

**BALLARI INSTITUTE OF TECHNOLOGY & MANAGEMENT**

(Autonomous Institute under Visvesvaraya Technological University, Belagavi)

USN Course Code          

Third Semester MBA Degree Examinations, May/June 2023  
**BASICS OF LOGISTICS & SUPPLY CHAIN MANAGEMENT**

Duration: 3 hrs

Max. Marks: 100

- Note:* 1. Answer any FOUR full questions from Question No. 1 to 7.  
 2. Question No. 8 is compulsory  
 3. Missing data, if any, may be suitably assumed

<u>Q. No</u>	<u>Question</u>	<u>Marks</u>	<u>(RBTL:CO:PO)</u>
1.	a. Define supply chain management.	03	(1 :1: 1)
	b. Outline the best practices in supply chain management	07	(2 :1: 1)
	c. Explain the cycle view of supply chain process in SCM.	10	(2 :1: 1)
2.	a. Define business logistics	03	(1 :2: 2)
	b. Illustrate the advantages and disadvantages of containerization	07	(2 :2: 2)
	c. Examine the issues & challenges related to distribution in logistics management	10	(4 :2: 2)
3.	a. Summarize 'Benchmarking'	03	(2 :3: 1)
	b. Classify the challenges in establishing a global supply chain.	07	(2 :3: 1)
	c. Examine the balance score model used to make analysis of performance in supply chain.	10	(2 :3: 1)
4.	a. Summarize 'Crossdocking'	03	(2 :4: 4)
	b. Outline the factors that influence supply chain design decision.	07	(2 :4: 4)
	c. Discuss the functions of logistic management	10	(2 :4: 4)
5.	a. Define bullwhip effect in SCM	03	(1 :5: 5)
	b. Explain the management process of Supply Chain Operations Reference Model (SCOR)	07	(2 :5: 5)
	c. Identify the different types of benchmarking strategies and explain.	10	(3 :5: 5)
6.	a. Define green supply chain management.	03	(1 :1: 1)
	b. Explain the steps in reverse logistic process	07	(2 :1: 1)
	c. Discuss the types of warehouses.	10	(2 :1: 1)
7.	a. Define activity-based costing (ABC).	03	(2 :2: 2)
	b. Explain the challenges of global sourcing in logistics	07	(2 :2: 2)

**Note: (RBTL - Revised Bloom's Taxonomy Level: CO - Course Outcome: PO – Programme Outcome)**

- c. Choose key factors influencing outsourcing in international logistics and explain in detail. **10** (3 :2: 2)

8.

### Case study

M/s Chemtech manufactures various types of industrial chemicals at the outskirts of Chennai. It has distributors located at various places across the country. M/s Chemtech also sells chemicals directly from its factory as well.

M/s Potash Ltd is major supplier of raw materials to M/s Chemtech. But M/s Chemtech is facing problems with this supplier because of (i) late deliveries, (ii) delivery of wrong orders, (iii) missing deliveries giving reasons that they had not received the order. Historically, M/s Chemtech has dealt with its supply problems by simply changing its suppliers. The company now is contemplating on further additional changes.

M/s Potash, as stated before, is one of the main suppliers of M/s Chemtech. M/s Potash holds a large inventory to meet the demands of its customers. But some of the vital items of inventory have to be imported. The lead time for this is around 3 months.

Now, when M/s Chemtech places order for these vital items of inventory, M/s Potash is not able to meet the order immediately due to stock outs. Therefore, M/s Chemtech feels that M/s Potash lets it down due to which the production schedules of M/s Chemtech is totally disturbed.

Due to the repeated frictional relationship with M/s Potash, the management of M/s Potash is wondering whether it is worth keeping customer relationship with M/s Chemtech. Of course, M/s Chemtech is one of its major buyers, but the constant threats by M/s Chemtech has put M/s Potash on the defensive. That is, they fear that if they suddenly lose the business with M/s Chemtech, then this might seriously affect the operations of M/s Potash. The top management of M/s Potash is seriously contemplating to change its customer base, namely, it wants to now focus on building a customer-base founded long-term relationship and rely less on business with M/s Chemtech.

The present scenario between M/s Chemtech and M/s Potash is like this:

At the beginning of each month, the customers of M/s Chemtech forecast their requirements for the next month. Throughout the month, these customers keep telephoning their orders to M/s Chemtech's marketing department. The representatives of the marketing department relay the requirements of the customers to the logistics department of M/s Chemtech. The logistics department of M/s Chemtech transmits the orders to the purchase department and the purchase department, in turn, then orders the required stocks from M/s Potash.

Several times, the customers of M/s Chemtech place expedited orders. Such orders are generally not met by M/s Potash since the stock with

them has already been earmarked for other clients. The customers of M/s Chemtech are dissatisfied for non-delivery of stocks on schedule.

- a. Identify the logistic problems faced by M/s Chemtech and how to improve logistic operations. **10** (3 :3: 4)
- b. Identify, what should M/s Potash expect from its customers, according to you. **10** (3 :3: 5)

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