

**INDIAN INSTITUTE OF MATERIALS MANAGEMENT  
GRADUATE DIPLOMA IN PUBLIC PROCUREMENT**

**Paper No.4**

**Logistics & E-Procurement**

**DEC-2010**

Date: 14.12.2010

Time: 10.00 am to 1.00 pm

Max Marks: 100

Duration: 3 Hours

**Note:**

Part A contains 4 questions, each question carries 10 marks. Attempt all 4 questions

Part B contains 7 questions, attempt any 4 questions. Each question carries 15 marks.

**PART-A**

Answer all four Questions. Each question carries 10 Marks. Total 40 Marks for this section.

**Q1. State True or False:**

- 1.1 Logistics operations do not require close coordination amongst various functions in an organization.
- 1.2 Once agreement has been reached on all terms and conditions, these are recorded in clear terms in a document called – Contract of Sale.
- 1.3 Logistics issues affect virtually every dimension of an organization’s strategy.
- 1.4 Liner services do not operate over specific routes between designated ports.
- 1.5 In bound transport involves the transportation of goods from suppliers to the procurement organizations main warehouse.
- 1.6 Liner freight rates generally cover the cost of loading and discharge.
- 1.7 Liner agents do not act as an intermediary between shipper and liner operators.
- 1.8 Conference lines is an organization of ship-owners that are engaged in the same routes.
- 1.9 The problem with arranging transportation with trampers is that they are not regular.
- 1.10 Different vehicles of different capacities, applications have same operating costs

**Q2. Write the full form of the following abbreviations as used in the context of public procurement.**

2.1 TTOA	2.6 NAFTA
2.2 TTOD	2.7 SDRs
2.3 BHMHS	2.8 WAP
2.4 KPI	2.9 QIAC
2.5 IATA	2.10 WTCA

**Q3. Fill in the blanks.**

- 2.1 In a manufacturing business, logistics ..... often make up 20-30% of the total procurement cost of an item.
- 2.2 Under the .... terms of series (INCOTERMS) the seller is responsible for the goods all the way to the destination port or location.
- 2.3 Under the .... terms of series (INCOTERMS) the seller must organize transport only to deliver the goods to the first carrier.
- 2.4 Liner services do Importing can be critical to your organization, but it involves .... that must be carefully managed.
- 2.5 Liner agents are ..... between shippers and liner operators.
- 2.6 Ship brokers may ..... Ship-owners or Charterers.
- 2.7 Charterer ..... normally operates either over a period of time or for a complete voyage.

- 3.8 The suppliers can ..... its products from another's is by adding services useful and attractive to the buyer.
- 3.9 INCOTERMS are ..... to deal with the effects of transportation.
- 3.10 The legal ..... of agents and representatives, and their responsibilities can vary from country to country

**Q4. Match the following:**

1.Organising back loads	a) streamlines the distribution scheduling process.
2.3-PL	b) the granting of time to pay by suppliers at a later date.
3.Cross docking distribution centers	c) is the physical exchange of one set of goods for another of similar value.
4.Suppliers credit	d) goods in transit are held in bond in either public or private warehouse.
5.Commodity financing	e) is a commitment to buy or sell a specific amount of foreign currency at a later date/within a specified period
6.Counter trade	f) range of navigational services, docking loading, storage & unloading.
7.Bonded ware house	g) buying today in the spot market the foreign exchange that you require for a later settlement.
8.Forward transactions	h) buyers and importers pay in stages from revenue earned by selling finished goods.
9.Port service	i) Companies often undertake internal distribution operations besides other functions.
10.Hedging	j) where ever possible to maximize transport efficiency

**PART- B**

**Attempt any four questions. Each Question carries 15 marks. Total 60 marks**

- Q5. How is logistics and Supply chain related? Explain the BHMHS model.
- Q6. Explain the meaning and use of INCOTERMS 2000. Indicate the E, F, C & D series of terms.
- Q7. How does inventory management help in controlling costs? What are selective inventory control techniques? Explain the Pareto Analysis.
- Q8. Write short notes on any three.
- Role of freight forwarders.
  - Handling Equipment.
  - Marine Insurance.
  - The Role of Packaging.
  - Customs Clearing Agents.
  - Cross Docking Distribution Centers.
- Q9. What are trade barriers and why are they imposed by Government's across the globe? Explain the types of different types of duties imposed by Government of India.
- Q10. Indicate the documentation required for clearing of goods through customs. Indicate briefly the import process. Also explain the importance of pre-shipment inspection.
- Q11. What is the role of containerization in national / international trade? Explain the advantages and disadvantages of moving cargo in containers.