

Comparative Study on Redefining of Current Supply Chain Management with regards to “Make in India”

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Abstract—In any country, supply chain plays the most vital role in the economy and in the growth of manufacturing. Streamlining supply chain process will reflect a vital margin in profit and overall productivity of the organization. Supply chain management means the oversight of materials, information, and finances as they move in a process from supplier to manufacturer to wholesaler to retailer to consumer. It involves coordinating and integrating these flows both within and among companies. Knowing the accurate need and demand and aligning the process is very important and managing the balance to keep in an optimum level is a must.

Every country need SCM for smooth running of its activities. It serves as a link between production and delivery. The investment in supply chain constitutes the most significant part of current assets and working capital in most of the undertakings. Thus, it is very essential to have proper control and management of supply chain.

The purpose of supply chain management is to ensure availability of materials in sufficient quantity as and when required in a smooth and cost effective manners so that it should not effect the cost of the products and available in time.

Keywords- Supply Chain Management, Supplier, Consumer, Investment, GDP, Inflation, Investor, Make In India, Industry, Manufacturing.

I. INTRODUCTION

TODAY with the initiative taken by our honorable Prime Minister Shri Narendra Modi on “Make in India”, whole country is enthusiast and suddenly got a new energy to work for growth of economy. India is looking for the highest investment from worldwide and of course for the investor worldwide also India is now heaven for their investment which has high opportunities and scope, high return and endless scope of expansion and experimentation.

It is been seems that first time India is experiencing its strength of manufacturing in this level where India became the platform for the whole world for their investment and business expansion. Also with the smooth of doing business and investment, developed relationship and lots of friendly treaty signed between India and all major countries and all the support and initiative and new project taken by government in this field, the investors are getting confidence and are convinced to use their money and talent in India.

The ultimate goal of “Make In India” is to raise manufacturing’s contribution to the country’s GDP from 15 percent to 25 percent, bringing it more in line with other developing countries like China (31%) and Korea (35%). It is seem that India is now growing to a second level as like china has changed before 15 years from now. And the big players are contributing in the success with their open heart and mind. All big players Like SONY, Samsung, Alibaba and other major players from each field also started their investment in India on a major level.

II. LITERATURE SURVEY

The paper reveals that supply management is, at best, still emergent in terms of both theory and practice. Few practitioners were able – or even seriously aspired – to extend their reach across the supply chain in the manner prescribed in much modern theory. The paper identifies the range of key barriers and enablers to supply management and it concludes with an assessment of the main trends.

III. PURPOSE

The purpose of this paper is to critically assess country’s current supply chain management in comparison to the supply chain management of global developed countries and scope of realignment with Make in India initiative

IV. DESIGN/METHODOLOGY/APPROACH

The paper is based on detailed study of supply chains management currently prevailing in our country and other developed countries. To analyze the models of automated supply chain management. To discuss and compare different E-SCM solutions based on their efficiency, cost effectiveness and other major factors. To Propose a model over viewing all aspects of E-SCM. To Study the tools and techniques of SCM. To study the increase of capacity and demand of supply chain with the increase of domestic production and domestic and international supply demand due to Make in India and our approach of redefine the supply chain to overcome such demand. By research questions and questioners, data collection, design of the Sample, various instruments and quantitative dimensions.

V. RESEARCH LIMITATIONS/IMPLICATIONS

The research presents a number of challenges to existing thinking about supply strategy and supply chain

management. It reveals the substantial gaps between theory and practice. A number of trends are identified which it is argued may work in favor of better prospects for SCM in the future and for the future of supply management as a discipline.

VI. PRACTICAL IMPLICATIONS

A central challenge concerns who could or should manage the supply chain. Barriers to effective supply management are identified and some practical steps to surmount them are suggested.

VII. ORIGINALITY / VALUE

The paper is original in the way in which it draws on an extensive systematic study to critically assess current theory and current developments. The paper points the way for theorists and practitioners to meet future challenges.

VIII. THEORETICAL SCOPE OF MANAGEMENT

Management involves identifying the mission, objective, procedures, rules and the manipulation of the human capital of an enterprise to contribute to the success of the enterprise. This implies effective communication: an enterprise environment, implies human motivation and implies some sort of successful progress or system outcome. Management is therefore everywhere and it has a wider range of application. Based on this, management must have humans, communication, and a positive enterprise endeavor. Plans, measurements, motivational psychological tools, goals, and economic measures (profit, etc.) may or may not be necessary components for there to be management. At first, one views management functionally, such as measuring quantity, adjusting plans, meeting goals. This applies even in situations where planning does not take place. From this perspective, Henri Fayol (1841–1925) considers management to consist of six functions:

1. Forecasting
2. Planning
3. Organizing
4. Commanding
5. Coordinating
6. Controlling

IX. SUPPLY CHAIN MANAGEMENT

Supply Chain Management (SCM) is the management of the flow of goods and services. It includes the movement and storage of [raw materials](#), work-in-process inventory, and finished goods from point of origin to point of consumption. Interconnected or interlinked networks, channels and node [businesses](#) are involved in the provision of [products](#) and [services](#) required by end customers in a [supply chain](#). Supply chain management has been defined as the "design, planning, execution, control, and monitoring of supply chain activities with the objective of creating net value, building a competitive infrastructure, leveraging worldwide logistics,

synchronizing supply with demand and measuring performance globally."

SCM draws heavily from the areas of [operations management](#), Inventory Control [logistics](#), [procurement](#), and [information technology](#), and strives for an integrated approach.

X. MAKE IN INDIA

The ultimate goal of "Make In India" is to raise manufacturing's contribution to the country's GDP from 15 percent to 25 percent, bringing it more in line with other developing countries like China (31%) and Korea (35%). It is seen that India is now growing to a second level as like china has changed before 15 years from now. And the big players are contributing in the success with their open heart and mind. All big players Like SONY, Samsung, Alibaba and other major players from each field also started their investment in India on a major level.

Everything looks like so beautiful like a dream, but there is major question.....

1. Whatever we are thinking and planning to do, is it possible with our present infrastructure and supply chain process.
2. Will the dream of "Make in India" and "Develop India First" be successful without re defining our present supply chain management?
3. Whether or not "Make In India" campaign successfully draws foreign manufacturing to India, the proposed infrastructure investments will have a significant impact for the supply chain.

Irrespective of the ultimate outcome of "Make in India," the Supply Chain in India definitely need guaranteed a makeover. The immediate infrastructure initiatives will inspire rapid expansion and hardening of the nation's freight transportation network to accommodate the projected increase in traffic. India's national railway budget was approved earlier this year and included expansions to the nation's total rail freight capacity by 50% to 1.5 billion tons per year.

The supply chain makeover is a much needed one for India. The 7th largest country in the world in terms of land area presents a unique logistical challenge for domestic and international manufacturers. Before any of the planned and proposed improvements to India's infrastructure and domestic bureaucracy are enacted, those considering business involving the Indian supply chain should consider several factors:

- A 2014 World Bank survey ranked India 46th in global trade logistics performance, placing it behind

- some of its biggest competitors for foreign manufacturing investment like Mexico and Turkey
- Need to redefine the domestic infrastructure as the domestic logistics cost by rail or by truck is very high as compared to other countries and which will have a major effect on the cost of manufacturing.
 - We have to Increase the efficiency and the numbers of Perishable and Cold Supply Chain which is now more than 20% of spoilage rates due to the inefficiencies in India's domestic freight infrastructure
 - We need to line up our shipping agencies and shipping services so that there should not be any delay on the transportation from Indian ports.
 - Line up the power failures in the country to avoid delays in manufacturing schedules and an increased likelihood of defective parts
 - The Indian bureaucracy itself poses a challenge: government processes are complex and confusing, and have the potential to cause further delays and frustrations
 - Despite a rich heritage of raw materials present in India, still India lacks a developed supply base: raw materials and parts are still often imported for production.
 - The import process to the country remains complicated and non-standardized, causing higher than normal requirements for inventory to offset unpredictable delays.
 - Taxation system should be simplified.

XI. PROBLEM STATEMENT

The lingering question remains:

With the rapid industrial growth, the already struggling logistical performance of India is almost guaranteed to suffer in the short term.

Congestion at major ports is also likely to worsen more international manufacturers move to India.

Public works projects on existing rail lines and roads are sure to cause delays in an already heavily backlogged transportation system.

Until India begins to see returns on its domestic investments, bureaucracy, and delays that come from Supply Chain will threaten foreign manufacturers from moving to India.

XII. CONCLUSION

Make in India as a dream to establish a India from a developing country to a developed country can be converted into reality and a lot of process and initiative has been started in this manner and convert this dream into reality the

major key player is the supply chain management of the country, Here we are standing in a place where we are between out one of the orthodox manner of supply chain and transportation process and a place where we need to adopt and implement the 3D way of supply chain management to give anew shape to our dream.

With the rapid changing world and the investment that the foreign countries want to do in India to enhance our manufacturing we need to provide them the same return on their investment and that can only be done if we give the smooth and world class competitive supply chain management to give then a hassle free , time bounded and cost effectiveness transportation and delivery of the products.

Supply Chain Management has now become the backbone of any business and any company and Inventory management being the major factor in supply chain management plays the important role in the company and to increase the profitability of any company. There are lots of reacherchers who had done excellent job in the supply chain and inventory management but still there are lot of scope where the work can be done mainly in the field of supply chain networking, RFID, and inventory management so that the gap which is still there between the supplier and the consumer can be catered well.

In previous there are lot of works and study done to know the proper need of consumer and the lacking remained from the supplier and how to cover the gap and lot of improvement has also been seen in the past where supply chain has become one of the important life line of any companies and industries but still the seriousness of the topic is not well aware as compare to the demand of the topic which with this research we will try to do and will try to fulfill that gap between the companies and the consumer.

XIII. FUTURE SCOPE & GROWTH

A real fact id that the supply chain management or the transportation system in India is lacking far behind in terms of automation, cost effectiveness and hassle free with compare to the developing countries like China and Europe and this gives us platform of working where there is lot of scope and chances to show our initiative, our innovation and our will to bring our supply chain management to a world class service and with a competitive status as of other developed countries.

Well, as long as we humans need to move physical products from place of manufacturing to place of consumption, there will be a good scope for logistics and supply chain management

Future scope of logistic and supply chain management is very bright. In all e-commerce companies logistic and SCM becomes differentiating factor. Now a days all companies

are focusing on SCM to increase the profitability. Further to that you have a scope in consultancy, retail, in big MNC etc

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