

**JUN-2010**

**INDIAN INSTITUTE OF MATERIALS MANAGEMENT**  
**Post Graduate Diploma in Logistics Management**  
**PAPER 2**  
**LOGISTICS FUNDAMENTALS AND PROCESSES**

Date: 13.6.2010  
Time: 10am to 1.00 PM

Max Marks : 100  
Duration : 3 hours

**Instructions:**

1. PART A contains four main questions (with eight sub questions of one mark each) Total Marks:32
2. PART B: Answer any three questions out of five questions sixteen marks each Total Marks:48
3. PART C Compulsory case study Total Marks:20
4. Please read the questions and instructions on the answer sheet carefully.

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PART - A

**Q1. State true or false**

1. The notion of value added service is significantly different from the logistical performance
2. Value- added services are most typically observed in well established channel relationships
3. The motive behind the formation of supply channel competitiveness
4. Logistics focused on efficient flow of goods through the distribution channel
5. The private warehouse is operated by the firm owning the product.
6. The operational management of logistics is concerned with movement and storage of material and finished goods
7. Inventory control is mechanical procedure for implementing an inventory policy.
8. Location analysis requires that demand be classified or assigned to a geographic area.

**Q2.Fill in the blanks**

1. \_\_\_\_\_ warehoused are used extensively in logistical systems. \_\_\_\_\_ warehousing combines the best characteristics of both private and public operations.
2. An important part of packaging as it relates to \_\_\_\_\_ and \_\_\_\_\_ handling is the concept of unitization.
3. Logistical competency is achieved by coordinating \_\_\_\_\_ and \_\_\_\_\_.
4. Two inventory planning methods are \_\_\_\_\_ and \_\_\_\_\_ requirement planning.
5. The appropriate number and geographic sites of warehouses are determined by \_\_\_\_\_ and \_\_\_\_\_ location and product requirements.
6. Logistics exists to satisfy customer requirements by facilitating relevant \_\_\_\_\_ and \_\_\_\_\_ operations.
7. Final \_\_\_\_\_ design is most often based on manufacturing and marketing consideration sat the neglect of \_\_\_\_\_ requirements.
8. The strategy of using logistics competency to gain \_\_\_\_\_ advantage is based on a broad commitment to \_\_\_\_\_ - focused marketing.

**Q4.Expand the following**

(A)UPC ,(B) EDI, (C) DRP, (D) JIT, (E) EOQ, (F) SKU,(G) VANS, (H) VMI.

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

<b>1</b>	Inventory Planning	The second part of average inventory is the stock held to protect against the impact of uncertainty on each facility.	<b>A</b>
<b>2</b>	Manufacturing – positioned warehoused	It's focus on determining the optimum inventory management parameters that meet desired service levels with minimum investment.	<b>B</b>
<b>3</b>	Error Measurement	It's guidelines concerning what to purchase or manufacture, when to take action, and in what quantity.	<b>C</b>

4	Logistical competency	A relative assessment of a firm's capability to provide competitively superior customer service at the lowest possible total cost.	D
5	Situational analysis	The collection of performance measure and characteristics that describe the current logistics environments	E
6	Inventory analysis decision	Use a common information base to coordinate inventory requirements across multiple locations or stages in the value-added chain.	F
7	Inventory policy	Forecast error can be measured on either an absolute or a relative basis using a number of methods.	G
8	Safety stock inventory	It's located close to production plants to serve as an assembly and consolidation point for items being produced.	H

### **Part-B**

#### **Answer any three from following.**

- Q1. Define Logistics and explain the objectives & function of logistics?
- Q2. Explain the basic material handling considerations in Cable & transformers production industries?
- Q3. What are the Factors to be considered while initiating warehouse operations?
- Q4. (a) What are the factors affecting carrier decisions? List out the types of inventory planning?
- Q4. (b) What are the factors influences the transport economics?
- Q5. Define the following terms
  1. Explain the principles of logistics information system
  2. VMI & JIT, with suitable examples.
  3. JIT: Just – in – Time.
  4. Third party logistics:

### **Part-C**

#### **CASE STUDY**

Royal Cab Wires Private Limited (RCWPL), pune –Indian company. They are production cables & wires. Rs.5000 cr turnover company, they have 2000 and above customers and dealers and 120 suppliers in world wise.

#### **The company employee details:**

Mr. Joshy – Logistics head  
 Mr. Praveen – CRM head  
 Mr. Ravi Mishra – Marketing head  
 Mr.bijay – Finance & Excise head.  
 Mr.Raj- SCM & ERP implementation head.

The typical logistics activities in RCWPL are listed here

1. Order entry time per order
2. Delivery time per order
3. order selection time per order
4. Inquiry time per order.
5. Order entry time per customer
6. order selection timer per customer
7. delivery time per customer
8. order selection time per product
9. Delivery time per product.

Now RCWPL plant to introduce the new ERP in our business planning & development.

The ERP focused on “user friendly” and “customer satisfaction, company value creation based function. The objective of ERP is improving the Logistics information system, network plan & decision making proposes.

Per day RCWPL dispatching 150 to 500 drums in various types of cables at different locations. Monthly 300 Drums they are export process also they are going on.

Now the customer & dealers give feedback to Mr.praveen the Logistics information is not satisfaction. So the company management team thinking to implement the new ERP systems and improve the customer satisfaction and value creation function.

**Questions**

1. What are the roles and responsibilities of Mr.Joshy in RCWPL?
2. Explain how Mr.Joshy & Mr.Raj to improve the performance of logistics functions & logistics information system.
3. How RCWPL think CRM & SCM team to improve the customer satisfaction?
4. How RCWPL to improve the typical logistics activities functions and which ERP is suitable for RCWPL?