

Indian Maritime University
(A Central University, Govt. of India)
End Semester Examinations – December 2023
Programme Name: MBA(PSM)
Semester: III
Subject Code: PG21T3302
Subject Name: Chartering Practices

Date: 06.12.2023
Duration: 03 Hrs

Max Marks: 60
Pass Marks: 40

General Instructions

- (i) All Sections (A, B & C) are to be attempted.
- (ii) Options, if any, are specified in respective section.

PART A

Ten MCQs of 01 Mark each – Choose the correct answer as applicable

1. A charter (sometimes charter-party) is a maritime contract between a _____ and _____
 - a. Ship owner and Charterer
 - b. Shipper and Consignee
 - c. Supplier and Purchaser
 - d. None of these

2. A Financial Institution, with no involvement in shipping, owns a ship which is the most recommended method of chartering should he prefer to operate
 - a. Voyage Charter
 - b. Bareboat Charter
 - c. Contract of Affreightment
 - d. Bareboat cum demise charter

3. In Charter party negotiations which of this is not a Subject
 - a. Subject Receivers approval
 - b. Subject Discharge port acceptance
 - c. Subject acceptance of freight rate
 - d. Subject Shippers acceptance

4. BIMCO expands as
 - a. Baltic International Maritime Company
 - b. Brokers International Marine Council
 - c. Baltic International Maritime Council
 - d. Baltic International Mariners Council

5. Average Service speed considered for the calculation of World Scale is
 - a. 15 Knots
 - b. 17 knots
 - c. 13.5 Knots
 - d. 14.5 Knots

6. In most tanker charter parties freight clause indicates that the freight shall be payable on
 - a. Completion of discharge
 - b. Completion of loading
 - c. Before commencement of Discharge.
 - d. During the passage.

7. Deadfreight is payable on
 - a. Quantity loaded
 - b. Quantity in excess of the contracted quantity
 - c. The difference in quantity contracted to the quantity loaded.
 - d. None of the above

8. ADCOM in Charter party negotiations expand as
 - a. Advance Payment
 - b. Arrival First Sea Pilot Station
 - c. Address Commission
 - d. Alternative Dispute Resolution

9. The Deadweight of the tanker vessel considered for the purpose of calculation of World scale is
 - a. 55000 Mt
 - b. 75000 Mt
 - c. 250000 Mt
 - d. 130000 Mt

10. One third of the world's merchant fleet in dead weight capacity terms is represented by
 - a. Oil tankers.
 - b. Product tankers.
 - c. LNG tankers.
 - d. Dry Bulk Ships

PART B

Five Questions of 02 Marks each

11. Expand the following Charter party abbreviations –
ASBA, NAABSA, SDWT, COW
12. Differentiate between Laycan and Laytime with example.
13. Briefly explain what the expression "In Geographical Rotation" imply
14. What is the Off Hire clause in a Charter party, in which type of Charter is the Off Hire clause included and what does it indicate. Give at least two situations when a chartered vessel is Off hired.
15. What is Breach of warranty of Authority in Chartering?

Part – C

Seven Questions of 08 Marks each of which any 05 questions to be answered

16. MV Sea Challenger is fixed for a voyage charter from New Castle Australia to Ennore India for loading a parcel of 80000 of Thermal Coal. C/P stipulation at load port is 20000 MT/WWD SHINC.

Demurrage/Despatch - Usd 10000 PDPR/ HD.

Time to count once vessel on free pratique.

Based on the below SOF draw up a time sheet and calculate demurrage/despatch for that port.

Vessel SOF reads as follows:

Vessel anchored on Monday the 4th Apr at 0800hrs

Vessel berthed 4th Apr 1200 hrs

Free pratique given 4th Apr 1300 hrs

NOR tendered 4th Apr 1300hrs

Commenced loading 4th Nov 1400 hrs

Weather delay 5th Apr 1600 -2000 hrs

Cargo not ready 6th Apr 1400 -1800 hrs

Loading completed 7th Apr 1700 hrs

Vessel sailed 7thApr 1900 hrs

17. Calculate the breakeven freight per ton for the below intended cargo fixture:

Vessel – M V Chennai – Panamax bulk carrier

Cargo Quantity 70000MT,

Loading rate – 35000 MT/day. Discharge rate – 17000 MT/day.

POL – Richards Bay, South Africa POD – Mangalore, India

Speed – 14 kts at IFO 33ton/day loaded and 14 kts at IFO 31ton/day in Ballast

MGO- 2.0 MT at sea and 2.0 MT in Ballast
Bunker price IFO 180 – Usd 800/MT and MGO – 980/MT
Richards Bay – Mangalore - Distance 4490 NM
Port Disbursement Richards Bay – Usd 35000.
Port Disbursement Mangalore – Usd 44000
Chartering in cost Usd 12000/day.
Brokerage & Address Commission – Lump sum –Usd 16000

- 18.a. Describe the different Ship Employment methods (Charter) available for a ship owner. 3
b. If you are a banker owning a bulk carrier which employment would you choose, give reasons for your choice. 5
- 19.a. What is World scale and in which trade is it used. What are the details of the standard vessel used for calculation of WS 100 rates? 5
b. When calculating freight payable how are fixed and variable differentials applied. 3
20. List the salient clauses of a GENCON Charter party and explain any 5 such clauses.
21. a. What inference can be drawn from the Baltic Indices? 3
b. List out the indices published by the Baltic Exchange and how is BDI arrived at. 5
22. a. What are the various steps in Chartering Negotiations ? 5
b. Explain what is meant by term Vessel put on Subjects and give two examples of Subject 3
