



INDIAN INSTITUTE OF MATERIALS MANAGEMENT

Post Graduate Diploma in Materials Management - 2 years

PAPER No.23 (enrolment code –CPM,)

PAPER No. 18(enrolment code- PMM)

Public Procurement

June 2023

Date : 19.06.2023

Time : 2.00 pm to 5.00 pm

Max. Marks: 70

Duration : 3 Hrs.

Instructions:

1. From Part A, contains 4 main questions (with 5 sub-questions) each question carries 1 mark Total of 20 marks
2. From part B answer any 5 questions out of 5 questions. Each question carries 10 marks – A total of 50 marks
3. Graph Sheet will be provided if required.
4. Use of standard calculator is permitted.

PART – A (compulsory)

(20 marks)

Attempt all questions. Each sub-question carries 1 mark.)

Q. 1. State True or False

[5 marks]

- i. There is no income tax, if the taxable income is lower than 5 lakhs as per Union budget 2020.
- ii. " Rank e- auction " is one of types of variants in e auction.
- iii. Procurement cycle is the process of procuring material & goods.
- iv. In the organisation the process of managing risk, should be proactive and not reactive.
- v. While importing goods ,in India, getting foreign exchange is the 1st step, that need to be followed.

Q. 2. Write full form of the following abbreviations. [5 marks]

- i. PPL/A
- ii. CCI
- iii. GPP
- iv. GPA
- v. PAC

Q.3. Select the right answer from mix of probable answers. [5 marks]

- i. The cost of performing an agreed activity is greater than the agreed amount is called as _____.
 - a. Cost growth
 - b. Inflation
 - c. Change
 - d. Cost overruns
- ii. _____ is a binding & legally enforceable agreement between two or more parties.
 - a. Reverse auction
 - b. E- Procurement
 - c. Contract
 - d. Agreement
- iii. _____ is required to which testifies the fact that goods entering from abroad are of the stated value & in the specified qty.
 - a. Letter of Credit
 - b. Clearance of goods
 - c. Delivery order
 - d. Bill Of Entry
- iv. _____ supports the process to prequalify suppliers & identifies suppliers , that can help with the process of procurement.
 - a. E – tendering
 - b. E - sourcing
 - c. E - auctioning
 - d. E - ordering
- v. _____ is one of the characteristics of community based procurement.
 - a. Reverse auction
 - b. Forward auction
 - c. Sustainability
 - d. Automation

Q.4 Fill in the blanks. [5 marks]

- i. _____ defines contract management as the process, deliverables, deadlines & contract management and contract terms & conditions, while ensuring customer satisfactions the process of managing

- ii. _____ are all the people or organisations that are impacted by the process of procurement.
- iii. _____ was created in 1995 & is an International institution, which was created for replacing the General Agreement on Tariffs & Trade.
- iv. _____ is a platform launched by Ministry of Commerce, as per amended Rule no 147, for Power of Procurement of Goods.
- v. Make in India initiative is based on _____ pillars.

Part B

(Answer Any Three)

(3 X 10 = 30 Marks)

- Q 5 a.** Explain the Principles of Public Procurement Management. **[5 marks]**
b. Explain Two Stage Tendering ? When Do you go for this ? **[5 marks]**
- Q 6.a.** Explain Procurement Legislative Framework **[5 marks]**
b. What are the criteria's for choosing Award procedures ? **[5 marks]**
- Q 7 a.** Explain the E – Procurement rules 160. **[5 marks]**
b. Explain the steps to be followed in Contract management of Civil works **[5 marks]**
- Q 8 a .** Explain how to mitigate the various risks related to procurement. **[5 marks]**
b. Among the best practices in Public Procurement, list down the steps in the process of creating a strategic approach to procurement.
- Q. 9** Write short notes on any 2 of the following. **[2x5 =10 marks]**
a. Spot Purchase
b. Applications of Public Finance
c. Modern Internet tools& platforms that replace traditional procurement
d. Public Procurement (Preference to Make India) order 2017

PART- C(Compulsory)

(20 marks)

Q.10

M/s ABC Construction Co. Ltd is one of the reputed Construction Co. In India, with 30 major projects in most of the States in India & its neighbouring countries. These projects consists of building National High ways, Hydel project like building Dams, Power Houses, Underground water tunnels, Nuclear Reactors, Underground Metros, Large Bridges, Underground water tunnels etc. Each of these projects have a construction spans of 3- 5 years. M/s ABC have a good record of constructing these projects on time. Each of these projects values range from Rs 400 Crores to 1200 Crores.

For constructing these projects ABC need lakhs of tons of Steel, Cement, Concreting chemicals, sand, aggregates with prime quality. Similarly they need Crores rupees of worth non core jobs to be sub contracted in the form of Works contract.

One of such large value works contracts now is in a Road project, Road excavation, in the form of rock cutting where the elevation of the road is higher & filling to be done and compacting with the soil, where the present level is lower to bring the same to the right level. In doing so the appointed works contract , the contractor, need to bring in required construction machinery for excavation, transportation of soil, and compacting them as per client specifications. Even though this activity is of lower importance, the quality needed here has to be utmost important as these earlier / bottom layers of the road., which if not be done as per required quality will give rise to potholes, water accumulation, which are dangerous & can result into major accidents, on National highways.

You being one of the listed & expert in contract drafting, in M/s ABC ,are made responsible for making a very good Works contract, for this activity/ subcontract. In such high value, time bound, with precise quality, works contract, kindly answer following in detail.

Questions:

1. List down & explain 5 very important terms & conditions of works contract
2. Explain why you consider these 5 terms & conditions are very important.
3. Draft these 5 important terms & conditions in your own words in a simple way, but ensure right binding on you as well the subcontractor for right performance of this works contract.
