**JAIPURIA INSTITUTE OF MANAGEMENT, INDORE**

**PGDM**

**FOURTH TRIMESTER (Batch 2021-23)**

**END-TERM IMPROVEMENT EXAMINATION, DEC-2022**

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| Course Name | **Logistics Management**  | Course Code | **40527** |
| Max. Time | **2 hours** | Max. Marks | **40** |

**INSTRUCTIONS:**

All questions are compulsory

**CASELET: Global Logistics Model for Value Creation**

The firm, a European manufacturer of ready-made garments, markets the products in American markets. It has a Hong Kong-based local coordination office to look into the inventory movements. The initial conceptualization and design of the garments are done in Hong Kong. The cotton yarn is brought from Korea and dyed and woven in Taiwan. Japanese zippers are sourced from a factory located in China. Finally, all these components are shipped to Thailand, where a consignment of 50,000 garments is split into five batches of 10,000 each for further processing in five separate factories. The ready-made garment may bear a “made in Thailand label,” which does not reflect reality. The entire consignment will reach Hong Kong, where the final inspection and packing will be done. The final product will reach its destination in five weeks. Similar networks are also operating for products like Barbie dolls and entertainment electronics. The global model shifts from a value chain to a value network. The product passes through several countries and factories employing thousands of workers with diverse cultural and linguistic backgrounds. Each logistics supply chain stage is identified as the most efficient and cost-effective. For example, Japanese zippers are good in design and performance, but sourcing them from a factory located in China is a cost-effective option. The low-cost alternative of the Chinese manufacturer is a motivating factor for incorporating them in the value network.

Due to the prevailing quota system, Thailand is the best location option for final manufacturing. However, the country option in the value network may change due to local regulations and business environment changes. For a long-term competitive advantage, the logistics manager has to look into the best options available for inventory movement across the global supply chain network. The logistics cost may go up, but it will be more than compensated by the benefits (value additions at different locations) without compromising on quality.

**Question 1. A)** Discuss how logistics factors affect global operations? How is value created in the above supply chain model? **(Marks 7)**

**Question 1. B)** Analyse the impact of barriers to achieving the service-cost-time equilibrium in the above case? **(Marks 8)**

**Question 2.** Discuss how Indian logistics providers can utilize the new policy to enhance their performance. Also, how can dedicated freight corridors help mitigate cold logistics challenges? **(Marks 10)**

**Question 3.** Describe and discuss the design of the Green warehouses. Identify the challenges in designing a Green warehouse facility are? **(Marks 7)**

**Question 4.** Discuss the role and importance of Custom house agents (CHA). How Nov vessel operating common carrier (NVOCC) is different from freight forwarders? **(Marks 8)**