



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

June 2013

Introduction to Public Procurement (State Policy & Guidelines)

Date: 08.06.2013
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 Learning curve is not relevant to cost price analysis.
- 1.2 Working as a team has many advantages.
- 1.3 Government procurement affects many different elements of society.
- 1.4 Transparency means well defined regulations and procedures open to public scrutiny.
- 1.5 Common law is not based on past practices.
- 1.6 Good public procurement procedures need not generate maximum competition.
- 1.7 SME's play an important role in the growth and development of countries.
- 1.8 EDI does not support computer-to-computer transfer of business information.
- 1.9 Embargoes are Government mandates that limit or prohibit trade within a country.
- 1.10 Bill of lading is not a document of title to the goods in transit.

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

| | | | | |
|---------|------------|----------|---------|----------|
| 2.1 FAR | 2.3 RTA | 2.5 NTBs | 2.7 QRs | 2.9 EDI |
| 2.2 IOR | 2.4 ISONET | 2.6 VRAs | 2.8 ICC | 2.10 SBA |

Q3. Fill in the blanks.

- 3.1 Appeal rights to redress grievances of suppliers and correct system failures.
- 3.2 Government buyers must be to the public and to its customers within the government.
- 3.3 The three basic types of national legal systems under which procurement systems operate-legal codes, common law and
- 3.4 Muslim law is based on the interpretation of
- 3.5 Use indicates how good the item is for achieving a particular outcome.
- 3.6 Legal systems are based on a comprehensive written
- 3.7 Comparing total cost of ownership is a part of evaluation process.
- 3.8 Buying forward is one form of
- 3.9 Low variability means that the suppliers are offering very similar prices.
- 3.10 Accountability means establishing clear lines of decision making structures.

Q4. Match the following:

Column A

Column B

| | |
|-------------------------------|---|
| 1. The largest interest group | a) the process of acquiring goods, works and services by government procurement entities. |
| 2. Professionalism | b) are characterized by low annual consumption & high risk factors. |
| 3. Public procurement means | c) is carried out on products that exists. |
| 4. Transparency | d) it implies changing behaviors by setting examples that give clear signal to society. |
| 5 Affirmative procurement | e) is a central characteristics of a sound and efficient public procurement system. |
| 6. Negotiation styles | f) are used for standard off the shelf items. |
| 7. Brand or Trade names | g) warm tough and logical. |
| 8. Value Analysis | h) are characterized by high annual consumption and high risk. |
| 9. Bottleneck items | i) is the general public who benefit from Government Procurement. |
| 10. Critical items | j) to improve individual and system performance. |

PART- B

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

- Q5. Why is competitive bidding preferred in high value contracts? What are its essential pre-requisites?.
- Q6. What is Negotiation? Why it is considered an integral part of procurement? What are its Advantages.
- Q7. What is Contract Management? Explain the importance of Contract Management team and the Contract Manager.
- Q8. Write short notes on any three.
- a) Transparency.
 - b) Bid evaluation approaches.
 - c) Problems faced by SME's.
 - d) Total cost of ownership.
 - e) Importance of specifications in contracts.
 - f) Supply positioning model.
 - g) Role of Internet in procurement.
- Q9. What is the importance of price and cost analysis?. Does it help in procurement? When is cost analysis undertaken.
- Q10. What is environment procurement?. What are environmentally preferable products? Give two examples of the same in your organization.
- Q11. Define the role of procurement set up in any organization. How does it add value to the organization. Give examples of the same from your organization.
