

[Dec-16]

[MPDOM-317]  
MBA Degree Examination

Operations Management  
III SEMESTER

LOGISTICS & SUPPLY CHAIN MANAGEMENT

(Effective from the admitted batch 2009-10)

Max.Marks: 70

Time: 3 Hours

Instructions: All parts of the unit must be answered in one place only.  
Figures in the right hand margin indicate marks allotted.

SECTION-A

1. Answer any **Five** of the following:

(5x4=20)

- a) Explain the concept of logistics
- b) Explain out band logistics
- c) Information Technology
- d) Cost-Analysis
- e) Location Strategy
- f) Design of SCM?
- g) Supply Chain
- h) Explain the concept of logistics

SECTION-B

(5x8=40)

Answer all questions

2. a) Give, a detailed account of the principles of supply chain management

OR

b) Distinguish between logistics & supply chain management

3. a) Elucidate the models of supply chain management integration

OR

b) Distinguish between inbound and outbound logistics

4. a) Examine the role of Information Technology in supply chain management

**OR**

- b) What are the Information system packages used in supply chain management
5. a) How do you evaluate the performance of supply chain management?

**OR**

- b) What are the best practices and bench marking for supply chain management?
6. a) Explain, how supply chain is managed in non-manufacturing sector

**OR**

- b) What is Transportation mix?

### **SECTION-C**

7. Case Let (Compulsory):

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“Global retail mart” emphasizes reduction of its purchasing costs to offer the best price to customers. The company procures goods directly from manufactures bypassing the intermediaries. The company is a tough negotiator on process, and finalizes a purchase deal only when it is fully confident that products it is buying are not available elsewhere at a lower price. It spends a significant amount of time in meeting vendors and understanding their cost structure. It establishes long term relationships with vendors, only after it is satisfied that they are doing their best to cut costs.

It has more than 40 distribution centers located at different geographical locations in India. Over 80,000 items are stocked in these centers. The company owns warehouses directly supply 85 percent of inventory, as compared to 50-65 percent for competitors. According to rough estimates, the company provides replenishment within two days, on an overage, against at least five days for competitors. Shipping costs for the company work out to be roughly 3 percent of the final cost as against 5 percent for competitors.

Each distribution center of company is classified into different sections on the basis of the quantity of goods received. The inventory turnover rate is very high, about once every two weeks for most of the items. About 85% of the goods which are available in the stores pass through the distribution centers.

The distribution center ensures a steady and consistent flow of products to support the supply function. Managing a center is easier and more economical for the company because the company uses sophisticated bar-code technology and hand-held computer systems. Every employee has access to real-time information regarding the inventory levels of all the products in the center. They have to make just two scans-one to identify the pallet, and the other to identify the location form where the stock had to be picked up. Different barcodes are used to label different products, shelves and bins in a center. The hand-held computer guides and employee with regard to the location of a particular product from a particular bin or shelf in the center. When the employee verifies the bin and picks up a product, the employee confirms whether it is the right product or not. The quantity of the product required from the center is entered into the hand-held computer by the employee and then the computer updates the information on the main server. The hand-held computer displays all information about storage, packaging and shipping of a particular product. Thus reducing all unnecessary paperwork and saving employees' time. All this enables the company to respond quickly to customer needs and improve the level of efficiency of the management operations of the distribution center.

Question:

1. Do you think the success of the company can be attributed to the effective supply chain management of the company?
2. Explain the methods the company adopted to reduce costs
3. What are the suggestions you give to the company for more effective supply chain management

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