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1 # supply_chain_optimization.py
2
3 import pandas as pd
4 import numpy as np
5
6 # 1. Supplier Data
7 supplier_df = pd.DataFrame({
8     'Supplier': ['A', 'B', 'C'],
9     'Avg_Lead_Time': [7, 10, 6],
10    'Std_Dev_Lead_Time': [2.0, 5.0, 1.5],
11    'Cost_per_Unit': [8000, 7300, 8200],
12    'Defect_Rate_%': [2.5, 6.2, 1.8],
13    'SLA_Adherence_%': [96, 81, 93]
14 })
15
16 # 2. Simulated 6-month Inventory Data
17 inventory_df = pd.DataFrame({
18     'Month': ['Jan', 'Feb', 'Mar', 'Apr', 'May', 'Jun'],
19     'Demand': [120, 130, 140, 135, 120, 125],
20     'Opening_Stock': [150, 130, 80, 50, 15, 15],
21     'Received_from_Supplier': [100, 80, 50, 100, 120,
22     , 110],
23 })
24 inventory_df['Closing_Stock'] = inventory_df['Opening_Stock'] + inventory_df['Received_from_Supplier'] - inventory_df['Demand']
25 inventory_df['Stockout'] = inventory_df['Closing_Stock'].apply(lambda x: 'Yes' if x <= 0 else 'No')
26
27 # 3. Holding Cost Calculation
28 HOLDING_COST_PER_UNIT = 80 # ₹ per unit/month
29 inventory_df['Holding_Cost'] = inventory_df['Closing_Stock'].apply(lambda x: max(x, 0) * HOLDING_COST_PER_UNIT)
30
31 # 4. Safety Stock Calculation
32 Z_scores = {'A': 1.65, 'B': 1.28, 'C': 1.28}
33 avg_daily_demand = 5 # assumed constant

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34
35 safety_stock_df = pd.DataFrame({
36     'Supplier': ['A', 'B', 'C'],
37     'Z': [Z_scores['A'], Z_scores['B'], Z_scores['C'
    ]],
38     'Std_Dev_Lead_Time': [2.0, 5.0, 1.5],
39     'Avg_Daily_Demand': avg_daily_demand
40 })
41
42 safety_stock_df['Safety_Stock'] = (safety_stock_df['Z
    '] * safety_stock_df['Std_Dev_Lead_Time'] *
    safety_stock_df['Avg_Daily_Demand']).round().astype(
    int)
43
44 # 5. Summary Outputs
45 print("\n--- Supplier Summary ---")
46 print(supplier_df)
47
48 print("\n--- Inventory Simulation ---")
49 print(inventory_df[['Month', 'Demand', 'Opening_Stock
    ', 'Received_from_Supplier', 'Closing_Stock', '
    Stockout', 'Holding_Cost']])
50
51 print("\n--- Safety Stock per Supplier ---")
52 print(safety_stock_df[['Supplier', 'Safety_Stock']])
53
54 print("\n--- Key Results ---")
55 avg_holding_cost = inventory_df['Holding_Cost'].mean
    ()
56 stockout_events = inventory_df[inventory_df['Stockout
    ']== 'Yes'].shape[0]
57
58 print(f"Average Monthly Holding Cost: ₹{
    avg_holding_cost:.0f}")
59 print(f"Stockout Events (6 months): {stockout_events}
    ")
60 print("Preferred Suppliers: A (1st), C (2nd) based on
    SLA and defect rate.")
61

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