AT–1410

M.B.A. Semester–II Examination

LOGISTICS MANAGEMENT

Paper : MBA/207

Time : Three Hours] [Maximum Marks : 70

Note :—(1) Attempt all questions.
(2) Figures to the right indicate marks.
(3) Use of scientific calculator is permitted.

SECTION–A

1. (a) What is 'Reverse Logistics' ? Discuss in detail reverse logistics process giving few examples. Also explain how this concept can be utilised to the products for which this concept is not utilised till this time. Justify your answer. 14

OR

(b) What is 'Logistical competitive advantage' ? Why is it significant in the competitive environment ? Explain with a neat sketch the various components of logistics management. 14

SECTION–B

2. (a) "Distribution involves a set of many interrelated and highly coordinated set of activities". Discuss. 7

(b) The role of information system integration for supply chain operation is very critical. Deliberate on the various considerations of IT for supply chain information system design for an automobile industry. 7

OR

(a) Discuss various 'Economic' and 'Operational' functions of warehousing. 7

(b) Blue Ocean Company Ltd. is a leading consumer durable making firm. Describe various tasks the company needs to handle while designing a strategy for effective physical distribution for marketing its products especially rural part of India. 7

3. (a) Explain the common methods for evaluating facility locations. 7

(b) If an automobile manufacturing company wishes to ship its tractors from a plant situated in Maharashtra to customers all over the country via a central distribution centre, suggest with a neat sketch a transport network which will help to achieve economies of scale in transportation costs. 7

OR

(c) Discuss the nature and relative characteristics of various modes of transport. 7

(d) A company has plants at P_1, P_2 and P_3 which supply to warehouses at W_1, W_2 and W_3; weekly factory capacities are 200, 160 and 90 respectively; weekly warehouse requirements are 180, 120 and 150 Units respectively. Unit shipping costs (in rupees) are as follows :

Warehouse

Plant	W_1	W_2	W_3	Supply
P_1	16	20	12	200
P_2	14	8	18	160
P_3	26	24	16	90
Demand	180	120	150	450

Establish initial feasible solution using least cost method and calculate total transportation cost. 7

SECTION–C

4 (a) Discuss various levels of enterprise evolution from domestic logistics operation to becoming a global competitor. 7

(b) What is Global logistics ? Name and explain various documents required by a company while dealing with International Logistics. 7

OR

(c) Discuss the driving forces in the context of logistics that motivates a firm to trade at global level. 7

(d) "While many forces facilitate borderless operations, some significant barriers continue to impede global logistics". Discuss. 7

SECTION–D

5. The annual demand for a product is 64,000 units. The ordering cost per order is Rs. 10 and the cost of carrying the average inventory per year is 20%. The price of the product is Rs. 10 per unit. The supplier is offering a price discount on bulk quantity purchase. The schedule of quantity to be purchased and price discount is as follows :

Quantity (Units)	Purchase Price/Unit (Rs.)
$0 \leq Q_1 < 1000$	Rs. 10
$1000 \leq Q_2 < 5000$	Rs. 9
$5000 \leq Q_3$	Rs. 8.5

Determine the inventory policy that will yield the most economic ordering quantity and the annual minimum total inventory cost. 14

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