



INDIAN INSTITUTE OF MATERIALS MANAGEMENT
GRADUATE DIPLOMA IN PUBLIC PROCUREMENT
Paper No.4
Logistics & E-Procurement

Dec 2012

Date: 11.12.2012
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.** Total 40 Marks for this section.

Q1. State True or False:

- 1.1 Tampers do offer regular services but are used for one off shipments.
- 1.2 Under 'F' terms, the buyer does arrange and pay for the carriage.
- 1.3 Liner freight rates cover the cost of loading and discharge.
- 1.4 Logistics issues affect virtually every dimension of an organization's strategy.
- 1.5 Liner services do not operate over specific routes between designated ports.
- 1.6 The cost of reverse logistics can sometimes be as high as 5-10 times of the original cost.
- 1.7 Logistics operations require close coordination amongst various functions in an organization.
- 1.8 The carrier's liability can either be calculated on the basis of weight or number of packages.
- 1.9 Charter shipping normally operates either over a period of time or for complete voyage.
- 1.10 Goods in transit can be held in bond under customs supervision by using a bond note.

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

2.1 TTOA	2.3 KPI	2.5 WTCA	2.7 FAS	2.9 NAFTA
2.2 TTOD	2.4 DEQ	2.6 FIATA	2.8 CIF	2.10 OIAC

Q3. Fill in the blanks.

- 3.1 The main issue in any procurement transaction is to ensure a supplier.
- 3.2 In imports, the logistics risks and costs are usually than for national transport.
- 3.3 Transfer of can take place anywhere between the sellers and the buyer's premises.
- 3.4 Bill of lading is a document of to the goods in transit.
- 3.5 Bill of exchange & promissory notes are by the buyer to pay at a later date.
- 3.6 Selling prices are driven by market demand rather than by cost of production.
- 3.7 Multipoint delivery's main is larger & more economicalcan be used.
- 3.8 Internet can transporters find opportunities of spot loads for loading.
- 3.9 In a manufacturing setup logistics often make up 20-30% of total procurement of the item.
- 3.10 INCOTERMS are to deal with the effects of transportation.

Q4. Match the following:

- | | |
|----------------------------------|---|
| 1. Two –bin replenishment method | a) is the physical exchange of one set of goods for another of similar value. |
| 2. Inventory | b) wherever possible to maximize transport efficiency. |
| 3. Conference lines | c) offer the broadest range of services to the shipper. |
| 4. Counter trade | d) buying foreign exchange today in spot market, that is required for a later settlement. |
| 5. Organising back loads | e) need to be accompanied by supporting documents. |
| 6. Hedging | f) involve the transportation of goods from suppliers to the buyers main warehouse. |
| 7. Customs declaration | g) distribution of materials within the internal supply chain of the buyers organization. |
| 8. Inter stores transport | h) an organization of ship owners that are engaged in the same routes. |
| 9. Inbound transport | i) is the quantity of goods and materials held in hand/stock. |
| 10. freight forwarders | j) is often used for low value items. |

PART- B

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

- Q5. How does inventory management assist in controlling costs? What are selective inventory control techniques? Explain the Pareto analysis in detail.
- Q6. Explain the meaning and use of INCOTERMS 2000. How does it assist in international Purchases?
- Q7. Why are containers the preferred mode of transport both in national/international shipments? Explain the disadvantages.
- Q8. Write short notes on any three.
- a) Marine insurance.
 - b) The role of packaging.
 - c) The role of freight forwarders.
 - d) Bill of lading.
 - e) Payment terms in import contracts.
 - f) Warehouse location.
 - g) E-procurement.
- Q9. What is logistics? Explain in detail. Also explain the role of packaging in logistics.
- Q10. Describe briefly the import process. What is the role of clearing agents?
- Q11. Explain the key considerations in planning and scheduling deliveries.
