

INDIAN MARITIME UNIVERSITY
School of Maritime Management
End Semester Examinations, December 2017
MBA (PSM) Semester-III

Seaborne Trade and Merchant Fleet (PG21T2306)

Date: 23.12.2017

Time: 3 hours

Max. Marks: 60

Pass Marks: 30

PART A
Multiple Choice Questions
Answer all the questions

12 X1 = 12 Marks

1. When did the Suez Canal first open for trade?
 - a. December 1869
 - b. November 1869
 - c. October 1859
 - d. November 1859
2. Which of the following is considered as the most important characteristic of the liner shipping industry is its _____.
 - a. High Bunker cost
 - b. High operating cost
 - c. High fixed cost
 - d. High Variable cost
3. The major routes in Liner System are:
 - a. East West Trades
 - b. North South Services
 - c. Intra-regional services
 - d. All of the above
4. Slow steaming was implemented due to which of the following reasons:
 - a. Increasing bunkering prices.
 - b. Decline in containerized trade.
 - c. Increased freight rates.
 - d. Both (A) and (B)
5. 'Handy Size' bulk carrier is a vessel with
 - a. 10000 -39,999
 - b. 40,000- 64,999
 - c. 65,000- 99,999
 - d. 1,00,000 plus
6. The components of the liner transport cost are

- a. The annual cost of the ship+ bunker consumed
 - b. Speed and port days
 - c. Number of trips made in a year multiplied by the capacity (DWT)
 - d. Transport cost + friction of space + Shipment
7. Gross Domestic Product(GDP)
- a. Total value of goods and services produced by all nationals of a country(whether within or outside the country)
 - b. An estimated value of the total worth of production and services, by citizens of a country, on its land or on foreign land, calculated over the course on one year
 - c. An estimated value of the total worth of a country's production and services, on its land, by its nationals and foreigners, calculated over the course on one year
 - d. To see how the nationals of a country are doing economically
8. Which is the largest shipbuilding unit in India?
- a. Hindustan shipyard
 - b. Goa shipyard
 - c. Garden Reach shipyard
 - d. Cochin Ship Yard
9. Which one of the following is the exact definition of ton-miles to measure the ship carrying capacity?
- a. One ton of goods carried one mile, as a unit of traffic
 - b. Total distance transported divided by one ton of cargo
 - c. One ton of cargo transported in a given year
 - d. Total distance transported every year
10. Free Trade is
- a. A system of trade that treats foreign goods and services no differently than domestic goods and services.
 - b. A system of trade that discriminates against foreign goods and services in an attempt to favor domestic goods and services
 - c. A system where there are trade barriers for foreign goods
 - d. A system of trade that keeps out foreign goods
11. Kiel canal
- a. Connects Persian gulf and Arabian sea
 - b. Connects Red and black sea
 - c. Connects China sea and pacific
 - d. Connects North Sea and Baltic
12. The regular fluctuations in the shipping cycles within a year
- a. Small business cycles
 - b. Long cycles

- c. Seasonal cycles
- d. None of the above

**Part B (200 words)
Answer any 5 out of 7**

5 X 4 = 20 Marks

13. Explain various types of ships contributing to the sea trade?
14. Write Short Notes on Suez Canal and Panama Canal
15. Discuss briefly the contribution of Asia to the global seaborne trade in the recent years
16. What are the Different International Trade Theories? Explain the reasons why countries trade with each other?
17. Explain practical aspects of liner pricing such as marginal cost prices, fixed cost prices with graphical illustration.
18. Explain the regulatory role of port state control?
19. Discuss the advantages and disadvantages of increasing ship sizes.

**Part C
(500 words –Case Study/Analytical Problem/Essay)
Question 20 is compulsory and answer any 3 out of 5**

4 X 7 =28 Mark

20. Calculate and analyse the table given below highlighting the performance of all the liner ships operating on the transpacific trade route

Ship Characteristics and service schedule						
Container Ship Size	1200	2600	4300	6500	8500	11000
Operating Speed	17.4	19.9	22.6	23.9	24.2	24.2
Fuel Consumption(tons/day)	36.3	67.7	126.2	183.2	197.2	205.8
Time per port call (days)	0.7	1.0	1.2	1.6	2.0	2.4
Distance of round trip	14000	14000	14000	14000	14000	14000
Service Frequency	Weekly	weekly	weekly	weekly	weekly	Weekly

Port calls on round voyage	7	7	7	7	7	7
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- How many days the ships spent in the sea and in the port (days) as well as total voyage time (days)?
 - How many number of voyages performed per annum considering the total time taken for each voyage?
 - How many number of ships required in weekly string to perform successful voyage?
 - If the capacity utilization of a ship towards east bound and west bound is 90% and 40% respectively, how many containers were shipped outward (TEU) and inward (TEU)?
 - How many containers transported per voyage(TEU)
 - Based on the above calculation, derive the annual transport capacity per ship (TEU)
21. Discuss the role and functions of all the following organizations.(a) IMO (b) IACS (c) UNCTAD (d) Bosphorus Strait
22. Analyse the growth of international seaborne trade (in Million Tons (MT) loaded) for selected years.

International Seaborne trade for selected years (MT)

Year	Oil and Gas	Main bulk	Dry cargo other than bulk	Total all cargoes
1970	1440	448	717	2605
1980	1871	608	1225	3704
1990	1755	988	1265	4008
2000	2163	1295	2526	5984
2005	2422	1709	2976	7109
2006	2698	1814	3188	7700
2007	2747	1953	3334	8034
2008	2742	2065	3422	8229
2009	2642	2085	3131	7858
2010	2772	2335	3302	8409
2011	2794	2486	3505	8785
2012	2841	2742	3614	9197
2013	2829	2923	3762	9514
2014	2825	2985	4033	9843
2015	2932	3121	3971	10023
2016	3055	3172	4059	10287

Source: Review of Maritime Transport, UNCTAD, 2017

23. Which are the principle characteristics that determine the suitability of the cargo for bulk transportation?
24. Describe the ship building industry supply and demand function and also report the ship building market short-term equilibrium with graphical illustration
25. What are the consequences of containerization in the seaborne trade? Explain various types of liner shipping routes and their significance?
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