



Roll No. \_\_\_\_\_

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

**End Semester Examination, May 2017**

**Programme Name: BBA (LM)**  
**Subject: Supplier Relationship Management**  
**Subject code: BBDL 108**

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

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

**Section – A (20 Marks)**

**Attempt all questions in this section**

1. (A) Write the full form of the following (1\*2=2 marks)
- (a) DPMO
  - (b) CEM
- (B) Explain the following (3\*6=18 marks)
- (a) Coercive power
  - (b) Break-even analysis
  - (c) Black box design
  - (d) SPI
  - (e) six sigma
  - (f) Learning curve

**Section – B (20 Marks)**

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

2. (a) Define the various currency adjustment clause?  
(b) Discuss the various market driven pricing models?  
(c) What is the difference between price analysis & cost analysis?  
(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 three question, each question carries 10 marks (10\*3=30 marks)**

3. (a) Discuss the purchasing strategy development process? What are the various steps involved in this?
- (b) 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%
- (c) What are the various supplier measurement & evaluation system technique?
- (d) 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

**Section – D (30 Marks)**

**Attempt the situation & provide the solution for this situation**

- (a) Discuss 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**

| <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**

**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 bolt (25 marks)