



INDIAN INSTITUTE OF MATERIALS MANAGEMENT
Post Graduate Diploma in Materials Management
Graduate Diploma in Materials Management

June 2015

PAPER No. 12 (OLD)

Packaging , Distribution & Retail Supply Chain Management

Date : 20.06.2015
Time : 10.00 a.m to 1.00 pm

Max. Marks :100
Duration : 3 Hrs.

Instructions:

1. From Part A – Answer all questions (compulsory). Each sub questions carries 1 mark. **Total : 32 Marks**
2. From Part B – Answer any 3 questions out of 5. Each question carries 16 marks. **Total : 48 Marks**
3. Part C is a case study (compulsory) with questions. Read the case study carefully and answer the questions **Total: 20 Marks**
4. Please read the instructions given in the answer sheet

PART – A

32 marks

Attempt all question. Each sub questions carries 1 mark

Q. 1. Fill in the blank.

- i) Packaging serves two basic functions, marketing and _____
- ii) Translating large out put of manufacturing into smaller quantities of greater use to customers is called _____
- iii) U N recommended labels for dangerous goods are _____ shaped.
- iv) The product consideration affecting choice of channel is unit value, _____ and technical nature of the product.
- v) Less than wagon load consignments are called _____
- vi) IMCO code 8 represents _____
- vii) A major part of merchandise management is _____
- viii) VMI helps a buyer to outsource not only the product but the _____ required for its Procurement.

Q.2. State True or False (Do not reproduce the statement)

- a. Static compression occurs when two packets collides each other.
- b. Secondary packaging helps in easy inventory management.
- c. Silica gel is used in packaging to absorb air.
- d. Nature of market is the key factor in the choice of channel.
- e. General cargo rates are applicable to cargo weighing less than 45 kgs.
- f. Intermediaries improve the efficiency of exchange process.
- g. Tertiary packaging envelops the product and holds it.
- h. Consumers make inferences about product quality based on packaging

Q.3. Expand the following

- a) CPI
- b) LDPE
- c) ULD
- d) HAWB
- e) LCV
- f) ODC
- g) FAK
- h) FCA
- i) COFC

Q.4. Match A and B

A

- 1) DDP
- 2) Handicrafts
- 3) Bill of lading
- 4) Piggyback
- 5) Consolidation
- 6) Pallet
- 7) Symbology
- 8) Tremcard

B

- a) Ocean freight
- b) Intermodal transport
- c) unit load
- d) Incoterm
- e) Skin packaging
- f) Bar code
- g) Hazardous substance
- h) LCL

PART B

48 marks

Answer any 3 questions out of 5. Each question carries 16 marks

- Q.5. a) What is packaging? What are the principles of packaging?
b) Discuss various hazards that affect packaging during transportation.
- Q.6. a) What are the main functions of physical distribution in an organization?
b) What are the main functions of intermediaries?
- Q.7. a) What are the forms of road transport?
b) Define distribution control. Why do we need it?
- Q.8. a) What are the steps involved in retail selling process?
b) What is SRM and its role in retail management?
- Q.9. Write short notes on any four
- a) Tremcards
 - b) Ecofriendly packaging
 - c) Commodity logistics
 - d) DRP
 - e) Incoterm
 - f) Analysis of Traffic Demand

PART C

Q. 10 : Case Study: compulsory

20 marks

Q.10. Mr. Viswanath, All India sales manager of Kay Engineering Ltd. is agitated as he was talking to Mr. Ram Mohan, Director Marketing. They were discussing the targets for the second half of the financial year. The result of first half of the operation was not very good, as there was gap between the target and what was achieved. He was giving the feelings of his dealers and some of the consumers whom he had met recently. They all were complaining about the quality of the product and the packaging of the products. Dealers found that there were dents on the refrigerators and cartons of gas stoves and water heaters were always torn. Sometimes refrigerators were not cooling. Most of the gas stoves were having some problem or the other. One dealer in Coimbatore received all the 10 TV in a consignment in damaged condition. Mr. Viswanath requested Mr. Ram Mohan to improve the product packaging to derive mileage out of this.

Kay Engineering Ltd. is Rs 500 crore company engaged in the marketing of consumer durables like Refrigerators, TV, Gas stoves, Air conditioners, and Water heaters. The company is having 4 regional offices in Delhi, Mumbai, Chennai and Kolkatta in addition to 30 marketing offices spread across the country. They reached the ultimate customer through both direct selling and through dealers. Direct selling was limited to institutions only.

Kay Engineering sourced their products from different manufacturing companies and marketed these products with their brand name. Refrigerators, Air conditioners, and TV were sourced from manufacturers located in Delhi. Gas stoves and Water heaters were sourced from manufacturers in Mumbai. The two product managers, one in Delhi and one in Mumbai placed orders with the manufactures after consolidating the requirements form various branch offices through regional offices. Product managers gave consolidated requirements to these manufacturers along with the quantities to be dispatched to different branches. These manufacturers supply only part of their products to Kay Engineering and they marketed bulk of their production in their own brand name.

The present method of packaging and transportation of products were as follows. Refrigerators were bolted to a wooden base and covered with polythene cover and 5 ply-corrugated cartons was put on top of it and strapped with plastic strap. These were transported through railway wagons wherever possible. Trucks were used to transport to other places. Air conditioners were packed in wooden boxes with polythene cover wrapping the product and transported through trucks on door delivery. Gas stoves and water heaters were wrapped in polythene sheet and packed in 5 ply cartons without much cushion. These were transported through trucks on door delivery basis. TV was again wrapped in polythene sheet and packed in 5 ply cartons with thermocole sheet kept on all the sides and reinforced with plastic straps.

Questions:

- a) What are the problems faced by Kay Engineering at the upstream supply chain?
- b) Suggest methods to improve the packaging of the products?
- c) How selections of transportation methods affect the distribution cost?
- d) Suggest measures to improve physical distribution system of the company
