



# INDIAN INSTITUTE OF MATERIALS MANAGEMENT

## Post Graduate Diploma in Materials Management

Dec 2012

### Paper 17

#### ADVANCED SUPPLY CHAIN MANAGEMENT

Date: 14.12.2012  
Time: 2.00 p.m. to 5.00 p.m.

Max. Marks 100  
Duration 3 hours

#### Instructions

1. The question paper is in three parts
  2. Part A is compulsory. Each sub question carries one mark. **Total marks-32**
  3. In Part B answer any 3 questions out of 5. Each question carries 16 marks **Total marks-48**
  4. Part C is a case study with sub questions and it is compulsory. **Total marks-20**
- 

### **PART A**

**(1 x32 = 32 marks)**

#### **Q.1: Expand the following**

1. SCM
2. SKUs
3. CRM
4. FSN
5. RSP
6. EOQ
7. VMI
8. RFID

#### **Q. 2: Fill in the blanks**

1. Pull process are initiated by a -----
2. ----- is the total elapsed time to move a unit of work from the beginning to the end of a physical process
3. EDI stands Electronic Data -----
4. Three key flows of supply chain management are Product/Materials, ----- and Funds.
5. ----- allows company to use the Internet for procuring direct or indirect materials.

6. On-line ----- Processing (OLAP) Tool provide an intuitive way to view corporate data, typically stored in data warehouse
7. Artificial intelligence may be used in the analysis of ----- input data
8. -----value is the estimated value of an asset at the end of its useful life

**Q. 3 : Match the following**

- |                 |                                       |
|-----------------|---------------------------------------|
| 1) MRP          | a) (Output produced /Input used)      |
| 2) EOQ          | b) Manufacturing Resource Planning    |
| 3) ABC Analysis | c) tax collected by local authorities |
| 4) MRP II       | d) Material Requirement Planning      |
| 5) 3PL          | e) Forth Party Logistics              |
| 6) Octroi       | f) Inventory Classification Mode      |
| 7) Productivity | g) $\sqrt{(2OD) \div UI}$             |
| 8) 4PL          | h) Third Party Logistics              |

**Q. 4: Find True or False of the following**

- 1) Pull View is a direct outcome of the “Forrester Effect
- 2) Centralized inventory increases both safety stock & average inventory in the
- 3) Inventory Turnover Ratio = Average Inventory Level  $\div$  Annual Sales
- 4) Pareto Distribution is (80/20) concept of stock control system
- 5) Major issue in deploying GIS is the availability and quality of the geographic data
- 6) Available To Promise (ATP) looks not only on the capability but also on the profitability of completing an order
- 7) RFID is an automatic identification method, relying on storing and remotely retrieving data using devices called RFID tags or transponders.
- 8) One of the ways to control Bullwhip Effect is controlling Lead Time

**PART B** (any three 16 x3 = 48 marks)

**Q.5:** a) What is SCM? Explain the key issues in SCM.

b) Explain Data warehousing and data mining

**Q..6: Write short notes on (any two) (8+8)**

1. a) Network Configuration of DSS

b) Inventory Turnover Ratio

2. a) ABC Classification

b) Customer Relationship Management

3. a) Demand Forecasting

b) Lead Time

4. a) Third Party Logistics

b) Retailer - Supplier Partnership

**Q.7 :** a) Discuss the 'Principles of Supply Chain Information'

b) What is e-Business? Explain with examples.

**Q. 8 :** a) What is Bullwhip Effect? What are the factors that are significant while quantifying the Bullwhip effect?

b) Describe the different commercial taxes and their application?

**Q. 9: Distinguish between**

a) Global Market Forces versus Global Cost Forces

b) Direct Shipment versus Cross-Docking

## **PART C**

**20 marks**

### **Q10 : (Case Study)**

An US based FMCG company is planning to stock a new product.

The company has developed the following information:

Annual usage = 5400 units

Cost of the product = 365 MU/unit

Ordering cost = 55 MU/order

Carrying cost = 28% /year of inventory value held.

- a. Determine the optimal number of units per order
- b. Find the optimal number of orders/year
- c. Find the annual total inventory cost

\*\*\*\*\*