

**Code No: 13MBA2027****ADITYA INSTITUTE OF TECHNOLOGY AND MANAGEMENT, TEKKALI  
(AUTONOMOUS)****II MBA IV Semester Regular / Supplementary Examinations, April-2017****LOGISTICS AND SUPPLY CHAIN MANAGEMENT****Time: 3 Hours****Max. Marks: 60**

**Answer any FIVE questions  
All questions carry equal marks  
Question No.8 is Compulsory.**

1. Define the supply chain management? What are the various models in logistics management? What do mean by time based logistics?
2. What is concept of total cost analysis? Name the principles of logistics costing and explain then in detail?
3. Define Bench marking? Salient features of benchmarking of suppliers and distributors?
4. Identify the sourcing decisions of Supply chain? What do you mean by transportation infrastructure? Explain transport services.
5. Define transportation documentation? What are the basic transportation economies in pricing?
6. Explain supply chain practices of IT industry with suitable examples.
7. Define the supply chain Management? Give an examples of logistic models of FMCG, IT Industry, Service industry and Manufacturing industry .What is meant by the Value added services.
8. Case Study (Compulsory)

**India's Generic Drugs and consumer surplus**

Novartis of Basel, Switzerland, patent holders of Gleevec / Glivec, a highly acclaimed drug for chronic Myeloid Leukemia (CML), enjoyed monopoly in the pharmaceutical world till India's NATCO came up with its generic version. Veenat, selling at a fraction of the price that patent, paid for Gleevec. Its efficacy was established when Veenat became the standard drug prescribed and provide by Government Hospitals in India in place of Gleevec. The stories of Ranbaxy's Lipitor, Dr Reddy's Zyprexa and Sunpharma's generic Seroquel are some of the others examples strengthening the impact of increased consumer surplus on supply chain performance. In India, generic Gleevec manufactured and marketed by CIPLA s available for only Rs 300 i.e around \$7 per tablet while Gleevec 400mg costs Rs 3000/- which is around \$70, or 10 times higher.

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With assured equal value to the patient, the price differential between the two appeared as the consumer surplus and catapulted the Indian generic drug industry to one of the world's largest. The direct impact of consumer surplus on the supply chain performance was thus dramatically demonstrated. The attraction for generic drugs is obvious.

Indian tops the world in export of generic medicines worth \$11 Billion and currently the Indian Pharmaceutical Industry is one of the world's largest and most developed". In the connection we need to explore the following issues relating to increasing demand for generic drugs the world over:

Questions:

1. Why are generics cheaper than the patented drugs?
2. Why the demand for generic drugs is high both in the developed and developing world?  
Are the underlying reasons for this increase in demand the same in both cases?
3. Which part of the supply chain can be identified as the major contributor to reduction in the cost of generic drugs?