***Purchase -*** *A****purchase****means to take possession of a given asset, property, item or right by paying a predetermined amount of money for the transaction to be completed successfully. In other words, its' an exchange of money for a particular good or service.*

***What Does Purchase Mean?***

***-****A purchase is a routinely operation carried by both individuals and corporations. The purpose of this financial transaction is to transfer the ownership of a piece of property physical, intellectual, virtual or else. By purchasing the property, the owner has the right to use it or dispose of it according to his will and purpose. The purchase activity is normally a formal procedure when it comes to company purchases. Smaller purchases are more commonplace than larger purchases. As such, they require less analysis and thought.*

***Purchase Control***

*Purchase control is an element of material control. Material procurement is known as the purchase function. The functional responsibility of purchasing is that of the purchase manager or the purchaser. Purchasing is an important function of materials management because in purchase of materials, a substantial portion of the company's finance is committed which affects cash flow position of the company. Success of a business is to a large extent influenced by the efficiency of its purchase organization.*

*The advantages derived from a good and adequate system of the purchase control are as follows:*

***Continuous availability of materials:****It ensures the continuous flow of materials. so**production work may not be held up for want of materials. A manufacturer can complete schedule of production in time.*

***Purchasing of right quantity:****Purchase of right quantity of materials avoids locking up of**working capital. It minimizes risk of surplus and obsolete stores. It means there should not be possibility of overstocking and understocking.*

***Purchasing of right quality:****Purchase of materials of proper quality and specification avoids**waste of materials and loss in production. Effective purchase control prevents wastes and losses of materials right from the purchase till their consumptions. It enables the management to reduce cost of production.*

***Economy in purchasing:****The purchasing of materials is a highly specialized function. By**purchasing materials at reasonable prices, the efficient purchaser is able to make a valuable contribution to the success of a business.*

***Works as information centre:****It serves as a function centre on the materials knowledge**relating to prices, sources of supply, specifications, mode of delivery, etc. By providing continuous information to the management it is possible to prepare planning for production.*

***Development of business relationship:****Purchasing of materials from the best market and**from reliable suppliers develops business relationships. The result is that there may be smooth supply of materials in time and so it avoid disputes and financial losses.*

***Finding of alternative source of supply:****If a particular supplier fails to supply the materials**in time, it is possible to develop alternate sources of supply. the effect of this is that the production work is not disturbed.*

***Fixing responsibilities:****Effective purchase control fix the responsibilities of operating units**and individuals connected with the purchase, storage and handling of materials.*

*In short, the basic objective of the effective purchase control is to ensure continuity of supply of requisite quantity of material, to avoid held up of production and loss in production and at the same time reduces the ultimate cost of the finished products*