

**INDIAN INSTITUTE OF MATERIALS MANAGEMENT
GRADUATE DIPLOMA IN PUBLIC PROCUREMENT**

**Paper No.4
Logistics & E-Procurement**

Date: 11.06.2009
Time: 10.00 am to 1.00 pm

Max Marks: 100
Duration: 3 Hours

Note:

Part A contains 4 main questions, each question carries 10 marks. Attempt all questions
From **Part B**, Attempt any 4 questions. Each question carries 15 marks.

PART-A

Q1. State True or False:

- 1.1 DDD is most onerous from point of view of purchasers.
- 1.2 Under 'flag of convenience', Ship owners can register their vessels in the countries where the owner does not live or is not headquartered.
- 1.3 Fundamental principles of cross docking is that nothing is allowed into the cross docking centre unless it has already been scheduled for dispatch.
- 1.4 Customs declarations need not be accompanied by supporting documents.
- 1.5 Delay in supply response time does not bring about supply chain instability and inventory levels.
- 1.6 Non Conference lines do not offer more competitive rates.
- 1.7 Transfer of costs takes place at points that are sometimes different.
- 1.8 Packaging does not have any impact on costs & protection of the goods being transported.
- 1.9 Stevedors and freight forwarders mean one and the same thing.
- 1.10 New relationship in selling price, cost and profit is $\text{Selling Price} = \text{Profit} + \text{Cost}$.

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

- 2.1 CFR
- 2.2 DES
- 2.3 KPI
- 2.4 OIAC
- 2.5 IATA
- 2.6 DAF
- 2.7 FMCG
- 2.8 NAFTA
- 2.9 WAP
- 2.10 EXW

Q3. Fill in the blanks.

- 3.1 One should The main factors affecting the transportation costs to ensure that you always use the best options.
- 3.2 Bills of exchange & promissory notes are by the buyer to pay at a later date.
- 3.3 Duties are more Advalorem, but can also be
- 3.4 Tracking the movement of inbound supplies is to many industries particularly those working on JIT basis
- 3.5 Considering environmental issues when deciding on is important, and can bring savings to the organization

- 3.6 Understanding the required processes is to effective import logistics
- 3.7 Dimensions of 20 feet containers are 20' x 8 x
- 3.8 Appropriate labeling is to avoiding damage, loss or pilferage.
- 3.9 KPI's are only if they lead to identifying the cause of problems and how to solve them.
- 3.10 The confirmed letter of credit is the most common method of in imports

Q4. Very briefly explain – Any four:

- a) Managing Exchange Risk.
- b) Bill of Lading.
- c) Containerization.
- d) Import Tariffs.
- e) Custom Clearing Agents.
- f) Forward Transactions.
- g) Charter Party.

PART- B

Attempt any four questions. All Questions carry equal marks.

- Q5.** What is Inventory Management? How do you improve the inventory performance in any organization? Describe the brief classification of inventory items.
- Q6.** What are INCOTERMS? Explain. What is the implication of these?
- Q7.** What are the strategic issues in logistics & how does it affect the supply chain? Describe briefly with examples.
- Q8. Write short notes on any three:**
 - a) Methods of inventory replenishment.
 - b) E-Procurement.
 - c) Ware house locations.
 - d) Role of packaging in logistics.
 - e) Pre-Shipment Inspection of Cargo.
 - f) Monitoring of the procurement process.
- Q9.** What is the information & documentation required for customs clearance for import of cargo? Also indicate briefly the process of clearance of import cargo.
- Q10.** Describe briefly the methods of payment in International Trade. Also describe the main categories of coverage provided in cargo insurance policies.
- Q11.** What is the role of containerization in International Trade. Briefly indicate the safety and security measures in cargo movement that have become necessary to counter the threat of terrorism .
