



INDIAN INSTITUTE OF MATERIALS MANAGEMENT
Post Graduate Diploma in Logistics Management
Paper – 4 (New)
DISTRIBUTION MANAGEMENT

June 2015

Date: **16.06.2015**
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.

PART-A

32 x 1= Total: 32 marks

Q1. Indicate whether following statements are 'True' or 'False':

- 1.1 Cold storage is used in storage of perishables.
- 1.2 MRP II means Material Requirement Planning.
- 1.3 Transport by rail is not suitable for bulk over long hauls.
- 1.4 Physical distribution of finished goods deals with inbound logistics.
- 1.5 Logistics management fits under the distribution variable of marketing mix.
- 1.6 Striking a balance between demand and supply is one of the functions of inventory.
- 1.7 Air freight is the fastest and costliest means of delivery.
- 1.8 Providing customer service is the primary goal of logistics.

Q2. Write the full form of the following abbreviations.

2.1 MPS	2.3 QTS	2.5 VMS	2.7 CPCB
2.2 MRP II	2.4 LCL	2.6 PLC	2.8 CDL

Q3. Match the following.

1. Vertical Marketing System	a) requires that the product be pulled from the plant based on actual demand
2. Horizontal Marketing System	b) products are pushed from the manufacturing locations to the distribution points based on sales forecasts.
3. Multi Channel Marketing	c) who carries the goods for selected parties and not for all citizens.
4. Common Carrier	d) one who carries goods/passengers without charge.
5. Private Carrier	e) using many different channels to reach a customer.
6. Gratuitous Carrier	f) Main members of the distribution channel work together as a unified group to meet the customer needs.
7. Push System	g) is a distribution channel wherein two or more organizations at the same level join together to capitalize on the new opportunity.

Q4. Fill in the blanks.

- 4.1. Bill of lading is a document issued by that gives title of that shipment to a particular specified party.
- 4.2. Commercial invoice is a document used in trade.
- 4.3. The choice of distribution channel is basically by market factors.
- 4.4. Warehouse is the second major of physical distribution.
- 4.5. Warehousing becomes necessary because the production and demand.....are not uniform.
- 4.6. Customers have become to logistics like incorrect picking or shipping.
- 4.7. Barcodes enable quick, and identification, besides speeding up operations.
- 4.8. Inventory management plays a very role in the entire logistics function.

PART- B

Total (3x16 = 48) Marks

Answer any three from the following questions

- Q5. What is DRP? How does it work? Explain DRP in manufacturing.
- Q6. What is the role of marketing intermediaries in the distribution channels? What are the main functions of intermediaries?
- Q7. Explain how does containerization help in safer transportation? What are the different types of containers. Also explain the advantages of containerization.
- Q8. Write short notes on any two of the following.
- a) Role of distribution in marketing.
 - b) Transport functionality.
 - c) Load planning and utilization.
 - d) Relevance of Bar-coding in distribution.
 - e) Transshipment.
 - f) Categories of ware houses
 - g) Order Management System
- Q9. Explain the concept of supply chain management. Also Explain the role of logistics in supply chain. What are the key issues in logistics effectiveness?

Part C – Case Study

(Total : 20 Marks).

Q 10. Ms Poornima of Navi Mumbai has taken over the distributors role of supply of Automobile Batteries of a well known brand manufactured by M/s ABC located in the State of Andhra Pradesh. Her proposed territory includes the States of Maharashtra, Gujarat, Karnataka and Goa. The Company is well represented in the North, East, and Central India. The Company wishes to push its Automobile Batteries in the States of Maharashtra, Gujarat, Karnataka and Goa. The sale particularly in the these States is reducing due to fierce competition by other well known and local brands. Ms Poornima is looking for Dynamic Personnel/Managers to achieve the objective by boosting up sales as are in the other States. She desires that the incumbents to be recruited will require advising her in detail about:

- a) The criteria affecting the decision on the warehouse location to optimize service levels.
- b) Indicate the important factors affecting the size of the warehouse(s).
- c) Describe attributes for a good warehouse layout.
- d) Elaborate the cost factors which are associated with warehousing.
- e) What would be the best mode of transport that could be used to reach the potential users?
