



**INDIAN INSTITUTE OF MATERIALS MANAGEMENT**  
**Post Graduate Diploma in Logistics Management**  
**Paper – 2 (OLD)**  
**Logistics Fundamentals And Processes.**

**June 2015**

**DATE:** 14.06.2015  
**TIME:** 10.00 a.m. to 1.00 p.m.

**Max. Marks: 100**  
**Duration: 03 Hrs.**

**Instructions:**

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|--|----------------|
| 1. From part "A", Each sub-question carries 01 mark                    | Total Marks 32 |
| 2. From "B", answer any 3 - each question carries 16 Marks             | Total Marks 48 |
| 3. Part "C" is a case study with sub question – 20 Marks. (compulsory) | Total Marks 20 |
| 4. Please read the instruction on the answer sheet.                    |                |

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**PART-A**

**( 32x 1 = Total: 32 Marks)**

**Q1. State true or false**

1. Inventory plays an important role in a supply chain's ability to support a company's competitive strategy.
2. Pipe line may be an effective way of getting crude oil to a port or a refinery –
3. Effective Logistics strategy should not help in maintaining inventory at the lowest level.
4. Efficient material handling methods in warehouses cannot improve customer satisfaction.
5. An efficient transportation planning and managements is a pre-requisite function of logistics.
6. Inventory is the largest asset item on a manufacturer and distributor's balance sheet.
7. Insurance costs should not directly relate to the total value of the Inventory.
8. The appropriate use of transportation is the key to any supply chain's failure.
9. The warehouse acts as an important link in the supply chain of a manufacturing company.
10. Packaging protects the goods and acts as a source of information for customers.
11. Inventory spread across the entire supply chain from raw materials to work in process to finished goods.

**Q2. Expand following**

- |         |         |                |         |           |
|---------|---------|----------------|---------|-----------|
| (1) ABC | (2) EVA | (3) KPIs       | (4) EDI | (5) LIS   |
| (6) DRP | (7) VMI | <b>(8) EOQ</b> | (9) SRM | (10) RFID |

**Q3.Link & connect the following correctly.**

1	Brainwave analysis	A.	It's depends upon nature of product, physical dimensions, value, regulations etc.
2	Packaging Cost	B.	Total amount paid to various carriers for transporting products to customers.
3	Storage	C.	This functionality is primarily designed for third-party logistics operators.
4	Carrier	D.	Used for both advertising and package designing.
5	Work in progress	E.	scheduling procedure for production Processes its have several levels of production.
6	Activity-based costing/billing.	F.	This facilities the production process by providing semi-finished stocks between different processes.
7	Inventory Records	G.	Putting away the inventory received to complement order picking.
8	Transportation Cost:	H.	It's is spread across the entire supply chain from raw materials to work in process to finished goods
9	MRP	I.	Transports the product with an objective of maximizing the revenue at the least cost.
10	Plastic Foam Dunnage	J.	Used to pack irregular shaped products into standard shaped boxes.
11	Inventory	K.	IT's used to keep track of the goods inside the Manufacturing facility.

**Part-B**

**( 3 x 16= Total 48 Marks )**

**Q4. Answer any three from following questions.(Q. 4 to Q. 7)**

- 1) (a) Define logistics management and scopes in India?  
(b) Explain the Objectives & functions of Logistics management.
  
- 2) (a) Define Inventory Management and explain the type's inventory.  
(b) What are the Principles and performance measures in Material Handling Systems?

**Q5. Define the following terms.**

1. Inventory Control
2. Work-in-Process
3. 3PL
4. Safety Stock

**Q6.** As a purchase manger how you will develop the new vendors for construction / real estate business,  
with suitable examples.

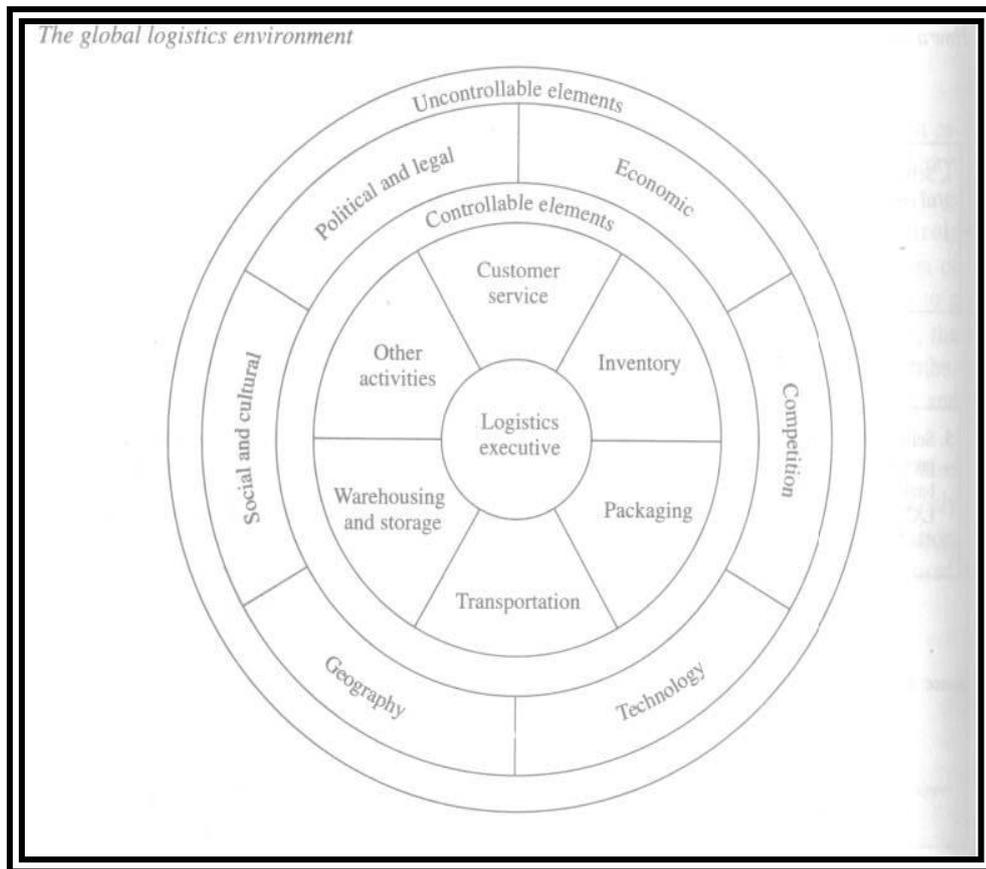
**Q7 .** (a) Explain the types of warehouses and their functions ?  
(b) As a logistics manager how will you select an Effective logistic mode for your domestic steel business?

**Q8.**

**PART-C**

**TOTAL:20 MARKS**

**THE GLOBAL LOGISTICS ENVIRONMENT**



1. As a Logistics Manager how will you manage the uncontrollable and controllable elements in your global laptop business?
- 2 (a) What are the Innovative global logistics strategies you will introduce in your global business?  
(b) Explain the advantages and disadvantages of container packaging method for global business. Explain with suitable examples.

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