



**INDIAN INSTITUTE OF MATERIALS MANAGEMENT  
GRADUATE DIPLOMA IN PUBLIC PROCUREMENT  
Paper No.1**

**Dec 2011**

**Introduction to Public Procurement (State Policy & Guidelines)**

**Date: 10.12.2011  
Time: 10.00 am to 1.00 pm**

**Max Marks: 100  
Duration: 3 Hours**

**Instructions:**

Part A contains 4 Questions, each question carries 10 marks. Attempt all 4 questions.  
Part B contains 7 Questions, attempt any 4 questions. Each question carries 15 marks.

**PART-A**

Answer all four Questions. Each question carries 10 marks each. Total 40 Marks for this section.

**Q1. State True or False:**

- 1.1 Public procurement is the process of acquiring goods, works and services by Government procuring entities.
- 1.2 The Government buyers are also required to manage cost, but they do not measure profit.
- 1.3 Public procurement serves the society well if only when the public expenditure are made through a procurement system that need not be economical, rational & fair.
- 1.4 The largest interest group in public procurement is not the general public.
- 1.5 The ITC does not responds to countries request for assistance in public procurement reforms.
- 1.6 Public Procurement Training Systems is not a product of ITC.
- 1.7 PPTS does not focus on Government operations, practices & polices.
- 1.8 Government procurement affects many different elements of the society.
- 1.9 Transparency means well defined regulations & procedures open to public scrutiny.
- 1.10 SME's do not play an important role in the growth and development of countries.

**Q2. Write the full form of following abbreviations as used in the context of public procurement.**

2.1 CVC	2.3 APEC	2.5 IOR	2.7 UNCITRAL	2.9 RTA
2.2 FAR	2.4 ICRC	2.6 SBA	2.8 CISG	2.10 EPP

**Q3. Fill in the blanks.**

- 3.1 Anti trust ..... that the first .... in procurement reforms be a through evaluation.
- 3.2 In India, the ..... buying policy was announced in .....
- 3.3 EDI ..... computer – computer transfer of ..... information
- 3.4 EC uses many ..... types of technology to transfer ..... information.

- 3.5 The internet ..... openness and ..... in the world wide web.
- 3.6 Tariff refers to ... that applies to an .... in commerce.
- 3.7 Quantitative ..... put a ..... in the volume or price of a commodity that can be imported or exported during a specified time.
- 3.8 Embargo are ..... mandates that limit or prohibit ..... with a country.
- 3.9 Good public procurement ..... are therefore designed to ..... maximum competition.
- 3.10 Public buying ..... for being ..... for procurement decisions.

**Q4. Match the following:**

**Column A**

**Column B**

1. Adherence to a code of Ethics	a) generally include criminal penalties, damages & loss of job of approved status.
2. Corruption in public procurement	b) is a central characteristic of a sound procurement system.
3. Ethical principles	c) is the one with the most flexibility.
4. Anti – corruption considerations	d) the procurement is divided into smaller pieces to avoid proper levels of oversight of buyers actions
5. Transparency	e) minimizes corruption
6. The strongest component of a system	f) general statements indicating a professional approach.
7. Product substitution	g) leads to public loss.
8. False invoices	h) Govt. officials, or their friends or relatives benefit from the contract or the contractor obtains an unfair advantage in future work.
9 Split purchases	i) contractor bills for goods which have not been delivered.
10. Conflict of interest	j) contractors submit goods for testing which meet specification but deliver non-conforming items.

## **PART- B**

**Attempt any four questions. Each Question carries 15 marks. Total 60 Marks**

- Q5. What are the essential concepts and values of good governance for procurement professionals? Why is public buying different?
- Q6. What is solicitation package? Describe the solicitation process in detail.
- Q7. What is negotiation? What are negotiation targets that need to be set before the meeting? Also explain the stages of the negotiation meeting.
- Q8. Write short notes on any three.
- a) Transparency.
  - b) Accountability.
  - c) Environment procurement.
  - d) Anti – corruption consideration.
  - e) Functional Specification.
  - f) BIS Certification.
  - g) Electronic Commerce.
- Q9. What are supply strategies? Explain the four quadrants in the Supply Positioning Model.
- Q10. What are SME's? What role do they play in the growth and development of countries? What are the problems that they face in being competitive?.
- Q11. What is role of specification in a contract? Explain the difference between Technical, Composition and Functional specification & when are these used.

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