VPM's DR VN BRIMS, Thane

Programme: PGDM (2014-16)

Fourth Trimester (Operations) Examination September 2015

Subject	Advanced Supply Chain Management		
Roll No.		Marks	60 Marks
Total No. of Questions	7	Duration	3 Hours
Total No. of printed pages	2	Date	30.09.2015

Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.

Q1) 20 Marks (Compulsory)

Royal Enfield, the two-wheeler division of Eicher Motors, on Monday announced its entry into the Indonesian market, with plans to commence retail operations in the Southeast Asian country in the coming months.

The company announced its future plans for Indonesia, the third largest two-wheeler market in the world, as a part of its growth strategy and focused international thrust of leading and expanding the global mid-sized motorcycle segment (250-750cc), Royal Enfield said in a statement.

"Indonesia is a strategic market for Royal Enfield. With its large commuter base, this market has enormous potential to upgrade to the next level of motorcycles, should there be optimal product choice," Royal Enfield, Head of International Business Arun Gopal said.

Royal Enfield is well poised to fill this gap and catalyse the shift to mid-sized motorcycles in Indonesia, he added.

"We will build our presence from Jakarta and depending on the response, expand our footprint to the other key cities in Indonesia," Gopal said.

As per its entry plans, the company will commence retail operations in the coming months from its exclusive dealership in Jakarta that is being set up in partnership with PT Distributor Motor Indonesia, who have signed-up as a dealer for the region, the company said.

In addition to the store, they will also build service and after market capability for Royal Enfield in Jakarta, it added.

Backed by a phenomenal growth of over 50% year-on-year in the last five years, the company's ambition is to lead and grow the middle weight segment, which is under served globally with respect to evocative products, Gopal said.

"We believe this growth will largely come from markets like India such as Latin America and South East Asia, given their size and comparable commuting trends. Towards this, we entered Colombia last year with a very encouraging response to our products," he added.

In 2014, Royal Enfield sold more than 3, 00,000 motorcycles globally. Parent company, Eicher Motors, recorded its highest ever total revenue of %1.4 billion with large contributions from the Royal Enfield business unit.

In the current year, the company aims to produce 4, 50,000 motorcycles to support its global growth strategy.

- 1. Explain the strategic supply chain initiative adopted by Eicher Motor, parent company of Royal Enfield (RE), in its' effort to grow its' international market for motor cycles using REs' competitive advantage. (10 Marks)
- 2. Explain how Royal Enfield will improve their market penetration in the global market through improved customer service by appropriately using digital commerce platforms? (10 Marks)

Attempt Any FOUR from the Remaining SIX Questions

Q2) Any two from (a) or (b) or (c) ———— (5x2) = 10 Marks

- a) Which are the components of cycle view of supply chain?
- **b)** What is push / pull view of supply chain? Explain.
- c) What is economic order quantity? Explain the concept of EOQ mathematically.

Q3) Any two from (a) or (b) or (c) ———— (5x2) = 10 Marks

- a) Name and briefly explain the principal parameters required to assess supply chain performance of an organization.
- b) Which factors influence the distribution model of supply chain and why. Explain.
- **c)** What is forecasting and which type of forecasting model is used in the determination of forecast of a seasonal product?

Q4) Any two from (a) or (b) or (c) ——— (5x2) = 10 Marks

- a) What is bull whip effect? Explain the same in the context of supply chain management.
- **b)** Explain the role of ERP supply chain operation of an organization.
- c) Sourcing is the set of business processes required to purchase goods and services. Explain the nodes (components) of sourcing model.

Q5) Any two from (a) or (b) or (c) ——— (5x2) = 10 Marks

- a) Explain the three most important components of supply chain enabling technologies.
- b) Explain the role of economy of scale in supply chain management.
- **c)** Which are the important nodes of supply chain management in the selection of warehousing facility? Why?

Q6) Any two from (a) or (b) or (c) ———— (5x2) = 10 Marks

- **a)** High level supply chain integration often calls for strategic alliance between buyers and suppliers. Explain.
- **b)** Which parameters of supply chain are used to determine economic order quantity (EOQ), and how?
- c) What is SCOR model of supply chain? Explain.

Q7) Any two from (a) or (b) or (c) ———— (5x2) = 10 Marks

- a) What are the three 'A' s in triple A supply chain? Explain.
- **b)** Which are the elements of customer service influenced by network structure? Explain.
- **c)** Explain the benefits and detriments of aggregate planning process.