

# INDIAN INSTITUTE OF MATERIALS MANAGEMENT GRADUATE DIPLOMA IN PUBLIC PROCUREMENT

**June 2015** 

## Paper No.4

## **Logistics & E-Procurement**

Date: 16.06.2015 Max Marks: 100
Time: 10.00 am to 1.00 pm 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.

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## **PART-A**

Answer all four Questions. Each question carries 10 Marks. Total 40 Marks for this section.

#### Q1. State True or False:

- 1.1 Goods in transit cannot be held in bond under customs supervision by using a bond note.
- 1.2 Liner services do operate over specific routes between designated ports.
- 1.3 Formation of supply chain alliances is to improve the overall efficiency of supply chain.
- 1.4 The longer one can economically use a vehicle, the better investment it will make.
- 1.5 Appropriate labeling is not essential to avoiding damage, loss or pilferage.
- 1.6 Internet technology is currently not used for logistics optimization.
- 1.7 International trade does not thrive on credit.
- 1.8 Tampers offer regular services but are used for one-off shipments.
- 1.9 Non-conference lines offer more competitive rates.
- 1.10 The carriers liability can be calculated either on the basis of weight or the number of packages.
- Q2. Write the <u>full form of the following abbreviations</u> as used in the context of public procurement.

2.1 MOU	2.3 FIATA	2.5 CPT	2.7 BPO's	2.9 ASN
2.2 TTOA	2.4 ICA	2.6 SPV	2.8 SDR	2.10 CIP

#### Q3. Fill in the blanks.

- 3.1 Back loading is an important way to improve the ...... of road transport.
- 3.2 Include the cost of all ...... in evaluating goods inwards costs.
- 3.3 Utilize the largest economic size of vehicles for inter ...... transport.
- 3.4 Different vehicles have different ....., applications and operating costs.
- 3.5 It is important to know when the ...... for the goods is transferred from seller to the buyer.
- 3.6 Logistics oriented ...... must focus on the output of the logistics system.
- 3.7 Ware house design will be .....by the nature of goods, their packaging and the delivery cycle.
- 3.8 Liner freight rates cover the cost of loading and ......
- 3.9 Incoterms are a set of three letter standard ...... terms commonly used in International contracts.
- 3.10 Inventory is the ...... of goods and materials held in hand or stocks .

## Q4. Match the following:

1. Logistics costs	a) the sellers only responsibility is to make the goods available at sellers premisis.
2. Reverse logistics	b) the seller bears all costs and risk in bringing the goods to named place.
3. Supply Chain Alliance	c) the most onerous from the point of view of purchasing.
4. Under C-Terms	<ul> <li>d) the buyer bears all risks of loss or damage. The seller however purchases the cargo Insurance.</li> </ul>
5. DDP	e) The seller clears the goods for export and pays the cost of moving the goods to destination.
6. DAP	f) has the main advantage that larger and more economical vehicles can be used.
7. DDD	g) the buyer must generally pay transportation costs.
8. CIF	h) to reduce the cost of logistics and inventory by sharing information throughout the supply chain pipeline.
9. CFR	<ul> <li>i) cost is quite prohibitive and can sometimes be 5-10 times of the original cost.</li> </ul>
10.Multi point delivery	j) often make up to 20-30% of total procurement cost.

### **PART-B**

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

- Q5. What are the functional stages in logistics system? Also explain inter-stores transport in detail.
- Q6. What are the various payment methods for undertaking imports? Explain in detail the documentary letter of credit.
- Q7. What are the elements that constitute the cost of logistics? What are the different approaches?.
- Q8. Write short notes on any three.
  - a) Supply chain alliances.
  - b) Packaging considerations.
  - c) Cross Docking.
  - d) Handling equipment.
  - e) Freight forwarders.
  - f) Transshipments.
  - g) Transportation by containers.
- Q9. What is e-procurement? How does it help in expediting the procurement process? Explain in detail.
- Q10. What is the role of containerization in National/International trade? Explain the advantages and dis-advantages of moving cargo in containers.
- Q11. What is logistics? Explain. Also explain in detail the role of packaging in logistics.

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