



**INDIAN INSTITUTE OF MATERIALS MANAGEMENT**  
**Post Graduate Diploma in Logistics Management**  
**Paper – 4**  
**DISTRIBUTION MANAGEMENT**

**Dec 2014**

Date: **16.12.2014**  
Time: **10.00 am to 1.00 pm**

Max. Marks: **100**  
Duration: **3 Hours**

**Instructions:**

1. The question paper is in three parts A, B & C.
  2. Part A is compulsory. Each sub question carries one mark. Total : 32 Marks
  3. In Part B, answer 3 questions out of 5. Each question carries 16 marks. Total : 48 Marks
  4. Part C is a case study with sub questions and it is compulsory. It carries 20 marks.
  5. Use of calculator is allowed wherever necessary.
  6. Graph sheets can be used wherever necessary.
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**PART-A**

**32 x 1= Total: 32 marks**

**Q.1. Write full form of the following**

**08 marks**

- |         |        |        |         |
|---------|--------|--------|---------|
| 1. ICD  | 2. SCR | 3. FOR | 4. QTS  |
| 5. LASH | 6. CDL | 7. PLC | 8. LDPE |

**Q.2. State True or False**

**08 marks**

- 2.1 Optical Character Recognition is mainly used in Quality Control, Production Control.
- 2.2 As per section 134 of Motor Vehicle act, it is the duty of driver to report about an accident to the nearest police station within 24 hours.
- 2.3 A customer oriented firm is not guided by consumers buying patterns.
- 2.4 Export Merchants and selling agents are an example of retail distribution
- 2.5 Perishable goods are generally transported by air in India.
- 2.6 Air freight greatly reduces the major components of the total cost of distribution.
- 2.7 A channel of distribution includes both Producers and Consumers
- 2.8 An Inland Water Transport is an ideal means for transporting large quantities of liquids and gases over long distances.

**Q.3. Fill in the blanks****08 marks**

- 3.1 In \_\_\_\_\_ organizations the Physical Distribution Manager is placed at par with other major functional areas such as Finance, production and Marketing.
- 3.2 \_\_\_\_\_ use radio signals to communicate messages between battery powered tags and fixed or portable receiver / transmitter .
- 3.3 In unitized packages damages to the consignment are \_\_\_\_\_ due to use of mechanical handling equipments.
- 3.4 A \_\_\_\_\_ is a machine readable code ,consisting of a series of bars and spaces printed in defined ratio.
- 3.5 \_\_\_\_\_ is a negotiable instrument & carriers receipt prepared At port of shipment.
- 3.6 A \_\_\_\_\_ is a for hire carrier that does not hold itself out to serve the general public .
- 3.7 Tankers are generally \_\_\_\_\_ bulk carriers propelled by steam turbines having a very low freeboard and deep \_\_\_\_\_
- 3.8 The \_\_\_\_\_ are the ideal means of transport in hilly & otherwise inaccessible areas.

**Q.4. Match A and B****08 marks**

- | <b>A</b>            | <b>B</b>                         |
|---------------------|----------------------------------|
| 1. OSHA             | a. Over Dimensional Consignments |
| 2. Railway Carriage | b. Incoterm                      |
| 3. TEU              | c. 20x8x8 (in ft)                |
| 4. DDU              | d. Distribution BOM              |
| 5. TOFC / COFC      | e. 40,000 DWT                    |
| 6. MICR             | f. Piggyback                     |
| 7. DRP              | g. Safety regulation             |
| 8. ULCC             | h. Magnetic reader               |

**PART- B**

**Total (3x16 = 48) Marks**

Answer any three from the following questions

- Q.5** What are the main functions of Physical Distribution in an organization ? Explain with suitable example from the company in which you are working or any well known company.
- Q.6.** "Railways offer a variety of carriages for transport of materials." Justify the statement with relative advantages and disadvantages of Railways.
- Q.7** What are reasons of hiring intermediaries for Physical Distribution and factors affecting choice of Distribution channels ?
- Q.8.** Discuss the factors affecting Transportation costs and pricing for transportations of various goods in Indian environment.

**Q. 9 . Write short notes on any 4 of the following.**

- a. Legal Status of Lorry Receipts
- b. Quick Transport Services
- c. Classification of railway freight rates
- d. Inter Modal Transportation
- e. Roll-On and Roll-Of services
- f. Role of IATA

**Part C – Case Study**

**(Total : 20 Marks).**

**Q. 10** M/s Indian Manufacturing Company Limited has three plants – P 1, P 2, P 3 located in Mohali, Trivendrum and Kolkatta . The plants are receiving various components and unpopulated Printed Circuit Boards from different vendors. The plants assemble these components and mount them on the PCBs. The 'stuffed' PCBs in turn are fed to three country, where the PCBs, chassis and other components reassembled to produce the finished products. These are tested, packed and dispatched for sale through the distribution network of the company. The capacity of the finishing units are as given below.

A1 : 500; PCBs per day

A2: 400 PCBs per day

A3; 500 PCBs per day,

The unit cost of transportation (in Rupees) are given below:

P 1 to A1 = 10; A2 = 12; and A3 = 16

P2 to: A1 = 8; A2 = 14; and A3 = 14

P3 to: A1 = 12; A2 = 16; and A3 = 12

You are required to calculate the minimum cost of transportation per day which plant should ship how many units per day to which assembly unit in order to minimize the transportation costs.

Marks 15

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