

This question paper contains 4 printed pages.]

Your Roll No.

1881

A

PGDIM/II Sem.

Paper 7-INTERNATIONAL LOGISTICS

Time : 3 Hours

Maximum Marks : 70

*(Write your Roll No. on the top immediately
on receipt of this question paper.)*

*Attempt any **four** questions from Section A.*

Section B is compulsory.

*Notes : (i) Attempt any **four** questions (4 × 14 Marks) from Part A.*

(ii) Part B is compulsory (14 Marks).

All the questions carry equal marks.

PART-A

1. Explain the main issues that differentiate domestic logistics and international logistics.
2. How do we carry out inventory planning in international logistics?
3. What is multimodal transportation? How is it beneficial in international logistics?

[P.T.O.]

4. What is EDI and its role in international logistics?
5. Explain the evolution and concept of containerization. What is the difference between TEU and FEU?
6. Shipping is key to transportation in international logistics. Discuss. Also briefly outline the risks associated with shipping industry.
7. Explain the following terms :
 - (a) Break Bulk
 - (b) Gantry Crane
 - (c) ABC Analysis
 - (d) RORO
 - (e) Reefer.

PART-B

Read the following case study and answer the questions given at the end of the case.

Cherries and Carnations

In 1999, US \$870 million worth of cut flowers entered the United States through the Miami Airport, 70 percent of which came from Colombia. All of this trade was done with airfreighters, and a good portion of it was the domain of Aeroflora, a Colombian business

specializing in that freight. Aeroflora sends an average of fifteen air freighters every week to the United States, filled with only one cargo: cut flowers, mostly roses and carnations.

However, it is the week preceding the Valentine's Day holiday that this business becomes crazy. In 1999, Aeroflora sent a total of eighteen Boeing 747s packed with flowers in the forty-eight hours preceding the holiday. Every year, Federal Express dedicates two or three of its DC-10s for that purpose. Packed to the gill, a 747 can hold 3.6 million roses.

Cut flowers are not the only unusually large business handled by air freighter, though. From late May until late June, it is "cherry season" on the West Coast of the United States. More than 1.1 million cartons (cardboard boxes of 18 lbs - 8.2 kg) of cherries leave the United States for Japanese market. That is more than 9,000 metric tons of cherries, all travelling by air freighters or in the bellies of passenger flights, at sometimes prohibitive rates since all West-bound capacity at that time is taken by these fruits (US \$1.95 per kg, whereas cargo normally fetches no more than US \$1.00 per kg on that route). It is the most profitable period of the year for the airlines involved in that trade, since Narita Airport operates at full capacity and cannot accommodate any more flights.

Questions :

- (1) What are the different roles that are played by airfreight forwarders ? Explain using the above illustration.
- (2) Also highlight the critical issues with respect to seasonality pricing and asset utilization in air cargo business. What are the perspectives of the shipper (client), airfreight forwarder and the asset owners (airport fleets, etc.) on these issues? Discuss in the light of above case.