







demand and supply uncertainty. I show how supply uncertainty plays an instrumental role in the ordering, the production planning, and the pricing decisions. I conclude that the wholesale price contract fails to coordinate the supply chain. Next, I coordinate the supply chain by using buyback contract and option contract for the manufacturer-led and the retailer-led scenario, respectively. Apart from coordination, I show how a risk-sharing contract improves the profitability of the cotton firm in a high loss-making scenario. Finally, I investigate the risk attitude of the apparel retailer and the cotton firm and show that the risk-averse retailer orders less apparel and the risk-averse cotton firm sets higher planned production quantity of cotton compared to the risk neutral one.