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BINA CHOWDHURY CENTRAL LIBRARY (GIMT & GIPS)

Azara, Hatkhowapara

Guwahati – 781017

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Roll No. of candidate

D/2/2021 NA CHOWDI

M.B.A. 3rd Semester End-Term Examination

**Business Administration** 

## SUPPLY CHAIN MANAGEMENT

(New Regulation & New Syllabus)

Full Marks - 70

Time - Three hours

The figures in the margin indicate full marks for the questions.

Answer question No. 1 and any four from the rest.

1.	Ansv	wer the following questions: $(10 \times 1 = 10)$					
	(i)	captures the firm's ability to handle the uncertainties of market demand.					
	(ii)	MTS stands for ————.					
	(iii)	are maintained as a safeguard against uncertainties of demand and supply.					
	(iv)	developed the Portfolio Approach.					
	(v)	The transportation cost for a given mode of transport is a function of the and quantity of goods shipped.					
	(vi)	captures the ratio of rupee value of the product to its weight.					
	(vii)	The method employs a panel of experts in arriving at the forecast and proceeds through a series of rounds.					
	(viii)	VMI stands for ———.					
	(ix)	is normally depicted as an inverse relation of demand quantity and price.					
	(x)	In a well managed supply chain there should be a seamless flow of material, and finance in the organizational boundaries.					

- 2. (a) Define supply chain management? Discuss the major trends that have emerged to make supply chain management a critical success factor in most industries? (2+6=8)
  - (b) "Most Indian firms are traditionally focused on the production and sales aspect of the business. Logistics was a neglected area"- Identify and explain the reasons that have contributed to this neglect of supply chains within organization? (7)
- 3. (a) 'A firm must ensure a smooth fit between its business strategy and supply chain strategy'- Explain this relationship between the supply chain and the business strategy in the context of cost versus service trade-offs in business?
  (10)
  - (b) Briefly explain the various ways in which a firm can bring its efficiency frontier curve downwards.

    BINACHOWOFICE APS) (5)
- 4. (a) What are the various types of inventoryalcarried by an organization?
  (5)
  - (b) A music CD retailer has booked in advance that number of CD's that needs to be purchased before the release of a movie. Based on past experience the retailer is aware of that the bulk of the demand takes place during the first two weeks of a movie release. During this period the retailer will not be able to get replenishment from the manufacturer in case the demand turns out to be more than the estimate. However, at the end of two weeks all the unsold CD's will have to be sold at a discounted price. The retailer books CD's at Rs 200 each and sells then at Rs.300 each during the first two weeks. After two weeks the retailer will have to dispose of the unsold stock at Rs. 62. Based on experience, the retailer expects that the demand for this kind of CD has a mean demand of 100 and a standard deviation of demand of 30. Find out the optimum order level for the CD's. (Service Level: 42.5%; K=-0.2).
- 5. (a) What are the main drivers of transportation decisions within a firm? (5)
  - A global company has decided to use India as its manufacturing base for the supply of printers to the European markets. The company offers 3 types of printers - high- end, standard and low-end. The printers offered by the firm are similar in size and shape. The only differences are in the software and the chip used in the printers. The costs of the three models are Rs. 20,000 Rs.15,000 and Rs. 10,000 per unit respectively. If the firm decides to use air as a mode of transport, it can fly the goods in smaller lots of 100 units, while shipping via sea requires a minimum shipment size of 400 units. The demand in Europe is stable at 100 units per week for each of the three types of product. Transportation and custom clearance take 1 week if air is used as a mode of transport and the same will take 4 weeks if sea is used as a mode of transport. Freight by air will be Rs. 360 per unit while freight by sea will be Rs. 90 per unit. The annual inventory carrying cost for the firm is 20% of the cost of the item. Find the optimum mode of transport for the (10)firm for all the products.

- In what ways do industry initiatives like ECR, VMI, and CPFR helps firms 6. in achieving supply chain integration? Explain. (7)
  - Explain the popular qualitative and quantative forecasting methods. (8) (b)
- Write short notes on (any three): 7.

 $(3 \times 5 = 15)$ 

- Portfolio approach (a)
- Innovative pricing (b)
- CPFR (c)

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