

# AR17

Code: 17MBA3004

**SET-I**

**ADITYA INSTITUTE OF TECHNOLOGY AND MANAGEMENT, TEKKALI  
(AUTONOMOUS)**

**II MBA III Semester Regular & Supplementary Examinations, November-2019**

**LOGISTICS & SUPPLY CHAIN MANAGEMENT**

**Time: 3 Hrs**

**Max. Marks: 60**

**Answer any Five questions  
All questions carry EQUAL marks  
Question No. 8 is Compulsory**

1. What is Logistics? How a firm can gain advantage through logistics? 12M
2. The costs of logistics vary widely from organization to organization. What factors affect these costs? 12M
3. What is internal Supply Chain Management? Explain its importance. 12M
4. Explain Insourcing and Outsourcing in Supply Chain Management with advantages and disadvantages. 12M
5. Describe various information technologies used in the process of Logistics and Supply Chain Management. 12M
6. Elaborate on the functioning of a channel and Identify various channel levels. 12M
7. What is Global Supply Chain Management? Discuss issues and challenges in Global Supply Chain Management. 12M

“Cool Air” Air-conditioning is a manufacturing of commercial air conditioning units which are exclusively used on the roof of malls or restaurants. Nearly 80 percent of its sales are replacement models which means that the company relies heavily on repeat customers.

An air conditioner usually breaks down with little or no warning. Often the customer is under pressure on finding a replacement within a day or two to run his business. Therefore, the customer is mainly concerned with supplier response no matter who the supplier is.

“Cool Air” Air-conditioners hired “Reliable logistics”, a logistics consulting company to help optimize their distribution network and revive sales. At that time, they had 20 distribution centers and warehouses around the country, stocking 40 different models.

“Reliable logistics”, first thought of shrinking the distribution network to four or five strategically located warehouses, each with extensive inventory. This strategy would have reduced 25 percent of “Cool Air” Air-conditioners costs, but would have made rapid delivery tough. The marketing manager of “Cool Air” Air-conditioners suggested that the company should go in the opposite direction and expand to 30 locations with a full range of products. But that would have been prohibitively expensive.

1. What do you think are the problems faced by “Cool Air” Air-conditioners?
2. Comment on the idea of Reliable logistics to reduce the distribution centers /warehouses from 20 to 4 or 5 strategic locations.