Q1. State True or False:
1.1 Make sure your technical specifications are clear and precise.
1.2 Call options do not allow you to secure a price without a commitment to buy.
1.3 Over as well as under specifying are both equally bad.
1.4 Authority and responsibility do not go hand in hand.
1.5 A specification is a statement of requirements to be satisfied by a product or service.
1.6 Standards allow buyers and sellers to speak the same language.
1.7 Efficiency and economy are important cornerstones in public procurement.
1.8 The contract clauses state the rights and obligations of the contracting parties.
1.9 Cost reimbursement methods are the most favored type of contracts.
1.10 Low price variability means that suppliers are offering very similar products.

Q2. Write the full form of the following abbreviations as used in the context of public procurement.
2.1 SCM
2.2 NPV
2.3 AQL
2.4 TQM
2.5 QAP
2.6 CPU
2.7 PERT
2.8 QR
2.9 LCD
2.10 IEC

Q3. Fill in the blanks.
3.1 Request for .......... is when procurement entity invites proposal from selected parties on the basis of terms of reference or less definite specifications.
3.2 Two stage ........... is resorted to when the technical bid is followed by financial bid.
3.3 EMS compliance is insisted upon by countries as a ........... requirement for doing business.
3.4 One of the main features of commodity buying is their ........... volatility.
3.5 Hedging is the low cost alternative to speculating. Buying ........ is one form of hedging.
3.6 Functional / performance specification is ........... when suppliers have greater expertise than the buyers.
3.7 Any ........... with which the product or service must comply is called legal requirement.
3.8 Brand or trade names are ....... for procurement of standard off the shelf goods of relatively low value.
3.9 Life cycle cost is the ....... of the cost of acquisition and the cost of ownership.
3.10 Expenditure on procurement is often a ........... part of a Government total cost.
Q4. Very briefly explain – Any four:

a) Pareto Rule.
b) Demand forecasting.
c) National Standards.
d) Standardization.
e) Supplier relationships.
f) Market research.
g) Capital expenditure.

PART- B

Attempt any four questions. All Questions carry equal marks.

Q5. Explain the importance of tender conditions in procurement. Explain the five important ones in detail.

Q6. What is bid evaluation? Explain the important criteria generally specified in bid evaluation.

Q7. What is the supply positioning model? How are the routine and leverage items classified?

Q8. Write short notes on any three.
   a) Bidder protests.
   b) Sources of supplier information.
   c) Total cost of ownership.
   d) Important elements of a contract.
   e) The spot purchases.
   f) Commodity purchases.

Q9. What are the different types of contracts? Explain in detail. When do you resort to cost reimbursement contracts?

Q10. Explain in brief the complete procurement process. Also explain the importance of price variation in contracts.

Q11. What are product specifications? Explain in brief the important aspects.