

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) "Effective logistics management can provide a major source of competitive advantage." In the light of above statement illustrate the competitive advantage and 3 'C's i.e. customer, competition and company. 14

OR

- (b) Discuss logistics interface with production and marketing function. How it helps in performance of organisation ? Discuss. 14

SECTION—B

2. (a) How cost centres are useful in analysing logistics system ? Discuss. 7
(b) A company keeps the stock of toothpastes, tooth brushes and office equipments, stationary goods. You are a logistics expert. Suggest to the company, that what type of distribution will be appropriate for above products. Justify your views. 7

OR

- (c) Discuss channel design process. 7
(d) In the era of information technology it becomes easy to trace the product on the way of delivery very easily. Considering yourself as the head of distribution system, how will you control information system to give maximum satisfaction to customers ? Justify. 7
3. (a) Discuss the role of transportation in logistics. 7
(b) A firm switches from rail to air transportation to get more raw material from supplier to plant. What type of trade-off between cost and services the company should consider ? Explain with example. 7

OR

- (c) Discuss few factors on the basis of which the transportation mode is selected. 7
(d) Find out the cost of transportation for the data given below :

From \ To	P	Q	R	S	Supply
A	10	30	25	15	14
B	20	15	20	10	10
C	10	30	20	20	15
D	30	40	35	45	13
Requirement	10	15	12	15	

Use VAM method.

7

SECTION-C

4. (a) Discuss push system and pull system concept of inventory management. 7
(b) Discuss important functions of logistical packaging. 7

OR

- (c) Material management is an integral part of logistics management. Discuss. 7
(d) Discuss the importance of material handling process in overall logistical process. 7

SECTION-D

5. Glaxo Smith Kline (GSK) is a leading global research-based healthcare company. GSK has four manufacturing units with 2000 employees in India. It has network of 4000 stockists across the nation.

GSK has a global supply and demand architecture. There are centers of excellence created in the supply stream. GSK's global model has streams like R and D, product supply and commercial.

This model allows the global enterprise to focus on product delivery and getting products to markets faster with better quality cheaper than legacy options. The merger of Glaxo Wellcome and Smith Kline helps to create duplicate plants in almost all large to medium size market. Local commercials and supply streams work together to deliver about Rs. 100 crore of medicines per month. GSK works with over 20 contractors and partners to fulfill the delivery objectives. The storage and distribution of Pharmaceuticals is subject to lot of checks and balances. One has to ensure that there is no contamination since the drugs enter the human body.

The operating margin is very low as Pharma is a price controlled business, storage requirements like cold chain, warehouse need to be concrete-proofed, hence outsourcing is not exciting proposition. The measurement includes forecast accuracy, order fill rate, customer service and inventory management. As for the role of IT, GSK is controlled by global template which is a part of a group called the 'International'.

Questions :

- (1) Present the salient features of GSK Subcontracting and tie ups for delivery function. 6
(2) Discuss the characteristics and distribution strategy of GSK. 8