

**Q.P. Code : 316401**

**( 2½ Hours)**

**[ Total Marks : 75**

**N.B. :** (1) **All questions are compulsory.**

(2) **Draw labelled diagrams, schedules wherever necessary.**

(3) **Use of simple calculator is permitted.**

(4) **Numbers to the right-hand side indicate full marks.**

1. Answer **any two** questions from the following : **15**
  - (a) Explain the significance of supply chain management.
  - (b) State the operating objectives of Integrated Logistics.
  - (c) "Customer Service Strategy can be explained as a three step process". What are they and explain them in detail.
2. Answer **any two** questions from the following : **15**
  - (a) Distinguish between In-house carrier and contact (Third party) carrier.
  - (b) Explain the underlying principles of warehouse layout.
  - (c) "Materials does not add value, but adds to the cost". Discuss.
3. Answer **any two** questions from the following : **15**
  - (a) What is meant by Economic Order Quantity? Solve the numerical given below :

M/s. PQR Ltd. consume 800 units of a component every year. Price per unit is ₹ 10. Ordering cost per order is ₹ 200. Inventory carrying costs are estimated to be 20% of total inventory turnover. Determine the optimal order quantity that will minimise total inventory cost.
  - (b) Explain Q & P system of inventory control?
  - (c) State the principles of LIS (Information functionality).
4. Answer **any two** questions from the following : **15**
  - (a) Describe the components of external performance measurement.
  - (b) Distinguish between activity based costing and mission based costing.
  - (c) State the importance of logistical network analysis.

**TURN OVER**

5. Read the following case and answer the questions given below :

The management of Sweet Taste Noodles Company was contemplating on introducing 200g pack of savoury noodles into the Indian market at ₹ 10 per pack. This was only for one month which was construed to be as a test marketing period. During this period, the Company wanted to have a 'blitz' strategy of flooding market with their product.

In the subsequent month, the management of Sweet Taste Noodles Company had planned to raise the price of the pack to ₹ 15, while the weight of the pack was fixed at 250g. A free gift in the form of a plastic bowl with a spoon was also planned. Two months before the launch of the actual production, the marketing department of the company bought out advertisements regarding the savoury noodles. The advertisements were displayed on billboards, TV, Radio, Print - Media. Schools and colleges were also targeted to rope in students and children to buy the product.

Production of the noodles was planned to be started along with the marketing program. The forecast of the number of expected packets that could be sold for the first month was around 75,000 and 1,25,000 for the second month. The production was required to be started earlier to meet the target of projected demand as well as to account for the change over in the pack size in the second month.

**Questions :**

- (a) Explain the role of logistical management in the introductory phase. 5
- (b) Analyse the case and state the facts. 5
- (c) Critically examine the free gift scheme and marketing strategy adopted by the company. 5