



# **DELHI SCHOOL OF BUSINESS**

By Vivekananda Institute of Professional Studies - TC

**PGDM / PGDM (FINTECH) Program**

**TRIMESTER - VI (Batch: 2023-25)**

**END-TERM EXAMINATION, APRIL 2025**

<b>Course Name</b>	<b>Global Supply Chain Management</b>	<b>Course Code</b>	<b>GSCM</b>
<b>Duration</b>	<b>Three Hours</b>	<b>Max. Marks</b>	<b>60</b>

## **Instructions:**

- The Question paper has three sections named Section A, Section B and Section C.
- The details on how many questions to be answered and the marks are provided along with the section's name.
- If you feel that any data is incomplete or missing, assume and write it down in the answer sheet. Read and understand the questions carefully and approach them.

### **Section A (15 Marks)**

**(All Questions are compulsory)**

Q1. Southeastern Bell stocks a certain switch connector at its central warehouse for supplying field service offices. The yearly demand for these connectors is 15,000 units. Southeastern estimates its annual holding cost for this item to be \$25 per unit. The cost to place and process an order from the supplier is \$75. The company operates 300 days per year. a) Find the economic order quantity. b) Find the annual holding costs. c) Find the annual ordering costs. d) What is the frequency of ordering? (5 Marks) [CO2]

Q2. DNC AutoParts Ltd., a leading manufacturer of electric vehicle (EV) components, is planning to establish a new production facility to meet rising global demand. The company has shortlisted two potential locations:

Poland: Closer to major European EV markets, well-developed infrastructure, higher labor costs.



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Thailand: Lower operational costs, access to Southeast Asian markets, but longer transit times to Europe.

Which location should DNC AutoParts Ltd. choose for its new facility? Justify your answer by evaluating key supply chain factors. (5 Marks) [CO1, CO3, CO4, CO5]

Q3. What are the causes and effects of Bullwhip effect? Over the past 10 weeks, the demand for veg executive thalis at Kriparam has been 130, 220, 90, 165, 210, 190, 180, 127, 160 and 168 units. Kriparam has prepared weekly orders of 130, 240, 80, 180, 130, 230, 120, 150, 160 and 150 units. Calculate the bullwhip measure for Kriparam over the 10-week period. (5 Marks) [CO2, CO5]

### **Section B (20 Marks)**

**(Please attempt any four questions)**

Q4. What is the difference between unionist and traditionalist view of logistics and supply chain? What are other ways in which the connectivity between the two is seen? (5 marks) [CO1]

Q5. What is the difference between MNCs and TNCs. What do you mean by Ethnocentricity, Polycentricity and Geocentricity? Explain with examples. (5 marks) [CO1]

Q6. What are the seven different types of waste under lean strategies? Describe the combined lean and agile strategies in details. (5 Marks) [CO1]

Q7. What is servitisation? Explain single level bi-directional and two-level bi-directional service supply chain with examples. [CO1]

Q8. Describe how global market forces lead towards globalisation with relevant examples.

What affects the location of R&D facilities for a company? (5 marks) [CO1, CO2]

Q9. What is containerisation? Why is it important for shipping logistics? What are the different types of containers used for carriage of goods by sea? (5 Marks) [CO1]



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Q10. What are the different views of a supply chain? Explain with examples. Magenta, a car manufacturing company, wants to incorporate a postponement strategy in its supply chain.

Describe how they can do so. (5 marks)

[CO1, CO2]

### **Section C (25 Marks)**

(All Questions are compulsory)

[CO1, CO2, CO3, CO4]

#### **Case Study: Multi-Party International Shipment of Organic Tea from India to Germany**

##### **Background**

A German organic retail chain, GreenLeaf GmbH, has placed an order for 5,000 kg of premium organic tea from Darjeeling Tea Exports Pvt. Ltd., India. The shipment is to be delivered to Hamburg, Germany, via ocean freight. To manage the complexities of international shipping, Darjeeling Tea Exports Pvt. Ltd. has hired a logistics company, Global Freight Solutions (GFS), to handle freight forwarding, customs clearance in India, and coordination with the shipping line.

##### **Key Shipping Details:**

Exporter: Darjeeling Tea Exports Pvt. Ltd., India

Importer: GreenLeaf GmbH, Germany

Logistics Provider: Global Freight Solutions (GFS), India

Port of Loading: Kolkata, India

Port of Discharge: Hamburg, Germany

Mode of Transport: Ocean Freight

Payment Terms: Letter of Credit (L/C)





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Incoterm: CIF (Cost, Insurance, and Freight are handled by seller)

Freight Forwarder: BlueOcean Logistics Pvt. Ltd.

Inspection Agency: SGS India (for quality certification)

**Shipping Documents and Contents:**

Commercial Invoice:

Packing List:

Bill of Lading (B/L):

Consular Invoice:

Health Certificate:

Certificate of Origin:

Insurance Certificate:

Inspection Certificate (SGS):

**Questions**

1. What are the different components under the Bill of Lading? If the Bill of Lading states "Freight Prepaid," who has paid for the freight, and what impact does it have on the importer? What would be the consequence of using an order bill of lading in this shipment?  
(5 Marks)
2. Why is there a need for a health certificate for the organic tea? Suppose a random customs check in Germany finds a mismatch in the microbial analysis report between the Health Certificate and an independent test. What actions can be taken to resolve this issue?  
(3 Marks)



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3. What are the components of a commercial invoice? How is it different than a consular invoice? If the HS Code listed on the commercial invoice does not match the one used by German customs, what complications may arise? What steps should be taken to correct this?

(5 Marks)

4. The shipment arrives in Hamburg with 50 kg of tea damaged due to moisture absorption. However, the insurance policy covers only "Total Loss" and not "Partial Damage." How should GreenLeaf GmbH proceed in this case?

(3 Marks)

5. What is certificate of origin? The German customs authority has put the shipment on hold due to an incorrect declaration in the Certificate of Origin. Who is responsible for resolving this issue—the exporter, importer, or logistics provider? Justify your answer.

(5 Marks)

6. Due to port congestion in Hamburg, the shipment is delayed by 10 days. Calculate the impact of this delay considering:

- a) Storage Costs in Hamburg (€200 per day per container)
- b) Loss of Freshness Penalty (€5,000 for every week of delay)
- c) Additional Customs Inspection Fee (€2,000)

The market value of the total items is € 60000. The forecasted delay is expected to be 28 days. An additional channel is open for shipment but, the costs will increase by € 20000 and shipped within 20 days. Should they go for the alternate channel?

(3+3 Marks)

**Best wishes!**