

Name:	 UPES UNIVERSITY WITH A PURPOSE
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, May 2019

Course: BA ECO
Program: Introductory Transportation Economics
Course code: ECON 2009
Instructions:

Semester: IV
Time: 03 Hours
Max. Marks: 100

SECTION A

		Marks	CO
Q I	Answer all the questions		
	1.) Land use, transportation and road network plans are a) Inter linked b) Intra linked c) Not linked d) Depends on the network	2	CO2
	2. The main cause of accidents in urban areas is a) Improper planning b) Extra wide roads c) Additional thickness of pavement d) Traffic congestion	2	CO3
	3. Traffic forecast is not influenced by a) GDP b) Industrial output c) Population d) Weather	2	CO3
	4. The traffic will increase if the a) Price of fuel decreases b) Price of vehicles decreases c) Price of fuel decreases d) Price of vehicles decreases	2	CO4
	5. The traffic population is estimated by a) Arithmetic method b) Geometric method c) Incremental increase method d) Harmonic method	2	CO2
	6. The main objective of transportation is?	2	CO1

	a) Economical transport of goods b) Economical transport of passengers c) To generate revenue d) Safe economical and efficient transport of goods and passengers		
	7. The factors influencing the cost of transportation are? a) Supply b) Demand c) Both supply and demand d) Cost of land	2	CO3
	8. Which is the most flexible type of transportation available? a) Roadway b) Railway c) Waterway d) Airway	2	CO4
	9. The transportation system that requires a low initial investment among the following is? a) Roadway b) Railway c) Harbour d) Airport	2	CO4
	10. The current highway development works in India are undertaken by? a) NHAI b) Govt. of India c) State governments d) NHDP	2	CO1
SECTION B			
Q II	Answer any four questions		
	1. What is logistics? State with examples from real life and explain the functions of logistics with the help of those examples	5	CO3
	2. Explain concept of warehouse and examine its functions?	5	CO4
	3. What is a multimodal transport system? Explain its advantages.	5	CO2
	4. Discuss the importance of International movements in Indian economy	5	CO1
	5. What are the basic costs in transportation? Explain	5	CO2
SECTION-C			
Q III	Answer All the questions		
	1. What is the need for route management in transportation?	10	CO3
	2. Mention Economics Aspects of all the mode of Transportation?	10	CO1
	3. . Consider any mode of transportation of your choice and apply hub-spoke model	10	CO4
SECTION-D			

QIV	Analyze the case study and answer all the questions ?		
	<p>Business logistics is a series of separate activities or functions which all fall under a business firm's logistics umbrella they are as follows:</p> <ul style="list-style-type: none"> i. Supply: Consider the supply of materials that you have as this would help meet your selfimposed quota for the company to profit. ii. Transportation: This is where logistics management applies. A company should have the transportation services needed to move the products and deliver them in a timely and efficient manner to the customers. iii. Facilities: Different companies employ different services according to their needs. Each of them has a different facility which helps produce the products and services which they eventually offer to customers. These facilities should be tailor-made and fit the client's and customer's specifications. iv. Services: From customer service to delivering an order on time, to resolving order-related problems, a company should employ a logistics management service provider which will provide all of these services. iv. Management and Administration: This is an aspect of logistics management which is common to all organizations. A well balanced and knowledgeable staff and leaders make for a better service-oriented company. In relation to this, here are the important factors that you should consider when employing a logistics management service provider that will best benefit your company.\ vi. Inbound Transportation: You should choose a logistics management service provider who will give out quotes for the inbound transportation costs of components. This might include the delivery of individual components to your production line. For a better price comparison, you may also ask if they can deal with clients who buy some or all of their components from a particular supplier. You can look for cost and time frame quotations that you can use to consider the service provider that is most cost-effective vii. Outbound Transportation: Outbound transportation refers to the carriers which meet the customer's needs. Different clients need various freight and carrier services and a logistics management service provider should be able to provide these individual needs. The deal can either be on an over-all operational basis, or on a per-shipment basis. This provides a comprehensive solution for a company's primary need for logistics. Choose a logistics management service provider, who will provide rate comparisons from different couriers to meet and handle the customer's goals. The main point here is that you need to have somebody to handle and ship out your main products in a safe and timely manner. viii. Troubleshooting Capabilities: A logistics management service provider should know how to handle unusual and day-to-day complications and problems. If a customer has a specific shipping need, would they be able to deliver and solve the problem? Should a serious delivery or shipping problem arise, they should be able to troubleshoot and come up with the perfect solution and at the same time soothe a customer's ruffled feathers. ix. Keeping Customers Informed: The customers have the right to know the details about a particular order shipment. They should be informed of when the products were shipped, how it was shipped and who shipped it. Some logistics management service provider gives out their contact numbers directly to their client's customers. This would avoid a pointing of fingers should problems arise. Also, there is online tracking information available for most couriers and carriers. All in all, you have to choose a logistics management service provider that would fit your company's needs so that both of you will reap the benefits in the end. Logistics has developed from a series of separate activities largely based on transport, warehousing and procurement, where decisions were seen as largely operational or tactical. As it evolved into a single function, the strategic impact of logistics has become 		

	<p>more evident. x. Customer Satisfaction: Logistics plays an extremely important role in ensuring that customers get the right products at the right place at the right time. Transportation, warehousing, forecasting, inventory control and production planning all have a direct impact on customer satisfaction.</p> <p>We need different types of goods in our day-to-day life. We may buy some of these items in bulk and store them in our house. Similarly, businessmen also need a variety of goods for their use. Some of them may not be available all the time. But, they need those items throughout the year without any break. Take the example of a sugar factory. It needs sugarcane as raw material for production of sugar. We know that sugarcane is produced during a particular period of the year. Since, sugar production takes place throughout the year, there is a need to supply sugarcane continuously. But how is it possible? Here storage of sugarcane in sufficient quantity is required. Again, after production of sugar it requires some time for sale or distribution. Thus, the need for storage arises both for raw material as well as for finished products. Storage involves proper arrangement for preserving goods from the time of their production or purchase till the actual use. When this storage is done on a large scale and in a specified manner it is called 'warehousing'. The place where goods are kept is called 'warehouse'. The person in-charge of warehouse is called 'warehouse-keeper'. Warehousing is defined as the storage of goods: raw materials, semi-finished goods, or finished goods. This includes a wide spectrum of facilities and locations that provide warehousing. Since, this is a point in the logistics system where goods are held for varying amounts of time, the flow is interrupted or stopped, thereby creating additional costs to the product. In a macroeconomic sense, warehousing creates time utility for raw materials, industrial goods and finished products. It also increases the utility of goods by broadening their time availability to prospective customers</p> <p>Multimodal Transport system: Multimodal transport system is an international through-transport combination with various combinations of modes. The modes may be related to transport vehicles or service operators. The modes of transport may be such as ship, rail, truck, aero plane, car, tram etc. The service modes may be such as public/private operating agencies. Thus, multimodal transport system relates to a single trip consisting of combination of modes between which the consignment has to make a transfer. The transportation of consignment from the origin i.e., shipper's door to the destination i.e., consignee's door will be taken up by a single contract. The Contractor manages and coordinates the total task and ensures responsibility for safe custody of consignment. The system also ensures continuous movement of the goods along the best route by the most efficient and cost-effective means. The system also involves simplified documentation. Further, the term 'Intermodal transport' is also used synonymously with 'multimodal transport' and thus, used in the context of movement of goods from origin to destination. These two terms have very similar meanings, i.e. the transportation of goods by more than one mode of transport and a through freight rate</p>		
1	Mention Few function of Multimode Transport, and give one such example of the Air Freight Multimodal Operations?	15	CO1,C O4
2.	Raw wood which is to be transported in bulk may be transported cheaply through water carriers as it is the cheap means of transport compared to other modes. Water transport is the oldest mode of transport. Water transport is generally classified into three types namely inland water ways (rivers, canals, big lakes), domestic coast ways and sea ways. Water transport is more suitable for mass movement of bulk shipments and low value commodities. It is because, water transport cost per tonne per kilometre is very much low.	15	CO3,C O2

Thus, water transport is preferred to reduce the costs when speed of delivery is not important. Water transport is used to transport bulk wood, iron ore, coal, chemicals, petroleum products etc. Fixed costs relating to water transport are relatively less compared to rail network, but relatively when compared to motor carriers.

Mentions five Advantages and disadvantages and mention Four Basic Costs in Transportation?

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SECTION A

		Marks	CO
Q I	Answer all the questions		
	1 Which of the following is true for supply chain management? a. The physical material moves in the direction of the end of chain b. Flow of cash backwards through the chain c. Exchange of information moves in both the direction d. All of the above	2	CO2
	2. The purpose of supply chain management is a. provide customer satisfaction b. improve quality of a product c. integrating supply and demand management d. increase production	2	CO3
	3. Logistics is the part of a supply chain involved with the forward and reverse flow of a. goods b. services c. cash d. all of the above	2	CO3
	4. VMI Stands for: a. Vendor Material Inventory. b. Vendor Managed Inventory c. Variable Material Inventory. d. None of these	2	CO4
	5. The traffic population is estimated by a) Arithmetic method b) Geometric method c) Incremental increase method d) Harmonic method	2	CO2
	6. The main objective of transportation is?	2	CO1

	<ul style="list-style-type: none"> a) Economical transport of goods b) Economical transport of passengers c) To generate revenue d) Safe economical and efficient transport of goods and passengers 		
	<p>7. The factors influencing the cost of transportation are?</p> <ul style="list-style-type: none"> a) Supply b) Demand c) Both supply and demand d) Cost of land 	2	CO3
	<p>8. Which is the most flexible type of transportation available?</p> <ul style="list-style-type: none"> a) Roadway b) Railway c) Waterway d) Airway 	2	CO4
	<p>9. The transportation system that requires a low initial investment among the following is?</p> <ul style="list-style-type: none"> a) Roadway b) Railway c) Harbour d) Airport 	2	CO4
	<p>10. The current highway development works in India are undertaken by?</p> <ul style="list-style-type: none"> a) NHAI b) Govt. of India c) State governments d) NHDP 	2	CO1
SECTION B			
Q II	Answer any four questions		
	1. Explain how Planning play an important role in the business Operation, State with examples from real life and explain the functions of logistics with the help of those examples		CO1
	2. Explain concept of warehouse and examine its functions?		CO3
	3. What are the market related factors that influence transport costs?		CO4
	4. Discuss the importance of International movements in Indian economy?		CO3
	5. The following are monthly costs incurred by Transport Company. Identify the basic costs of transportation. Rent of container Rs. 1,20,00,000, Rent of office Rs. 27,500, Diesel cost Rs. 80,000, Driver salary Rs. 15,000, Cleaner salary 5,000, Vehicle repairs Rs. 45,000, Loading and unloading costs Rs. 25,000?		CO4
SECTION-C			
Q III	Answer All the questions		

	1. Raw teakwood is to be exported from Malaysia to India in bulk. Which mode of transport would you recommend? What are the advantages and disadvantages of such a mode?	10	CO3
	2. Mention Economics Aspects of all the mode of Transportation?	10	CO4
	3. Examine the need for inventory management?	10	CO3
SECTION-D			
QIV	Analyze the case study and answer all the questions ?		
	<p>Business logistics is a series of separate activities or functions which all fall under a business firm's logistics umbrella they are as follows:</p> <ul style="list-style-type: none"> i. Supply: Consider the supply of materials that you have as this would help meet your selfimposed quota for the company to profit. ii. Transportation: This is where logistics management applies. A company should have the transportation services needed to move the products and deliver them in a timely and efficient manner to the customers. iii. Facilities: Different companies employ different services according to their needs. Each of them has a different facility which helps produce the products and services which they eventually offer to customers. These facilities should be tailor-made and fit the client's and customer's specifications. iv. Services: From customer service to delivering an order on time, to resolving order-related problems, a company should employ a logistics management service provider which will provide all of these services. iv. Management and Administration: This is an aspect of logistics management which is common to all organizations. A well balanced and knowledgeable staff and leaders make for a better service-oriented company. In relation to this, here are the important factors that you should consider when employing a logistics management service provider that will best benefit your company.\ vi. Inbound Transportation: You should choose a logistics management service provider who will give out quotes for the inbound transportation costs of components. This might include the delivery of individual components to your production line. For a better price comparison, you may also ask if they can deal with clients who buy some or all of their components from a particular supplier. You can look for cost and time frame quotations that you can use to consider the service provider that is most cost-effective vii. Outbound Transportation: Outbound transportation refers to the carriers which meet the customer's needs. Different clients need various freight and carrier services and a logistics management service provider should be able to provide these individual needs. The deal can either be on an over-all operational basis, or on a per-shipment basis. This provides a comprehensive solution for a company's primary need for logistics. Choose a logistics management service provider, who will provide rate comparisons from different couriers to meet and handle the customer's goals. The main point here is that you need to have somebody to handle and ship out your main products in a safe and timely manner. viii. Troubleshooting Capabilities: A logistics management service provider should know how to handle unusual and day-to-day complications and problems. If a customer has a specific shipping need, would they be able to deliver and solve the problem? Should a serious delivery or shipping problem arise, they should be able to troubleshoot and come up with the perfect solution and at the same time soothe a customer's ruffled feathers. ix. Keeping Customers Informed: The customers have the right to know the details about a particular order shipment. They should be informed of when the products were shipped, 		

how it was shipped and who shipped it. Some logistics management service provider gives out their contact numbers directly to their client's customers. This would avoid a pointing of fingers should problems arise. Also, there is online tracking information available for most couriers and carriers. All in all, you have to choose a logistics management service provider that would fit your company's needs so that both of you will reap the benefits in the end. Logistics has developed from a series of separate activities largely based on transport, warehousing and procurement, where decisions were seen as largely operational or tactical. As it evolved into a single function, the strategic impact of logistics has become more evident. x. Customer Satisfaction: Logistics plays an extremely important role in ensuring that customers get the right products at the right place at the right time. Transportation, warehousing, forecasting, inventory control and production planning all have a direct impact on customer satisfaction.

We need different types of goods in our day-to-day life. We may buy some of these items in bulk and store them in our house. Similarly, businessmen also need a variety of goods for their use. Some of them may not be available all the time. But, they need those items throughout the year without any break. Take the example of a sugar factory. It needs sugarcane as raw material for production of sugar. We know that sugarcane is produced during a particular period of the year. Since, sugar production takes place throughout the year, there is a need to supply sugarcane continuously. But how is it possible? Here storage of sugarcane in sufficient quantity is required. Again, after production of sugar it requires some time for sale or distribution. Thus, the need for storage arises both for raw material as well as for finished products. Storage involves proper arrangement for preserving goods from the time of their production or purchase till the actual use. When this storage is done on a large scale and in a specified manner it is called 'warehousing'. The place where goods are kept is called 'warehouse'. The person in-charge of warehouse is called 'warehouse-keeper'. Warehousing is defined as the storage of goods: raw materials, semi-finished goods, or finished goods. This includes a wide spectrum of facilities and locations that provide warehousing. Since, this is a point in the logistics system where goods are held for varying amounts of time, the flow is interrupted or stopped, thereby creating additional costs to the product. In a macroeconomic sense, warehousing creates time utility for raw materials, industrial goods and finished products. It also increases the utility of goods by broadening their time availability to prospective customers

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1	Mention Few function of Multimode Transport, and give one such example of the Air Freight Multimodal Operations?	15	CO1,C O4
2.	Logistics is the management of the flow of resources between the point of origin and the point of destination in order to meet some requirements, for example, customers or corporations. The resources managed in logistics can include physical items such as food, materials, equipment, liquids, and staff, as well as abstract items such as information, particles and energy. The term logistics comes from the late 19th century: from French logistique, from loger 'to lodge'. Logistics is considered to have originated in the military's need to supply itself with arms, ammunition, and rations as it moved from a base to a forward position. In the ancient Greek, Roman, and Byzantine Empires, military officers with the title Logistikas were responsible for financial and supply distribution matters, Justify the above statement and elaborate the functions of Logistics functions?	15	CO3,C O2