

Indian Maritime University
(A Central University, Govt. of India)
End Semester Examinations – December 2025
Programme: MBA (PSM)
Semester: Third
Subject Code: PG21T3301
Subject: Maritime Economics

Date: 05.12.2025

Max Marks: 60

Duration: 03 Hrs

Pass Marks: 30

General Instructions

- (i) All Sections (A, B & C) are to be attempted.
- (ii) Options are applicable **only** to **Section C**.

Section A

Choose the most appropriate answer from the options given for each question (1-10). Each question carries 01 Mark.

(10*1= 10 Marks)

1. The term "tramp shipping" refers to:
 - a) Liner services following fixed routes
 - b) Passenger cruise services
 - c) Irregular voyages operating according to market demand
 - d) Inland shipping networks
2. Which one of the following indices reflects global dry bulk freight rates?
 - a) Dow Jones Index
 - b) Baltic Dry Index (BDI)
 - c) Shipowners' Equity Index
 - d) Marine Market Monitor
3. The cost of shipping services per ton-mile generally depends on:
 - a) Port storage fees
 - b) Cargo insurance premiums
 - c) Crew nationality
 - d) Distance, fuel price, and ship efficiency
4. The largest share of global seaborne trade (by volume) consists of:
 - a) Containerised cargo
 - b) Dry bulk cargo (iron ore, coal, grain)
 - c) General cargo
 - d) Refrigerated cargo
5. Which of the following best describes economies of scale in shipping?
 - a) Increasing cost per unit with larger ships

- b) Constant cost per ton regardless of ship size
 - c) Government subsidies for shipbuilding
 - d) Reduction in cost per unit as ship size increases
6. In port competition, *range rivalry* refers to:
- a) Competition among terminals within the same port
 - b) Competition among ports within the same maritime range
 - c) Competition between ports and airports
 - d) Competition between a port and an inland depot

7. In which stage of the shipping cycle does vessels supply greatly exceed demand, leading to depressed freight rates?
- a) Peak.
 - b) Recovery.
 - c) Trough.
 - d) Collapse.

8. According to Notteboom, port competitiveness increasingly depends on:
- a) Geographic location alone
 - b) Operational efficiency, logistics integration, and sustainability
 - c) Historical importance
 - d) Availability of cheap labour

9. *Green port policies* primarily aim to:
- a) Reduce the number of ships using a port
 - b) Promote environmental sustainability in port operations
 - c) Increase port tariffs to control congestion
 - d) Replace private terminal operators with public agencies

10. *Hinterland* in port economics refers to:
- a) Inland region served by a port through transport links
 - b) The port's immediate coastal area
 - c) Foreign ports connected through shipping lines
 - d) Offshore anchorages and shipyards

Section B

Answer **all Five questions** (11-15) of 02 Marks each (5*2= 10 Marks)

- 11. What are the five stages of economic development brought out by Rostow?
- 12. What is the difference between a hinterland and a port?
- 13. Define parcel size distribution. Give two examples
- 14. Which are the major industries under the supply chain network benefits extensively from port development?
- 15. Which are the key demand side factors of the shipping market?

Section C

Answer **any FIVE** out of the Seven Questions (16-22) of 8 Marks each.

(5*8= 40 Marks)

16. Explain the significance of maritime trade in the economic development of a nation.
17. Discuss the concept of shipping market cycles. Explain the different phases of a shipping cycle and the role of supply and demand in determining freight rate fluctuations.
18. Interoceanic passages are strategic to international trade. Explain.
19. Explain the role of port policies in contributing towards the economic development of a nation.
20. Give a detailed description of the concept of port digitalisation and its impact on operational efficiency, supply chain integration, and future port development.
21. Explain the major differences between liner shipping and bulk shipping in maritime trade.
22. Explain key green initiatives undertaken by the global ports.