# INDIAN INSTITUTE OF MATERIALS MANAGEMENT

# **DEC-09**

### GRADUATE DIPLOMA IN PUBLIC PROCUREMENT

# Paper No.8

# **Value in Public Procurement**

Date: 15 .12.2009 Max Marks: 100
Time: 2.00 pm to 5.00 pm Duration: 3 Hours

Note:

Part A contains 4 questions, each question carries 10 marks. Answer all questions.

From Part B, attempt any 4 questions. Each question carries 15 marks.

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# **PART-A**

## **Q1.** State True or False:

- 1.1 In PBC, one has to define *what* & not the *how* of the task to be accomplished.
- 1.2 Antitrust laws encourage competition by eliminating or minimizing the presence of monopoly.
- 1.3 A term contract covers multiple procurements over a period of time.
- 1.4 Environmental procurement is a cumbersome process.
- 1.5 Electronic commerce has the unintended effect of creating a digital divide.
- 1.6 Always check options, they may show you unsuspecting ways of achieving your negotiation objectives.
- 1.7 Lack of early procurement planning may lead to procurement delays & cost overruns.
- 1.8 A term contract covers multiple procurements over a period of time.
- 1.9 Fighting waste and consumption and improving financial accountability are essential for good governance.
- 1.10 Negotiation is a process of seeking the optimum solution to the business transaction.
- Q2. Write the full form of the following abbreviations as used in the context of public procurement.
  - 2.1 LCA
  - 2.2 OECD
  - 2.3 TRIPS
  - 2.4 ITU
  - 2.5 NAFTA
  - 2.6 PBC
  - 2.7 ADB
  - 2.8 VMI
  - 2.9 VRA
  - 2.10 WAN

### Q3. **Describe briefly - Any four.**

- 3.1 The Requisition.
- 3.2 Fixed Relationships.
- 3.3 Tariff Barriers.
- 3.4 Managing the Contract.
- 3.5 National Standards.
- 3.6 Quality Control.
- 3.7 Risk Management.

## Q4. Fill in the blanks:

- a) Embargoes are government ...... that limit or prohibits trade.
- b) There are numerous negotiation ...... that you will encounter as a buyer.
- c) Transparency helps ...... corrupt practices and attracting investments.
- d) Project Management's ..... is completion of project in time and within budget.
- e) GATT helps to ...... the reduction or elimination of trade barriers.
- f) Make use of the existing ......wherever possible.
- g) QR's put a ..... on the volume or price of a commodity that can be imported or exported over a specified period.
- h) Lack of early procurement ...... leads to developmental delays & cost over runs.
- i) If you can't describe it, and you can't measure it, why are you ..... for it.
- j) The extent of public access must be ...... against the need for confidentiality.

### **PART-B**

# Attempt any four questions. All Questions carry equal marks.

- Q5. Why Government buying is different? Explain in detail.
- Q6. What is environmentally preferable product procurement? Explain in detail.
- Q7. What is VA/VE Structured approach? Explain its important stages.
- Q8. Write short notes on any three.
  - a) Digital Signatures.
  - b) Use of EDI in procurement.
  - c) Performance based contracting.
  - d) Legal Systems.
  - e) The life cycle approach.
  - f) Feed back loop.
  - g) Role of Technology in procurement.
- Q9. What is meant by the health of procurement systems? Explain.
- Q10. Give the frame work for controlling corruption in public procurement.
- Q11. What are tariffs & non tariffs strategies that restrict trade? Explain.