



INDIAN INSTITUTE OF MATERIALS MANAGEMENT
GRADUATE DIPLOMA IN PUBLIC PROCUREMENT

June 2014

Paper No.8
Value in Public Procurement

Date: 17.06.2014
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. (**Compulsory.**)
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

Total 40 Marks

Q1. State whether the following statements are True or False:

- 1) Lack of proper procurement planning may leads to avoidable delays and cost overruns in public procurement.
- 2) Complaints by disappointed bidders of government actions - both before and after award of contract generally hinder the improvement in procurement process.
- 3) Organizations are held accountable to the concerns of different stake holders.
- 4) Government procurement objectives will not be achieved simply by developing procurement rules.
- 5) Use of socio economic criteria might mean paying a higher price in case of large projects.
- 6) Electronic Data Interchange speeds up reaction and reduces inventory cycle times.
- 7) Using existing standards do not allow buyers and sellers to speak the same language.
- 8) Disadvantages of EDI are more because it is expensive & uses too many standards
- 9) Cross-docking operations are an extension of Just In Time philosophy into logistics and inventory management. for public procurement
- 10) A partnership is not important for risk reduction and involvement of suppliers in program development and deployment.

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

| | | | | |
|---------|-------------|----------|-----------|---------|
| 1) VMI | 3) UNCITRAL | 5) PMS | 7) ISONET | 9) NTMs |
| 2) UNEP | 4) GPA | 6) TRIPS | 8) NTBs | 10) QRs |

Q3. Fill in the blanks:

- a) Importance of procurement in public sector environment has ramifications for rest of economy. .
- b) Contractual conditions the contract price, delivery and inspection.
- c) Extinguishing of an offer lapse of validity of offer.

- d) Signatory countries of GPA foreign goods and services as equal to domestic goods and services.
- e) Digital signature chances of fraud or malfunction than that related to paper transactions.
- f) A fixed relationship covers procurements over a period of time.
- g) Embargo are mandates that or prohibit trade.
- h) Pay increases based on give employees an incentive to improve.
- i) Cut-off relationship involve prices over a set period, but without commitment to buy a certain amount.
- j) Performance reports should be available at intervals in a familiar

Q4. **Match the following.**

Column A

Column B

| | |
|------------------------------------|--|
| 1. Economic evaluation | a) opens procurement market to foreign competition. |
| 2. GPA | b) an effective tool to monitor both operations & projects |
| 3. Environmental Evaluation | c) voluntary international trade agreement that establishes guidelines for contracting and dispute resolution. |
| 4. Feedback loop | d) based on past practices, legal precedents and tradition |
| 5. CISG | e) focus primarily on outcomes and output. |
| 6. Customary law | f) the Unit price, O&M costs and End-of-life costs. |
| 7. Performance measurement systems | g) define what, not the how of the task to be accomplished costs |
| 8. Common law | h) will require many outcomes |
| 9. PBC's | i) exists most in African countries, China and India. |
| 10 Contract mission Statement | j) Resource consumption, pollution & hazardous effects and end of life management. |

PART- B

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

- Q5. What are the major responsibilities associated with and operational constraints in public procurement process ?
- Q6. What is Electronic Data Interchange? What are its advantages and disadvantages? How does it differ from conventional method of communication.
- Q7. VAVE is a structured approach that seeks to increase the value of something. Explain the concept associated with the statement in detail with the help of suitable illustrations .

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

- a) Commercial specifications.
- d) Three/ two bid systems.
- e) Solicitation process
- f) Public procurement legislation.
- g) Code of ethics.

Q9. Explain the concept of Environmental preferable products ? What are the benefits that accrue to the public procurement organization and indicate common misconceptions ? .

Q10. How are transparency and corruption correlated in business ? What steps would you recommend to prevent corruption in your organization.
