 each. In case the company makes it within the factory, the fixed and variable costs would be Rs4,00,000 and Rs300 per cabinet respectively. Analyse whether the manufacturer should make or buy the cabinet if the demand is 1500 TV cabinets. (CO2, K4) 6

6. Answer any one of the following:-

- 6-a. Analyse with examples 8 R's of Purchasing (CO3, K4) 6
- 6-b. Mention what is meant by (1) purchasing (2) sourcing, (3) outsourcing and (4) crowdsourcing. (CO3, K2) 6

7. Answer any one of the following:-

- 7-a. Explain what is meant by obstacle to negotiating. Mention seven common obstacles to negotiating. (CO4, K3) 6
- 7-b. Discuss the way companies today are leveraging technology in sourcing. Mention the use of technology in supply chain visibility and risk management. (CO4, K3) 6
8. Answer any one of the following:-
- 8-a. Explain the characteristics of global sourcing with offshoring. (CO5, K3) 6
- 8-b. Discuss operational strategies for a global procurement process. (CO5, K3) 6

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