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**Fourth Semester MBA Degree Examination, Dec.2013/Jan.2014**  
**Supply Chain Management**

Time: 3 hrs.

Max. Marks:100

**Note: 1. Answer any FOUR full questions from Q.No.1 to Q.No.7.**  
**2. Question No. 8 is compulsory.**

- 1**
- Define supply chain management. (03 Marks)
  - List and explain the factors influencing distribution network design. (07 Marks)
  - The impact of the obstacles is critical for the firm's ability to achieve strategic fit. Explain. (10 Marks)
- 2**
- Define cross docking. (03 Marks)
  - What are the objectives of supply chain management? (07 Marks)
  - Explain the performance of various modes of transportation in supply chain management. (10 Marks)
- 3**
- What do you understand by the term tailored transportation? Give an example. (03 Marks)
  - Differentiate between the 3PL and 4PL. (07 Marks)
  - Explain the phases involved in the framework or process of network design decisions. Represent with a neat sketch. (10 Marks)
- 4**
- Define pricing in supply chain. (03 Marks)
  - Explain the drivers involved in establishing a link between information technology and supply chain excellence. (07 Marks)
  - Explain the terms : i) Revenue management ii) Bulk and spot contracts. (10 Marks)
- 5**
- What is VMI? Give an example. (03 Marks)
  - Role of IT in supply chain management. Discuss in brief. (07 Marks)
  - Discuss the various remedies to counter the Bullwhip effect in supply chain management. (10 Marks)
- 6**
- Expand the terms CPFRP, ICSA and SCOR. (03 Marks)
  - Explain the customer service from a supply chain perspective. (07 Marks)
  - List and explain the factors affecting the logistics costs. (10 Marks)
- 7**
- Define logistics. (03 Marks)
  - List and explain the functions of channels of distribution in customer. (07 Marks)
  - Explain the following terms:
    - Importance of logistics
    - Demand management. (10 Marks)

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.  
 2. Any revealing of identification, appeal to evaluator and /or equations written eg. 42+8 = 50, will be treated as malpractice.

## 8 CASE STUDY:

SSS Ltd., a cash rich company, is a leading fruit processing company and involved in business of fruit pulp / processed fruit and natural fruit syrup. The fruit pulps are mainly exported and have very limited market in metros, where as natural fruit syrup is having very good local market. They are selling their products under the very popular brand named as "Real Fruit". They have a modern plant, which is located near BIJAPUR. The fruits are purchased from various fruit cultivating areas such as grapes from BABANAGAR, (BIJAPUR) etc. To make effective localized procurement they have four procurement centres that are located near Mumbai, Bhopal, Mangalore and Bangalore. In each procurement centers they have very good cold storage facilities. The fruits are transported from this procurement centre to factory using hired trucks While transporting fruits from warehouse to factory, there were shortages and also damages / decompositions that varied from 10% to 20% and also there were inconsistency in transit time.

The real fruit packaging (Glass Bottle can be used as tin can / jug / mug) is one of the reason for popularity of this brand. The quality and taste of syrup has / had created very good consumer base for 'Real Fruit'. This is sold in ten different variants and three different packaging sizes. The 'Real Fruit' loses the taste if it is kept for longer period (say of 2 months or so) in normal condition. The taste remains to its best if it is kept in cold condition. This is distributed through 15 different distribution centers including the four procurement centers and are equally distributed in each zone. These centers are directly reporting to factory and passes information once a week. These 'Real Fruit' were packed in very strong secondary packaging, even then there were 15% to 20% damages in transit.

There was excess inventory in some of the distribution centers while shortage in others. Also specifically in summer season there were complaints about quality of syrup.

Entry of multinationals (MNC's) with synthetic 'Real Fruit' increased the competition and put lot of pressure on 'Real Fruit'. The MD of SSS Ltd. formed a team of senior executives to come with concrete plan to fight the competition and increase market share and margin. They decided to appoint a logistic consultant to overcome some of the problems and stiff competition.

The MD wants to appoint you as logistics consultant to solve the above problem so that the company can fight the competition and increase market share and margin.

Questions:

- a. Suggest proper transportation policy to ensure minimum transportation loss of fruits and 'Real fruit' and reduction in packaging cost. (05 Marks)
- b. Suggest the appropriate distribution method to maintain the quality of 'Real Fruit'. (05 Marks)
- c. Suggest the use of IT to substitute maintenance of high inventory without affecting customer service level. (05 Marks)
- d. Establish a proper connectivity (network) between factory and distribution centers. (05 Marks)

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