

JAIPURIA INSTITUTE OF MANAGEMENT, NOIDA
PGDM / PGDM (M) / PGDM (SM)
FIFTH TRIMESTER (Batch 2022-24)
END TERM EXAMINATIONS, JANUARY 2024
SET II (Group I)

Course Name	Logistics Management	Course Code	20526
Max. Time	2 hours	Max. Marks	40 MM

INSTRUCTIONS:

- All questions are compulsory
- Answers should be brief and relevant examples to be cited to support your answers
- Q4 has one internal option

Question 1

[8 + 4 Marks = 12 Marks]

Nivedia Exports has got an export order recently for export of 'Ready Made Garments' to Hanover in Germany. The destination port would be Hamburg, Germany. However, this is a small shipment and cannot be sent as a FCL. The only choice Mr. Anand Nijhawan of Nivedia Exports has, is to send it as a LCL shipment. Since the size of the shipment is comparatively big for LCL shipments, Anand wants to make sure that he gets the best offer from a Freight Forwarder and thereafter appoint him as a 'carrier' for a Multimodal Bill of Lading from ICD Tughlakabad (Also referred to as ICD TKD and is the closest ICD as goods are manufactured in and around Delhi). After stuffing at ICD TKD, the selected freight forwarder will have the container railed out to the port of Pipavav for shipment to Hanover via Hamburg. The goods are to be finally delivered to the buyer namely 'Berlin Grip GMBH, Ernst Augustin, Strasse 5, Hanover, Germany.'

Anand calls in for 2 quotations and compares the rates given below. Since he has to execute the order in the next one week, he is busy in his follow up with his vendors so that the export shipment leaves on time. He has sought your opinion and wishes you to compare the two quotes and give your advice in the matter. The brief details of the shipment are given below. All 85 cartons will move as one shipment.

Commodity: 'Ready Made Garments' packed in cartons

Number of cartons: 85

Size of cartons: 70 cms x 60 cms x 55cms (Each carton) – (Total 35 cartons)

60 cms x 55cms x 50 cms (Each carton) – (Total 50 cartons)

Total weight of shipment (85 cartons): 8,800 Kgs

Sr. No	Charge Head	Quote from FF 1	Quote from FF 2
1	Transportation from warehouse of Nivedia Exports to ICD TKD	INR 9,000	INR 7,500
2	Off-loading from Truck to warehouse at ICD TKD	INR 60/M.T. or part thereof	INR 60/M.T. or part thereof
3	Custom Clearance at ICD TKD (Lump sum)	INR 5,500	INR 4,800
4	THC (Stuffing & Handling Charges ICD TKD, Rail charges ICD TKD – Pipavav, THC Pipavav Port)	INR 850 W/M	INR 825 W/M
4	Ocean Freight (Pipavav to Hamburg)	USD 62 W/M	USD 53 W/M
	Insurance charges (Nivedia Exports warehouse to Berlin Grip's warehouse, Hanover) – (Lumpsum)	USD 25	USD 25
5	Custom Clearance at Hamburg (Lump sum)	Euro 125	Euro 110
6	On-carriage from Hamburg to Hanover (including loading at Hamburg) – (Lump sum)	Euro 135	Euro 120
7	Transit Time (ICD TKD – Munich)	39 Days	49 Days
8	Transshipment	None	One (At Antwerp)

Notes:

1. FF1 & FF2 mean Freight Forwarder 1 and Freight Forwarder 2 respectively
 2. All the 85 cartons will be clubbed and move as one shipment
 3. W/M means weight (M.T.) or measurement (Cbm), whichever generates higher revenue for the 'Freight Forwarder'
 4. GST @ 18% applicable on all INR charges only
 5. Exchange rate to be taken: 1 USD = INR 73.50 & 1 Euro = INR 86.70
- (a) Determine the total charges for each of the above quotes
- (b) Examine and select the better option while considering your choice on each of the factors of transit time, transshipment at Antwerp and any other factors that you can enumerate? Explain the rationale of selecting the option.

Question 2

[4 + 4 Marks = 8 Marks]

- (a) What do the terms 'STC' and 'SLAC' stand for? Elaborate when does the shipping line use them on the Bills of Lading and how does it protect their interest.
- (b) Differentiate between 'Uni-modal,' 'Inter-modal,' and 'Multi-modal' transport, by citing examples to clearly exemplify the difference between them?

Question 3

[5 + 5 Marks = 10 Marks]

- (a) Discuss the major challenges which India needs to overcome so that they can improve their rankings in the Logistics Performance Index (LPI), a study conducted by World Bank (Current rankings of India, 2018: 44th rank and 2016: 35th rank)? What are the parameters that Ernst & Young have brought about to evaluate the 'LPI' of the different states so that Indian states perform better and India performs better on the world level !!

- (b) Explain 'Dedicated Freight Corridors (DFC's)'. Discuss the envisaged changes, outcomes and their effect on the freight rates of carrying the containers between the ICD's to say Nhava Sheva or Mundra Ports?

[4 + 6 Marks = 10 Marks]

Question 4

- (a) Explain the concept of reverse logistics and how companies leverage this concept?
- (b) Illustrate giving examples the use of reverse logistics in **any two** industries given below:
- (i) LPG Gas Industry
 - (ii) Product Recalls
 - (iii) Waste Disposal