

# **DOMESTIC LOGISTICS MANAGEMENT**

BBA Semester 3 – Calicut University

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# MODULE 1: BASICS OF LOGISTICS AND LOGISTICS MANAGEMENT

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## 1. Logistics

- Logistics is the planning, implementation and control of movement and storage of goods, services and information.
- Ensures products move from origin to final consumer efficiently.
- Covers transportation, warehousing, inventory management, packaging and information flow.
- Focuses on delivering the right product to the right customer at the right time and cost.
- Reduces delays, wastage and operational expenses.
- Improves customer satisfaction and business performance.
- Considered a major part of supply chain management.

**Exam line: Logistics ensures efficient movement of goods from producer to consumer.**

## 2. History and Evolution of Logistics

- Originated in military operations.
- Used for managing movement of soldiers, weapons and supplies.
- Adopted by businesses during industrialization.
- Growth of manufacturing increased need for organized transportation and storage.
- Globalization expanded logistics across countries.
- Information technology transformed logistics operations.
- GPS, RFID and digital tracking improved efficiency.
- Modern logistics is a strategic business function.

**Exam line: Logistics evolved from a military support activity to a vital business function.**

## 3. Objectives of Logistics

- Ensure availability of products when required.
- Deliver products on time.
- Reduce transportation and storage costs.
- Improve customer service.
- Maintain optimum inventory levels.
- Minimize product damage and losses.
- Improve operational efficiency.
- Support smooth business operations.

### ***Seven Rights of Logistics***

- Right Product
- Right Quantity
- Right Condition
- Right Place
- Right Time
- Right Customer
- Right Cost

**Exam line: The main objective of logistics is to achieve customer satisfaction at minimum cost.**

## 4. Elements of Logistics

- **Transportation**  
Movement of goods from one place to another.
- **Warehousing**  
Storage of goods until required.
- **Inventory Management**  
Maintaining proper stock levels.
- **Material Handling**  
Loading, unloading and movement within facilities.
- **Packaging**  
Protection and easy handling of goods.
- **Information Flow**  
Communication and coordination of logistics activities.

All elements work together for efficient logistics performance.

**Exam line: Transportation, warehousing and inventory management form the core elements of logistics.**

## 5. Logistics Management

- Logistics management refers to planning, organizing and controlling logistics activities.
- Coordinates movement and storage of goods.
- Ensures efficient use of resources.
- Reduces logistics costs.
- Improves customer satisfaction.
- Integrates transportation, warehousing and inventory functions.
- Supports overall business objectives.

**Exam line: Logistics management focuses on efficient movement and storage of goods and information.**

## 6. Process of Logistics Management

### *Major Steps*

- Planning
- Procurement
- Transportation
- Warehousing
- Inventory Management
- Distribution
- Customer Service
- Begins with identifying customer requirements.
- Resources are planned and procured.
- Goods are transported and stored.
- Products are distributed to customers.
- Customer feedback helps improve the process.

**Exam line: Logistics management is a continuous process from planning to customer service.**

## 7. Role of Logistics Management in Economic Development

- Facilitates domestic and international trade.

- Connects producers and consumers.
- Creates employment opportunities.
- Supports industrial growth.
- Reduces business costs.
- Improves productivity.
- Encourages investment and market expansion.
- Enhances national competitiveness.

**Exam line: Efficient logistics contributes directly to economic growth and development.**

## MODULE 2: DOMESTIC LOGISTICS OPERATIONS

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### 8. Main Types of Transportation

- **Road Transport**  
Uses trucks, vans and lorries.
- **Rail Transport**  
Uses railway networks for freight movement.
- **Air Transport**  
Uses aircraft for cargo transportation.
- **Water Transport**  
Uses ships, boats and inland waterways.
- Selection depends on cost, speed, distance and nature of goods.
- No single mode is suitable for all situations.

**Exam line: Transportation is the backbone of logistics operations.**

### 9. Road, Rail, Air and Water Transportation

#### *Road Transport*

- **Advantages:**
  - Door-to-door delivery.
  - Flexible routes.
  - Suitable for short distances.
- **Limitations:**
  - Traffic congestion.
  - Higher fuel costs.

#### *Rail Transport*

- **Advantages:**
  - Economical for bulk cargo.
  - Suitable for long distances.
  - Reliable schedules.
- **Limitations:**
  - Less flexibility.
  - Limited railway access.

#### *Air Transport*

- **Advantages:**
  - Fastest mode.

- Suitable for urgent and valuable goods.

• **Limitations:**

- Very expensive.
- Limited cargo capacity.

**Water Transport**

• **Advantages:**

- Lowest transportation cost.
- Suitable for heavy and bulk cargo.

• **Limitations:**

- Slow speed.
- Weather dependency.

**Exam line: Different transportation modes are selected based on speed, cost and cargo requirements.**

**10. Barriers of Domestic Logistics Operations**

- Poor road infrastructure.
- Traffic congestion.
- High fuel prices.
- Inadequate warehousing facilities.
- Multiple regulatory requirements.
- Lack of skilled workforce.
- Limited technology adoption.
- Delays in transportation.
- Poor coordination among logistics partners.

**Effects**

- Increased logistics costs.
- Delivery delays.
- Reduced customer satisfaction.

**Exam line: Infrastructure and operational challenges are major barriers to domestic logistics.**

**11. Domestic vs International Logistics Operations**

Domestic Logistics	International Logistics
Within one country	Across countries
Simple documentation	Extensive documentation
Fewer regulations	Multiple regulations
Faster movement	Slower due to customs
Lower cost	Higher cost
Single currency	Multiple currencies

**Additional Challenges in International Logistics**

- Customs clearance.
- Import and export regulations.

- Exchange rate fluctuations.
- Cultural differences.

**Exam line: International logistics is more complex than domestic logistics due to cross-border requirements.**

## MODULE 3: DOCUMENTATION IN LOGISTICS

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### 12. Documentation and Information Flow

- Documentation provides legal and operational records.
- Information flow ensures coordination among all parties.
- Accurate information reduces delays and errors.
- Supports shipment tracking and monitoring.
- Improves decision-making.

#### ***FTL (Full Truck Load)***

- Entire vehicle used by one customer.
- Suitable for large shipments.
- Faster delivery.

#### ***LTL (Less Than Truck Load)***

- Vehicle shared by multiple customers.
- Suitable for smaller shipments.
- Lower transportation cost.

**Exam line: Effective documentation and information flow are essential for successful logistics operations.**

### 13. Road Receipt (RR), Lorry Receipt (LR) and Way Bill

#### ***Road Receipt / Lorry Receipt***

- Issued by transporter after receiving goods.
- Acts as proof of shipment.
- Evidence of transport contract.
- Contains details of consignor, consignee and goods.

#### ***Way Bill***

- Authorizes transportation of goods.
- Used for monitoring movement of cargo.

#### ***Importance***

- Legal proof of transportation.
- Helps in shipment tracking.
- Supports dispute resolution.

**Exam line: RR and LR are important transport documents acknowledging receipt of goods.**

### 14. Consignment Note (CMR)

- Official document issued during transportation.
- Contains details of goods being transported.

- Shows sender and receiver information.
- Includes quantity, weight and description of goods.
- Acts as evidence of transport agreement.
- Helps track shipments.

### **Contents**

- Consignor details.
- Consignee details.
- Carrier information.
- Goods description.
- Delivery instructions.

**Exam line: A consignment note records all important details relating to a shipment.**

## **15. Booking, Invoicing and Information Flow**

### **Booking**

- Customer requests transportation service.
- Shipment details are recorded.
- Vehicle and route are assigned.

### **Invoicing**

- Invoice is generated for logistics services.
- Contains charges and payment details.
- Acts as financial documentation.

### **Information Flow**

- Connects customer, transporter and consignee.
- Provides shipment updates.
- Improves transparency and coordination.

**Exam line: Efficient booking, invoicing and information flow improve logistics performance.**

## **16. GPS and RFID**

### **GPS (Global Positioning System)**

- Satellite-based tracking system.
- Tracks vehicles in real time.
- Improves route planning.
- Enhances security.
- Reduces delays.

### **RFID (Radio Frequency Identification)**

- Uses radio waves for identification.
- Tracks goods automatically.
- Reduces manual errors.
- Improves inventory accuracy.
- Speeds up logistics operations.

### **Benefits**

- Better visibility.

- Real-time monitoring.
- Improved operational efficiency.

**Exam line: GPS tracks vehicles while RFID tracks goods and inventory.**

## MODULE 4: VEHICLE SELECTION IN DOMESTIC LOGISTICS

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### 17. Vehicle Selection – Types of Vehicles

#### **Light Commercial Vehicles (LCV)**

- Small cargo vehicles.
- Suitable for local deliveries.

#### **Medium Commercial Vehicles (MCV)**

- Moderate carrying capacity.
- Used for regional transport.

#### **Heavy Commercial Vehicles (HCV)**

- High carrying capacity.
- Suitable for long-distance transportation.

#### **Specialized Vehicles**

- Tankers.
- Refrigerated trucks.
- Container trucks.

#### **Factors Affecting Vehicle Selection**

- Type of cargo.
- Distance.
- Cost.
- Delivery time.
- Road conditions.

**Exam line: Vehicle selection depends on cargo characteristics and transportation requirements.**

### 18. Load Types and Characteristics

- **General Cargo**  
Standard packaged goods.
- **Bulk Cargo**  
Large quantities without packaging.  
Example: Coal, grains.
- **Liquid Cargo**  
Transported in tankers.  
Example: Oil, chemicals.
- **Perishable Cargo**  
Requires temperature control.  
Example: Fruits, vegetables.
- **Hazardous Cargo**  
Dangerous materials.  
Requires special handling.

**Exam line: Different load types require different transportation methods and vehicles.**

## 19. Main Types of Vehicle Body

- **Open Body**  
No roof.  
Suitable for construction materials.
- **Closed Body**  
Fully enclosed.  
Protects goods from weather.
- **Container Body**  
Standardized containers.  
Used for secure transport.
- **Tanker Body**  
Used for liquids and gases.
- **Refrigerated Body**  
Maintains controlled temperature.  
Used for food and medicines.

**Exam line: Vehicle body type is selected based on the nature of cargo.**

## 20. Transport Resource Requirements, Vehicle Routing and Scheduling Issues

### ***Transport Resource Requirements***

- Vehicles.
- Drivers.
- Fuel.
- Maintenance facilities.
- Communication systems.

### ***Vehicle Routing***

- Selecting the best route for delivery.
- Reduces travel time and fuel consumption.
- Improves operational efficiency.

### ***Scheduling***

- Planning delivery times.
- Coordinating vehicle movements.
- Ensuring timely deliveries.

### ***Common Issues***

- Traffic congestion.
- Vehicle breakdowns.
- Fuel cost fluctuations.
- Route changes.
- Delivery delays.

**Exam line: Effective routing and scheduling reduce logistics costs and improve service quality.**

## LAST-MINUTE EXAM FACTS

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- Logistics = movement + storage + information flow.

- Seven Rights of Logistics are frequently asked.
- Transportation modes: Road, Rail, Air, Water.
- FTL = Full Truck Load.
- LTL = Less Than Truck Load.
- RR/LR = Proof that transporter received goods.
- Consignment Note = Shipment details document.
- GPS = Vehicle tracking.
- RFID = Goods tracking.
- Domestic logistics = within country.
- International logistics = across countries.
- Vehicle selection depends on cargo, cost and distance.
- Routing = selecting best route.
- Scheduling = planning delivery time.

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