



INDIAN INSTITUTE OF MATERIALS MANAGEMENT  
GRADUATE DIPLOMA IN PUBLIC PROCUREMENT

June 2015

PAPER NO.1

INTRODUCTION TO PUBLIC PROCUREMENT

Date: 13.06.2015  
Time: 10.00 am to 1.00 pm

Max Marks: 100  
Duration: 3 Hours

INSTRUCTIONS:

- Part A Attempt all 4 questions. Each question carries 10 marks.  
Part B Attempt any 4 questions. Each question carries 15 marks.

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**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 Authority and responsibility need not go hand in hand.
- 1.2 Functional specifications are used when technology is changing rapidly.
- 1.3 Harmful products are banned by International Agreements.
- 1.4 Ethical principles are general statements indicating a professional approach.
- 1.5 Bill of lading is not a document to title to the goods in transit in business.
- 1.6 IEC establishes electric and electronic engineering standards.
- 1.7 KVIC units are exempt from paying any penalty for delay in supplies.
- 1.8 There are a number of financial concessions provided to SME's in India.
- 1.9 Critical items are characterized by high annual consumption and high risk.
- 1.10 Comparing total cost of ownership is not a part of bid evaluation process.

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

2.1 APEC	2.3 IFRC	2.5 ICRC	2.7 ECDP	2.9 WFP
2.2 ADR	2.4 UNHCR	2.6 NAFTA	2.8 UCP	2.10 SBA

**Q3. Fill in the blanks.**

- 3.1 Contract Manager defines the team ..... to ensure that each member is .....of his/her responsibility.
- 3.2 The main focus areas of contract management are the time schedule, .... and quality.
- 3.3 Negotiated agreement need to be checked by ..... advisors if appropriate.
- 3.4 Signatories of GPA are bound by a ..... agreement to treat foreign goods and services at par with domestic ones.

- 3.5 Embargo's are Government ..... that limit or prohibit trade with a country.
- 3.6 Tariff refers to a ..... that applies to an item of commerce.
- 3.7 The phases of negotiations comprises of preparing, ..... and follow up.
- 3.8 Government buyers must be ..... to the public and to the internal customers.
- 3.9 Accountability means a serious ..... of such decisions is needed to properly manage the public function.
- 3.10 Competition means that the ..... are fair, non discriminatory and transparent.

**Q4. Match the following:**

**Column A**

**Column B**

1. Electronic Commerce	a) based on past practices, legal precedence and traditions.
2. Corruption in Public Procurement	b) encourages maximum competition.
3. Adherence to a code of Ethics	c) are based on comprehensive written system-commercial, civil and criminal.
4. Public procurement legislation	d) encourages competition by eliminating or minimizing the presence of monopolies .
5 EDI supports	e) uses different type of technology to transfer business information .
6. Common law	f) consists of rules and principles that govern the relations and dealings of nations with each other.
7. Legal codes	g) leads to public loss.
8. Good public procurement	h) minimizes corruption.
9. Anti-trust laws	i) normally makes the open tendering system the preferred option.
10. International law	j) computer to computer transfer of business information.

**PART- B**

**Attempt any four questions. Each Question carries 15 marks.**

**Total 60 Marks**

- Q5. How does procurement add value to the organization. Explain in detail. Also explain the importance of coordination/cooperation with other departments in the organizations.
- Q6. What is solicitation package? Describe the solicitation process in detail.
- Q7. Explain the Supply Position Model. Explain the strategies adopted for critical and bottleneck items.
- Q8. Write short notes on any three.

- a) Role of ethics in public procurement.
- b) Public procurement legislation.
- c) Targeted assistance for SME's.
- d) Functional Specification.
- e) Transparency.
- f) Role of KVIC in public procurement.
- g) Product life cycle chain.

Q9. Why has negotiation become an integral part of procurement process? Why the negotiation targets need to be set before the actual negotiation? Also explain the stages of negotiations

Q10. Why is Government procurement different? What are the essential concepts and values of good governance.

Q11. SME's can play an important role in the growth and development of countries. Explain in detail. What are the common constraints that hamper their growth.

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