



INDIAN INSTITUTE OF MATERIALS MANAGEMENT  
GRADUATE DIPLOMA IN PUBLIC PROCUREMENT

Dec 2013

Paper No.8  
Value in Public Procurement

Date: 17.12.2013  
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 E-Commerce is well suited particularly for procuring from SME's.
- 1.2 SME's may have greater flexibility than larger firms in adapting production and sales to change in the market.
- 1.3 The most prominent human emotion exhibited during times of change is fear.
- 1.4 Money is not the only motivation factor for suppliers.
- 1.5 Common law is not based on past practices, legal precedents and tradition.
- 1.6 Embargoes are government mandates that do not limit or prohibit trade with a country.
- 1.7 QR's do not put a limit on the volume or price of a commodity that can be imported or exported during a specified period.
- 1.8 The aim of procurement systems is to foster the participation of SME's.
- 1.9 The public procurement training systems is a product of ITC.
- 1.10 Defining the function of an item correctly is not essential to VA & VE.

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

1) NSIC	3) BPR	5) EPOS	7) VHI	9) FMCG
2) PSI	4) PKI	6) WCTA	8) CMI	10) TRIPS

**Q3. Fill in the blanks:**

- a) SME's in some countries are a source of innovation and many a times serve as a catalyst for .....growth.
- b) In some cases SME's have lower costs than larger firms, including labour and .....
- c) SME's are subject to a number of .....on their competitiveness in public procurement markets.

- d) A key issue of change management when planning for action is how to motivate commitment to the .....
- e) One of the main characteristics of fear is that people do not ..... about it.
- f) The chance of fraud or malfunction with digital signatures is ..... than that related to paper transactions.
- g) Changes brought about by technology can make procurement tasks simpler, faster and provide less chance of .....
- h) Resistance normally clusters around 3 different states-the current, transition & .....state.
- i) Purchasers have to understand the ..... systems used in countries they plan to do business with.
- j) ..... law is based on the interpretation of Koran.

Q4. **Match the following.**

**Column A**

**Column B**

- |                                    |   |
|------------------------------------|---|
| 1. Risk                            | a) is a set of planned activities intended to help an organization increase its effectiveness.          |
| 2. The most fundamental trade risk | b) provides an invaluable and low-cost means of disseminating your requirements to suppliers worldwide. |
| 3. The internet                    | c) should be available at regular intervals and in a familiar format.                                   |
| 4. Cross Docking                   | d) exposure to uncertainty.   |
| 5. Bar codes                       | e) relates to the reliability of the other party.   |
| 6. JIT-Inventory Management        | f) operations are an extension of JIT philosophy into logistics and inventory management.               |
| 7. ADR                             | g) reduces the time and improve the accuracy of stock transactions                                      |
| 8. Arbitration                     | h) reduces the cost & risk of managing a large inventory.   |
| 9. Performance reports             | i) refers to a variety of techniques for resolving disputes without litigation.                         |
| 10 Intervention                    | j) submission of a dispute to one or more impartial persons for a final and binding decision.           |

**PART- B**

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

- Q5. What is Electronic Data Interchange (EDI)? Bring out the advantages and disadvantages.
- Q6. What is the importance of performance management system within an organization? Also explain the performance management of staff.
- Q7. Explain the importance of feedback loop in procurement. What are the various types of performance reports generated.

Q8. Write short notes on **any five**

- a) Electronic commerce.
- b) The product life-cycle chain.
- c) Managing the contract.
- d) Systems approach.
- e) Corruption Prevention
- f) Bar coding technology.
- g) Vendor Managed Inventory.

Q9. Explain the Protests and Dispute resolution. What are external appeals processes for dispute resolution?

Q10. Explain why Government buying is different from private buying, by giving detailed comparison. Also bring out what are the concepts and values of good governance.

Q. 11. Explain the concepts of Environmentally preferable products.? What are the benefits of this in public procurement ?

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