

**SECTION A**

Answer **ALL** questions in this section.

Every question in this section is followed by **four (4)** possible answers marked as **A, B, C, and D**. Choose the right answer and either **circle** or **highlight it with yellow colour**.

This section consists of **20 questions** and carries a total of **20 marks**.

1. Procurement type indicates whether a material is produced internally, obtained externally, both or none. Which of the following describes the procurement type in GBI **CORRECTLY**?
  - A. Finished goods – none
  - B. Trading goods – internal
  - C. Semi-finished goods - both
  - D. Raw materials – external
2. MRP type specifies the production control technique used in planning. Which of the following **IS NOT** one of the common production control techniques?
  - A. Consumption -based planning
  - B. Materials requirement planning (MRP)
  - C. Multi-level scheduling
  - D. Master production planning (MPS)
3. A company normally maintains a safety stock to:
  - A. Prevent fire
  - B. Avoid a stock-out
  - C. Win more orders from customers
  - D. Avoid defective products
4. Which of the following is **TRUE** about lot-sizing?

A	Static lot-sizing	The calculated requirement is 300; proposed order quantity is 500 as per vendor requirement.
B	Minimum lot-sizing	Customer orders 200 units on Monday, another 200 units on Wednesday, and an additional 300 units on Friday. So, the minimum total order is 1000 units.
C	Period lot-sizing	Customer orders 200 units on Monday, another 200 units on Wednesday, and an additional 300 units on Friday. So, the weekly total order is 700 units.
D	Optimum lot-sizing	The calculated requirement is 300; proposed order quantity is 300.

5. Which of the following scheduling time is defined **CORRECTLY**?
- A. Planned delivery time is the time needed to obtain a material if it is externally procured.
  - B. Set up time is the time required to complete the operations in the work centres.
  - C. Processing time is the time required to set up the work centres used in production.
  - D. In-house production time is the amount of time required to place the received materials in storage.
6. Which of the following bill of materials (BOM) item categories is defined **WRONGLY**?
- A. Variable material uses the same material number with the specific dimensional identification in the BOM
  - B. Stock item is used to include notes and comments within the BOM.
  - C. Document item is used to include data such as assembly instructions, and engineering drawings.
  - D. Class items are used in variant BOMs to identify a group of items.
7. Which of the following is **TRUE** regarding data in purchase order?
- A. Most of the data in purchase requisition are included in purchase order.
  - B. Data such as weight of the material is included in the purchase order from vendor data.
  - C. Data such as communication method is included in the purchase order from material master.
  - D. Data such as payment terms can be included in the purchase order from material master.
8. Which of the following statement regarding goods receipt is **INCORRECT**?
- A. Materials ordered in multiple purchase orders can be delivered in one shipment.
  - B. A single purchase order can only be delivered in a single delivery.
  - C. When a shipment is received the receiving company verifies the materials delivered are what it ordered.
  - D. The relevant data from purchase order are automatically copied into the goods receipt document
9. Which of the following data code is **CORRECT** for different types of materials in GBI company?

	Data code	Type of material
A	FERT	Finished product
B	HALB	Raw materials
C	HAWA	Semifinished product
D	ROH	Trading goods

10. Creation of new supplier master record requires three views. Which is the following reflect the three views correctly?
- A. General, purchasing, and sales
  - B. General, accounting, and purchasing
  - C. General, accounting, and sales
  - D. Accounting, purchasing, and sales
11. Which of the following data is applicable to 'Plant data / storage' in vendor master data?
- A. Instruction for special handling
  - B. Purchasing group
  - C. Valuation currency
  - D. Goods receipt processing time
12. Material master data is used by the following functional units in GBI company, **EXCEPT**
- A. Human Capital Management
  - B. Quality Management
  - C. Material Management
  - D. Sales and Distribution
13. Which of the following rules **DOES NOT** apply when linking warehouses to storage locations?
- A. A warehouse cannot be linked to storage locations across multiple plants.
  - B. A warehouse must be linked to at least one storage location.
  - C. Not all storage locations must be linked to a warehouse.
  - D. A storage location can be linked to only one warehouse.
14. Two-step procedure of stock transfer in inventory and warehouse management, requires the issued stock to be placed in-transit first before it could be moved to the next storage location. Which of the following **UNLIKELY BE** the reason for the transit requirement?
- A. When the goods are issued in the last 30 minutes of the normal working hours.
  - B. When there is a time lag between the two steps, for example, when the locations are geographically separated by distance.
  - C. When the same person does not have authorization to make changes at both locations.
  - D. When the issued goods need to undergo quality inspection before it could be received.

15. Which of the following regarding stock transfer is matched **CORRECTLY**?

	Type of transfer	Description
A	Storage Location-to-Storage Location transfer	A stock transfer between a plant in one geographical location to a plant in another geographical location
B	Plant-to-Plant transfer	A stock transfer between two storage locations within the same plant
C	Company Code-to-Company Code transfer	A movement of materials between two plants in different company codes
D	Plant-to-Company Code transfer	A movement of materials between two plants within the same company code

16. Which of the following transaction code is CORRECT for 'Stock Overview'?

- A. MMBE
- B. MBBS
- C. MB5TD
- D. MB5M

**Note:** Questions 17, 18, and 19 are based on the following scenarios:

*Scenario 1:* Customer Beantown Bikes places a purchase order for 30 'black professional touring bikes' and 10 'women's off-road bikes' to GBI. The delivery for 'black professional touring bikes' is on 31.10.2020; the delivery for 'women's off-road bikes' is on 1.12.2020. The payments terms for both types of bike is 2 weeks upon receiving the products.

*Scenario 2:* GBI Procurement places a purchase order for 300 'derailleur gear assembly' and 400 'off-road tyre' from Olympic Protective Gear. These two types of products are to be delivered on 1.11.2020. GBI Procurement also places another purchase order to Olympic Protective Gear for 400 'off-road tube'. This product's delivery date is 8.11.2020. GBI wants to combine the payment for these two purchase orders.

*Scenario 3:* Customer DC Bikes places 80 'air pumps' and 100 'T-shirts'. in a single purchase order to GBI. The delivery for 'air pumps' is on 2.11.2020, and the payment terms is 2 weeks after delivery. Meanwhile, the delivery for 'T-shirts' is on 18.11.2020, and the payment terms is one month after delivery.

17. The best type of invoicing method for Scenario 1 is

- A. Collective invoice

- B. Delivery-based invoice
- C. Post-dated invoice
- D. Split invoice

18. The best type of invoicing method for Scenario 2 is

- A. Collective invoice
- B. Delivery-based invoice
- C. Post-dated invoice
- D. Split invoice

19. The best type of invoicing method for Scenario 3 is

- A. Collective invoice
- B. Delivery-based invoice
- C. Post-dated invoice
- D. Split invoice

20. Which of the following is TRUE regarding reconciliation account?

- A. Reconciliation accounts are general ledger accounts that consolidate data from a group of subledger accounts.
- B. The reconciliation account for customers is accounts receivable.
- C. The reconciliation account for vendors is accounts payable.
- D. All of the above.

**(Subtotal: 20 marks)**

### SECTION B

This section consists of **3 questions** and carries a total of **10 marks**.

Every question requires answer in **one paragraph** in proportion to the allocated marks.

Answer **ALL** questions.

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1. Describe what is Storage Location and provide one example.

**(3 marks)**

**Answer:**

2. How does goods issue relates to fulfilment process and production process?

**(3 marks)**

**Answer:**

3. Differentiate between dependent requirement and independent requirement.

**(4 marks)**

**Answer:**

**(Subtotal: 10 marks)**

**(Total 30 marks)**