



PRESIDENCY UNIVERSITY,
BENGALURU

ROLL NO:

SCHOOL OF MANAGEMENT

MID TERM EXAMINATION

Odd Semester: 2018-19

Course Code: OPS 302

Course Name: Logistics & Supply Chain Management

Branch & Sem: MBA(Op), III Sem

Date: 25 October 2018

Time: 2 Hours

Max Marks: 40

Weightage: 20%

Instructions:

Give real life relevant examples

Part A

Answer **all** the Questions. **Each** question carries **four** marks.

(3x4=12)

1. Distinguish between Internal Logistics and External Logistics
2. What are the different Logistics Functions
3. What are the major factors for determining inventory levels?

Part B

Answer **all** the Questions. **Each** question carries **eight** marks.

(2x8=16)

This Case Study is on Kian Joo Can Factory Berhad (KJCF), a Malaysian company listed in 1984 that primarily deals with the manufacturing and distribution of general cans, aluminium cans, corrugated cartons, and PET products. It offers contract packing services (namely for milk powder and beverages), and also metal can printing. KJCF has close to 20 subsidiaries registered under the group and these companies are either manufacturers or distributors that complement each other's businesses by supplying materials amongst the companies under the group. The company's supply chain is vast, due to the fact that it caters for the local market and also exports to countries such as Japan, Myanmar, Indonesia, Thailand, Singapore, Taiwan, Australia, Philippines, and the Middle East. In the Malaysian market, the group makes the largest share of revenue from its aluminium can manufacturing division, which would have a supply chain beginning with the sourcing of aluminium for the purpose of manufacturing cans, continue with transportation from suppliers to manufacturing plants and later to warehouses, and conclude with distribution to customer. Thus getting and keeping supply chain information is an essential task in the organization. In any manufacturing organization, the process flow involved, from acquiring raw materials right up to producing the finished goods, planning, monitoring and control are the main tasks, and the supply chain of their operations should include sharing of information throughout the chain, planning, resource synchronization and performance measurements. KJCF has about eight manufacturing plants scattered around the states of Selangor, Negeri Sembilan, Johor, and even in Vietnam, which means the company would need to pay a great deal of attention to its supply chain and logistics as it needs to move around materials from one state to another and even to another country. The company would need a competent supply chain manager to oversee the smooth flow of materials from point of sourcing to the point of delivery to customer. KJCF would begin its supply chain by receiving orders from companies manufacturing goods that require packaging in the form of aluminium cans. They would then finalize other aspects such as can dimensions and quantity required, and then work on the design to be printed on the cans. The order would then be passed as an order form over to the manufacturing plant, which needs to ensure that inventory of raw material

is sufficient to meet the orders (in the event of raw materials being insufficient, the factory would need to order the materials required and have them transported from the warehouse to the plant), then manufacture the cans in the quantity ordered. Upon completion of the manufacturing process, the cans would then be transported by road to another plant belonging to a subsidiary in another district for the purpose of printing designs according to the client's specifications onto the aluminium cans. Cans which have been manufactured and printed with descriptions based on a client's requirements would then be transported to the client's plant either by road for local clients or by sea freight for international clients, where they will have their respective products filled into and sealed within the cans supplied by KJCF. KJCF's supply chain is therefore very long and stretches from procurement of raw materials, to processing of the raw materials into semi-finished goods, to transporting semi-finished goods to clients, who then turn them into finished goods and market these to retailers or end consumers. It is therefore vital for KJCF's supply chain manager to look into any form of shortage or disruption within the transformation process or logistics that could cause a stall in the process, which could translate into unnecessary losses. One quantitative method used to measure the supply chain performance of KJCF is the Warehouse Management System (WMS). The WMS is used to record all movements within the warehouse. All of the data is entered via the computer to the WMS database. The WMS database is available to all the employees. Data such as stock taking, container arrival and departure times, and employee check-in and check-out times are keyed into the database. The flow of this information through the company's database makes it easily accessible. Another way to measure the supply chain performance is by maintaining the inventory turnover rate. An inventory turnover ratio measures the number of units dispensed in relation to the average unit inventory. A higher turnover ratio, together with desired inventory availability, demonstrates the effective use of resources for distribution of products throughout the supply chain. For Kian Joo Can Factory, the inventory turnover is lower between the years. The company's efficiency ratio shows that KJCF had an inventory turnover 2.97 times lower in 2011. This indicates the company holds a high inventory; the fund that could be invested elsewhere would be held by the inventory. Maintaining quantitative supply chain performance measures like this help KJCF reduce end production costs. Implement such a process, monitor and measure the processes against security policies, targets, and other requirements, and finally continually improve the performance of the security management system. SKJCF could implement the concept of sharing data amongst trading partners, which would aid in management of data such as product data, sales data, etc. With the sharing of data among trading partners, KJCF would be able to transfer data across the supply chain, which would then enable processes such as Global Data Synchronization (GDS), Continuous Replenishment Process (CRP) and Collaborative Planning, Forecasting and Replenishment (CPFR). As most of the subsidiaries under the KJCF trade among companies within the group, it would be far easier for the group to implement the sharing of data, which could help in improved time management through increased efficiency, being able to properly forecast demand and supply, which would lead to better planning, and most importantly cost reduction in the form of communication costs, administrative costs, and an improved flow of information between trading partners.

4. Explain the SCM of the company with the help of a diagram
5. "The SCM in the company is right now very good", justify the statement. However it can be still made better by incorporating certain policies. Suggest some policies.

Part C

Answer the Question. It carries **twelve** marks.

(1x12=12)

6. The future of the Indian logistics and warehousing industry is currently governed by three key factors. Elaborate those factors.



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**PRESIDENCY UNIVERSITY
BENGALURU**

SCHOOL OF MANAGEMENT

END TERM FINAL EXAMINATION

Odd Semester: 2018-19

Course Code: OPS 302

Course Name: Logistics and Supply Chain Management

Programme & Sem: MBA & III Sem

Date: 27 December 2018

Time: 3 Hours

Max Marks: 80

Weightage: 40%

Instructions:

(i) ***Give real life relevant examples***

Part A

Answer **any four** Questions. **Each** question carries **five** marks. (4Qx5M=20)

1. Explain the terms Supply Chain Management.
2. Explain Bull Whip Effect with diagrams.
3. Explain the importance of Packaging in SCM.
4. Explain the importance of Information Flow in SCM.
5. Explain Certificate of Origin.

Part B

Answer **any three of the** Questions. **Each** question carries **ten** marks. (3Qx10M=30)

6. Explain how SCM and Logistics are closely related to each other.
7. Explain Reverse Logistics with example
8. Explain the Role and Importance of Documentation in Export-Import.
9. Give details of Classification of Export Documentation.

Part C

Answer **both** the Questions. **Each** question carries **fifteen** marks. (2Qx15M=30)

10. Elaborate on the present conditions of different modes of transportation of India.
11. Explain in details of SCM used by one of the present giant retailers in India.