



ADMISSION NUMBER

## School of Business

**Bachelor of Business Administration  
Semester End Examination - Aug 2024**

**Duration : 180 Minutes  
Max Marks : 100**

### Sem VI - D1UB603T - Air Cargo Management

General Instructions

*Answer to the specific question asked*

*Draw neat, labelled diagrams wherever necessary*

*Approved data hand books are allowed subject to verification by the Invigilator*

- 1) Explain the various modes of transportation and their significance in the logistics and supply chain industry. Discuss the distinct characteristics, advantages, and limitations of each mode. K3(6)
- 2) You have recently been appointed as the head of operational security at a major air cargo company. Your responsibilities include ensuring the security of cargo operations, facilities, and personnel to mitigate risks and safeguard against potential threats. Examine how would you approach managing operational security (SEC) at the air cargo company, and what strategies would you implement to enhance security measures? K3(9)
- 3) Examine the concept of Just-in-Time (JIT) inventory management in the context of air cargo operations and discuss one key benefit of implementing JIT in this industry. K4(4)
- 4) You are the cargo operations manager at an international air freight company, and you receive a shipment labeled as "Dangerous Goods" for transportation on one of your flights. Examine how would you handle the transportation of Dangerous Goods in air cargo, ensuring compliance with regulations and maintaining safety standards? K4(8)
- 5) As you are newly hired as cargo handling supervisor in an air cargo facility, you are tasked with familiarizing yourself with commonly used cargo and handling terms in air cargo management. Examine an overview of these terms and explain their significance in air cargo operations. K4(8)
- 6) Examine the application of revenue management principles in the context of air cargo. Discuss the key strategies and practices employed by air cargo companies to optimize revenue, considering factors such as capacity management, pricing strategies, and demand forecasting. Evaluate the challenges faced by air cargo companies in implementing effective revenue management and propose recommendations for overcoming these challenges. K5(10)
- 7) Managing hazardous materials in air cargo operations is absolutely critical, considering the substantial risks they pose to personnel K5(10)

safety, aircraft integrity, and environmental wellbeing if not handled with utmost care and adherence to strict protocols. Therefore, it is imperative for Cochin Air Cargo Airport to prioritize the implementation of robust safety measures and unwavering compliance with regulatory standards to guarantee the secure handling and transportation of hazardous materials. By adopting stringent safety protocols and diligently following regulatory guidelines, Cochin Air Cargo Airport can safeguard against potential accidents, spills, or emergencies that could result in serious consequences. Rigorous safety measures should encompass every aspect of handling, storage, and transportation, from specialized packaging and labeling to comprehensive emergency response plans. Additionally, regular training sessions and drills for personnel can ensure that everyone involved is well-prepared to respond effectively to any unforeseen situations.

Question-1-How do regulatory requirements ensure the safe handling and transportation of hazardous materials in the air cargo industry?(5marks)

Question-2-What role does emergency preparedness and response planning play in managing incidents involving hazardous materials in air cargo?(5marks)

- 8) Airline containers, also known as Unit Load Devices (ULDs), are standardized containers used to transport cargo on aircraft. These containers come in various shapes and sizes, each designed to accommodate different types of cargo and fit specific aircraft types. They are constructed to withstand the rigors of air transportation, including changes in altitude, temperature, and pressure. The specifications of airline containers include dimensions, weight limits, and compatibility with aircraft cargo systems. For example, main deck containers are typically larger and heavier than lower deck containers and are used for bulk cargo or oversized shipments. Lower deck containers are smaller and lighter, fitting into the cargo holds of passenger aircraft. Airline containers are equipped with features such as reinforced walls, locking mechanisms, and tie-down points to secure cargo during transit. They are also designed to be stackable, allowing for efficient use of space in aircraft cargo holds and warehouses.

K5(15)

Question-1-Explain the process of loading and unloading cargo using airline containers at airports.(5marks).

Question-2-What role do airline containers play in ensuring the safe and reliable transportation of goods by air?(5marks).

Question-3-What factors determine the specifications of airline containers, such as dimensions and weight limits?

- 9) Global Logistics Solutions (GLS), a leading logistics provider, is exploring innovative schemes and facilities to popularize air cargo as a preferred mode of transportation. With increasing demands for speed, reliability, and sustainability, GLS aims to position air cargo as a competitive and eco-friendly solution. This caselet study examines the strategies implemented by GLS to enhance the popularity of air cargo in the logistics industry. Initiatives Implemented by GLS-Digital Platform Integration, Green Logistics Certification, Collaborative Partnerships, Educational Campaigns.

K6(12)

Question-1. Explain how has the implementation of a digital platform contributed to the popularity of air cargo for GLS clients. (6 marks)

Question-2. Discuss the role of educational campaigns in changing perceptions and increasing the adoption of air cargo services. (6 marks)

10)

INCOTERMS-2010

K6(18)

Facts-A company manufactures large tanks at its production site in Germany and sells them to a customer in Switzerland. The buyer and seller have agreed "CPT Zürich Incoterms 2010" as delivery conditions. The company employs a service provider to transport the tanks to Switzerland. During transportation the tanks are damaged and the customer refuses to accept them. He demands the delivery of new tanks. Is responsibility for the damage to the tanks to be borne by the buyer or seller? Can the buyer refuse to pay for the goods or is he bound to pay the sale price despite the damage? Has the seller discharged his obligation to deliver the goods?

Strategy-It is worth taking the time to consider the implications of delivery conditions before concluding a transaction in order to often avoid disputes later on. AWB's consultants will help you identify the most suitable Incoterms for your transaction or formulate a separate clause regulating the terms and conditions of delivery. They will analyse the planned transaction and propose solutions that reflect your individual needs. AWB can also provide assistance in existing disputes concerning the interpretation of delivery terms – especially those involving damage to consignments.

Success-The interpretation of Incoterms is straightforward: in the case of supplies made CPT the seller is responsible for arranging transportation and bears the related costs. However, the risk of losing the goods is borne by the buyer as from Cargo Classification the contractual place of delivery. Therefore, if it cannot be determined who was liable for the damage to the goods, the buyer is responsible for the damage due to the early transfer of risk. Therefore, the customer cannot demand that the company supply new tanks.

Question-1. How do INCOTERMS help in defining the responsibilities and liabilities of the buyer and seller in terms of delivery conditions? (6 marks)

Question-2. Analyze the implications of the chosen INCOTERM on determining liability for the damaged goods. (6 marks)

Question-3. According to the case study, what is the straightforward interpretation of INCOTERMS, specifically for supplies made under CPT? (6 marks)