



INDIAN INSTITUTE OF MATERIALS MANAGEMENT  
GRADUATE DIPLOMA IN PUBLIC PROCUREMENT

Dec 2011

Paper No.8  
Value in Public Procurement

Date: 13.12.2011  
Time: 2.00 p.m to 5.00 p.m.

Max Marks: 100  
Duration: 3 Hours

**Instructions:**

Part A contains 4 Questions, each question carries 10 marks. Answer all four 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 Negotiations are not a process of seeking optimum solutions to the business transactions.
- 1.2 Make use of existing standards where ever possible.
- 1.3 Use of socio economic criteria may mean paying a higher price.
- 1.4 A partnership is important for risk reduction and involves suppliers in program development and deployment.
- 1.5 The extent of public access needs to be balanced against the need for confidentiality.
- 1.6 Improvement of procurement in the public sector will not have any positive ramification for the rest of the economy.
- 1.7 An aim of procurement system is to foster the participation of SMEs.
- 1.8 Standards do not allow buyers and sellers to speak the same language.
- 1.9 Common law is not based on past practices, legal practices and tradition.
- 1.10 Legal codes are based on comprehensive written system usually covering commercial, civil and criminal law.

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

1) TRIPS	3) OECD	5) EBRD	7) IACC	9) BOLT
2) VRA	4) VMI	6) EPOS	8) GATS	10) LCA

Q3. Match the following.

**Column A**

**Column B**

1. A Term Contract	a) prevent corrupt practices and attracting investments.
2. Embargo's are	b) leads to developmental delays & cost over runs.
3. GATT helps	c) that you encounter as a buyer.
4. QR's	d) completion of projects in time and within budgets.
5. Lack of early procurement planning	e) fighting waste, consumption & improving financial accountability
6. Transparency helps	f) covers multiple procurement over a period of time.
7. There are numerous negotiation styles	g) put a limit on the volume or price of a commodity that can be imported or exported over a period of time.
8. Project Mgmt goals is	h) to negotiates the reduction or elimination of trade barriers.
9. Essentials of good governance	i) government mandates that limit or prohibit trader.
10 Project Mgmt Tools	j) are the feed back loop and systemized performance.

Q4. Fill in the blanks:

- a) A systems approach .....an objective view point.
- b) In PBC, one has to define .... and not ... of the tasks to be performed.
- c) Anti - trust laws ..... competition by eliminating or minimizing the presence of monopoly.
- d) Always check options, they may show you .. ..... ways of achieving your negotiation objectives.
- e) Products with ..... resource consumption are preferable and generally more economical.
- f) ITC recommends that the ..... step in procurement reforms be a thorough evaluation of the current system.
- g) Pay increases based on ..... give employees an incentive to improve.
- h) If you cannot ..... it, cannot ..... it, why are you paying for it.
- i) Purchasers should understand the ..... systems used in countries he plans on doing business with.
- j) Electronic commerce has the unintended ..... of creating the digital divide.

## **PART- B**

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

- Q5. What are the responsibilities of buyers in public procurement? Also explain what is good governance.
- Q6. What is VA/VE? How does it assist in procurement? Explain.
- Q7. Explain what cut-off relationships & fixed relationships are? What is the importance of performance management in procurement?
- Q8. Write short notes on any three.
- a) Just-in-time delivery.
  - b) Managing the Contract.
  - c) Quality Control.
  - d) Significance of digital signature in preventing fraud.
  - e) Bar coding technology.
  - f) Environmentally preferred products.
  - g) Managing the Contract.
- Q9. What are tariff and non-tariff barriers that restrict trade? Explain.
- Q10. What are the tools for environment procurement? Explain. List out the steps taken by your organization in contributing to the environment procurement.
- Q11. What is the life cycle approach in procurement? Explain by giving examples of at least two important items

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