

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

Paper No.8

Value in Public Procurement

DEC - 2010

Date: 14.12.2010

Time: 2.00 pm to 5.00 pm

Max Marks: 100

Duration: 3 Hours

Note:

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 Negotiation is a process of seeking the optimum solution to the business transaction.
- 1.2 Lack of early procurement planning may lead to procurement delays & cost overruns.
- 1.3 Environment procurement is a cumbersome process.
- 1.4 A partnership is not important for risk reduction and involves suppliers in program development and deployment.
- 1.5 In performance based contracting the supplier is not responsible for achieving the specified outcome.
- 1.6 Make use of the existing standards wherever possible.
- 1.7 Use of socio economic criteria might mean paying a higher price.
- 1.8 Standards do not allow buyers and sellers to speak the same language.
- 1.9 The primary goal of GATT is not to negotiate the reduction or elimination of trade barriers
- 1.10 A systems approach requires an objective view point.

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

1) TRIPS	3) PPTS	5) VMI	7) WAN	9) VRA
2) NTMS	4) OECD	6) LCA	8) NTBs	10) ADB

Q3. Match the following.

Column A

Column B

1. A term Contract	a) is important to cost price analysis.
2. QRs	b) are not given for standard performance.
3. The aim of procurement	c) is a restraint on a person to prevent him from contradicting his own previous assertion.
4. Anti trust laws	d) becomes necessary when there is a suspected cartel formation.
5. Learning curve	e) that the first step in procurement reforms be a thorough evaluation of the current system.
6. Incentives and rewards	f) low cost means of disseminating information to suppliers world wide
7. An estoppel	g) encourage competition by eliminating or minimizing the presence of monopoly.
8. Price analysis	h) is to foster the participation of small and medium sized enterprises
9. ITC recommends	i) puts a limit on the value or price of a commodity that can be imported or exported over a period of time.
10. Internet	j) covers multiple procurements over a period of time.

Q4. Fill in the blanks:

- a) Cut-off relationship involve prices over a set period, but without commitment to buy a certain amount.
- b) The goal of project management is to achieve the of the project on time and within budget.
- c) Risk analysis involves the of occurrence and the extent impact.
- d) Contractual conditions the contract price, delivery and inspection.
- e) Extinguishing of an offer lapse of validity of offer.
- f) Signatory countries of GPA foreign goods and services as equal to domestic goods and services.
- g) Digital signature chances of fraud or malfunction than that related to paper transactions.
- h) A fixed relationship covers procurements over a period of time.
- i) Embargo are mandates that or prohibit trade.
- j) Transparency helps corrupt practices and attracting investments.

PART- B

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

- Q5. Explain the job of public procurement. What is good governance? Explain.
- Q6. VA/VE is a structured approach that seeks to increase the value of something. Explain
- Q7. A country may use various methods to provide protection against unfair competition. Explain.
- Q8. Write short notes on any three.
 - a) Controlling and preventing corruption.
 - b) Just-in-time inventory.
 - c) The solicitation process.
 - d) Managing the contract.
 - e) Risk assessment and management.
 - f) Quality control.
 - g) Tariff barriers.
- Q9. What is Electronic Data Interchange? What are its advantages and disadvantages? How does it differ from conventional method of communication.
- Q10. What are the benefits of life cycle approach? Explain.
- Q11. What are the steps required for making environmental procurement operation. Describe.