

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA- SEMESTER - III-EXAMINATION- SUMMER-2023

Subject Code: 4539297

Date: 01/07/2023

Subject Name: Logistics and Supply Chain Management

Time: 02:30 PM TO 05:30 PM

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make Suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

Q. No.	Question Text and Description		Marks
Q. 1	Explain the terms - (a) Differentiate between Logistics and Supply Chain (2 most important points). (b) Differentiate between Agile and Lean Supply Chain (2 most important points). (c) Explain terms MTO, MTS and CTO (d) Differentiate between 3PL and 4PL (2 most important points) (e) Role of Packaging and Material Handling in SC (f) Bullwhip Effect (g) Postponement Strategy		14
Q. 2	(a)	Discuss the importance of logistics in a global economy.	07
	(b)	Select a company of your own choice and explain functions performed by supply chain management.	07
	OR		
	(b)	Describe what is distribution network design. Discuss the role and factors influencing the choice of network design.	07
Q. 3	(a)	Explain taking a suitable example how CPFR strategies can lead to minimizing costs and maximizing efficiency from end-to-end of the supply chain in Retail Sector.	07
	(b)	A firm has been complaining of facing a very high demand uncertainty, but it has a very poor contribution market. Advice the firm in this issue.	07
	OR		
Q. 3	(a)	Mention the drivers of supply chain performance. Describe the framework for structuring drivers with suitable examples.	07
	(b)	The Jaya Company supplies electric motors to Electronic Distributors, Inc. on a delivered price basis. Jaya has the responsibility for providing transportation. The traffic manager has three transportation service choices for delivery-rail, piggyback and truck. He has compiled the following information:	07

		Transportation Mode	Transit Time Days	Rate Rs/Unit	Shipment Size Units		
		Rail	16	25.00	10000		
		Piggyback	10	44.00	7000		
		Truck	4	88.00	5000		
		Electronic Distributors purchases 50,000 units per year at a delivered contract price of Rs. 500 per unit. Inventory carrying cost for both companies is 25 percent per year. Explain which mode of transportation should Jaya select with justification.					
Q. 4	(a)	Describe how a company achieves strategic fit between its supply chain strategy and its competitive strategy.				07	
	(b)	Titan offers two brands of watches – Sonata and FastTrack. Sonata is targeted for a mass market while FastTrack is targeted at a premium segment. Should Titan manage both brands with the same supply chains? Should they share warehouses, transportation, supply chain software's and other assets or should Titan handle them separately in all the areas of business?				07	
		OR					
Q. 4	(a)	Describe what is Quick Response Logistics with suitable examples.				07	
	(b)	Indo Nissin Food Ltd has outsourced its distribution to Marico. Explain how is this decision likely to be affected in the following situations? a. Indo Nissin increases its size of operations. b. Indo Nissin enters the premium products market c. Indo Nissin wants to enter the rural markets.				07	
Q. 5		<p>Case Study: The Benetton Supply Chain:</p> <p>One of the best known examples of how an organization can use its supply chain to achieve a competitive advantage is the Benetton Group. Founded by the Benetton family in the 1960s, the company is now one of the largest garment retailers, with stores which bear its name located in almost all parts of the world. Part of the reason for its success has been the way it has organized both the supply side and the demand side of its supply chain.</p> <p>Although Benetton does manufacture much of its production itself, on its supply side the company relies heavily on 'contractors'. Contractors are companies (many of which are owned, or part-owned, by Benetton employees) that provide services to the Benetton factories by knitting and assembling Benetton's garments. These contractors, in turn, use the services of sub-contractors to perform some of the manufacturing tasks. Benetton's manufacturing operations gain two advantages from this. First, its production costs for woollen items are significantly below some of its competitors</p>					

		<p>because the small supply companies have lower costs themselves. Second, the arrangement allows Benetton to absorb fluctuation in demand by adjusting its supply arrangements, without itself feeling the full effect of demand fluctuations.</p> <p>On the demand side of the chain, Benetton operates through a number of agents, each of whom is responsible for their own geographical area. These agents are responsible for developing the stores in their area. Indeed, many of the agents actually own some stores in their area. Products are shipped from Italy to the individual stores where they are often put directly onto the shelves. Benetton stores have always been designed with relatively limited storage space so that the garments (which, typically, are brightly coloured) can be stored in the shop itself, adding colour and ambience to the appearance of the store.</p> <p>Because there is such limited space for inventory in the stores, store owners require that deliveries of garments are fast and dependable. Benetton factories achieve this partly through their famous policy of manufacturing garments, where possible, in groggier, or in grey, and then dyeing them only when demand for particular colours is evident. This is a slightly more expensive process than knitting directly from coloured yarn, but their supply-side economies allow them to absorb the cost of this extra flexibility, which in turn allows them to achieve relatively fast deliveries to the stores.</p>	
	(a)	Describe your understanding about Benetton Supply Chain operations.	07
	(b)	Compare and contrast if this method provide Benetton competitive advantage over their competitors.	07
		OR	
Q. 5	(a)	Illustrate, in your understanding, what is the specialty of Benetton's contractors?	07
	(b)	Compare and Contrast if this method is sustainable in the long term.	07
