



Roll No. _____

University of Petroleum & Energy Studies
College of Management & Economics Studies
Kandoli Campus, Dehradun

End Semester Examination, April 2018

Programme Name: MBA (LSCM)
Subject: Supplier Relationship Management
Subject code: MDSL 825

Semester - IV
M.Marks: 100
Duration: 3 Hrs

Note: All sections are compulsory & this question paper carries 4 sections.

Section – A (20 Marks)

Attempt all questions in this section

1. (A) Fill in the blank & also write the full form of the following (1x5=5 marks)
- (a) What is the other name of price volume model.....
 - (b) Market share model is also known as.....
 - (c) Backdoor selling is also known as.....
 - (d) INCOTERM
 - (e) RFQ
- (B) Explain the following (3*5=18 marks)
- (a) Reverse price analysis
 - (b) 2% of 20 Net 45
 - (c) Blanket purchase order
 - (d) non-compete clause
 - (e) SPI

Section – B (20 Marks)

Attempt any four question, each question carries 5 marks (5*4=20 marks)

2. (a) What are the various elements for considering new/existing supplier for integration?
(b) What are the various types of outsourcing in the design function?
(c) What are the various stages in a purchasing cycle process & also draw the purchasing requisition flow diagram?
(d) Define TCO & what are the steps involved in building a TCO model?
(e) Discuss negotiation & the various steps in purchase negotiation process?

Section – C (30 Marks)

Attempt any 3 questions in this section & each carries 10 marks

3. (a) Define cost-markup pricing, margin pricing, rate-of-return pricing & also calculate the cost-markup pricing, margin pricing, rate-of-return pricing when supplier wants a 30% profit

margin, over a total cost of \$50 each unit. The investment of \$200000 is done by supplier to make 5000 parts. His earlier profit margin was 27%

(b) TC enterprises receives orders from customers to produce custom-made souvenirs. The production process is highly labour intensive. For a special order from Simon, the following details have been provided to you for costing purpose:

- Labour time for the first time is 8 hours at the hourly rate @ 15
- Raw material cost would be \$ 20/unit
- Overheads are absorbed based on hourly rate, estimated to be \$ 24 per unit for the first unit
- At 70% learning rate is expected & orders would be 4 units first & 4 units later
- TC enterprise would like a profit markup of 150%

Calculate the selling price per unit to be quoted for the order from Simon & also determine the profit margin from the first & second orders from Simon

(c) What are the various supplier measurement & evaluation system technique?

(d) Describe the traditional model of buyer supplier relationship. How is the traditional model different from the collaborative model? What are the major characteristics of the collaborative model?

Section – D (30 Marks)

4(a) Define quantity discount analysis? (5 marks)

(b) Mr. Mahesh Kumar wants to purchase Lubricants & some nut bolts from supplier for his factory. On contacting the Lubricant supplier & nut bolt supplier he has been offered some quantity discounts on purchase of different amount of lubricant & nut bolts, the discounts are given below:

Nut Bolts Price discounts

Calculate the incremental cost for units mentioned below

Quotation from dynamic Nut Bolts industries at range of quantities (15 marks)

| <i>Range</i> | <i>Price per unit in range</i> |
|--------------|--------------------------------|
| 1-5 | \$ 10 each |
| 6-10 | \$ 8.0 each |
| 11-20 | \$ 7.8 each |
| 21-100 | \$ 7.6 each |
| 101-499 | \$ 7.0 each |
| 500+ | \$ 6.90 each |

Lubricants Price discount (10 marks)

Quotation from AVCO at specific quantities

- 1 litre @ \$85 each
- 3 litres @ \$ 80 each
- 6 Litres @ \$ 70 each
- 10 litres @ \$ 69 each

Now calculate the incremental cost for units mentioned for both lubricants & nut bolts