



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

Dec 2013

Introduction to Public Procurement (State Policy & Guidelines)

Date: 14.12.2013  
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

**Q1. State True or False:**

- A) Public procurement is the process of acquiring goods, & services by the Govt. agencies.
- B) Well defined regulations and procedures open to public scrutiny lead to Transparency in the system.
- C) The members of civil society are not affected by government procurement of goods and services...
- D) Improvement in systems performance based on past practices and use of latest technology leads to professionalism in procurement .
- E) Good public procurement procedures need not generate maximum competition.
- F) The quality of environment friendly products are generally inferior than required.
- G) The growth and development of countrie are dependent on role of small and medium scale Business organizations.
- H) The computer-to-computer transfer of business information has been made possible by electronic data interchange.
- I) A lot of public loss takes place due to corruption in public procurement system.
- J) Embargoes are Government mandates that prohibit trade within a country.

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

- |           |          |        |         |        |
|-----------|----------|--------|---------|--------|
| A) ISONET | B) NAFTA | C) CVC | D) NTBs | E) RTA |
| F) FAR    | G) APEC  | H) SBA | I) KVIC | J) IOR |

**Q3. Fill in the blanks.**

1. Bottleneck items are characterized by ... annual consumption and high .... Factors
2. Legal systems are based on a comprehensive written .....
3. Appeal rights to redress ..... grievances of suppliers and correct system failures.
4. Government buyers must be ..... to the public and to its customers within the government.
5. The three basic types of national legal systems under which procurement systems Operate are legal codes, common law and .....
6. Use ..... indicates how good the item is for achieving a particular outcome.
7. Comparing total cost of ownership is a part of .... evaluation process.
8. Buying forward is one form of .....
9. Low ..... variability means that the suppliers are offering very similar prices.
10. Accountability means establishing clear lines of ..... decision making structures.

**Q4. Match the following:**  
**Column A**

1. Price preferences
2. Value Analysis
3. Anti Trust laws
4. Tariffs
5. Training
6. Embargoes
7. Financial Assistance
8. Licensing refers to a
9. Market Research
10. ITC recommends

**Column B**

- a) encourage competition by eliminating or minimizing the presence of monopolies.
- b) refers to a tax that applies to an item in commerce.
- c) are government mandates that limit or prohibit trade with a country
- d) Human capital development.
- e) alleviates significant SME constraints.
- f) targeted assistance in procurement.
- g) first step in procurement reform be a thorough evaluation of the current system.
- h) requirement to formally apply for a special permit.
- i) involves product that exists
- j) ensures competition by identifying more than one potential supplier

**PART- B**

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

- Q5. Explain the role and importance of Contract Management and the responsibilities of Contract Management team .
- Q6. Explain the precautions to be taken in public buying? How is it different from private buying?
- Q7. How does Price and Cost Analysis helps in procurement of commodities for business organizations with appropriate examples ?
- Q8. Explain the role and importance of appropriate procurement department in helping the pro high value purchases? Explain its essential requirements?
- Q9. Write short notes on any three.  
a) Total cost of ownership  
b) Importance of specifications in contracts.  
c) Role of Internet in procurement.  
d) Role of KVCE Public procurement.
- Q10. Explain the process and advantages of Negotiation ? Why it is considered an integral part of procurement ?
- Q11. Why competitive bidding is preferred in high value contracts? What are the essential requirements of the competitive bidding process ?

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