

NAROTTAM MORARJEE INSTITUTE OF SHIPPING  
MUMBAI

Examination Paper –  $\frac{\text{JUNE}}{\text{JULY}}$  2024

Fellowship / Post Graduate Diploma in Shipping Management & Logistics – Final year

*Subject – RISK MANAGEMENT & MARINE INSURANCE*

Total 80 Marks

29 JUN 2024

Time: 3 Hours.

*Instructions: The answers should be brief and to the point. All questions carry 16 marks.*

*Question No. 1 is compulsory*

*Answer any other THREE questions. (Total FOUR questions have to be attempted – any additional questions attempted will not be considered)*

Qu. 1

Answer the following questions in at least FOUR lines. Marks will be awarded on the basis of the clarity of thought and reasoning: [4 marks each = 16]

- (a) A ship owner can insure cargo which is carried in his ship.
- (b) Risk management and insurance are different - Explain this statement.
- (c) A large container ship encountered very heavy weather during a voyage. Ten containers on the Port side of the vessel fell in the water due to bad weather. Can general average be claimed?
- (d) Deductible is a method of risk retention - Explain this statement.

Qu. 2

- (a) Explain why the P&I associations are referred a clubs and not companies? [5]
- (b) A ship owner has purchased an oil tanker and wants to insure the third party liabilities. Explain any five such liabilities which should be insured. These must include at least TWO which are mandatory. [11]

Qu. 3

- (a) Explain at least three features of general average. [3]
- (b) A ship valued at 6 million USD encountered serious bad weather on a voyage leading to the running aground of the vessel and damage to its hull. This led to the damage to cargo C and D for 50,000 and 10,000 each. At the time the vessel was on time charter and had four cargoes A; B; C; and D valued at 1,000,000; 100,000; 500,000 and 100,000 respectively. The value of the bunkers owned by the time charterer was 30,000. The salvage charges paid by the ship owner were 160,000. Part of the cargoes A and B were jettisoned and the value of this jettisoned cargo was Cargo A = 200,000 and cargo B = 20,000. The damage to the hull of vessel was repaired at 90,000. Calculate:
  - (i) Total amount of GA [3]
  - (ii) All contributory values [5]
  - (iii) Amount of GA contributed by each interest [5]

Qu. 4

- (a) In cargo insurance explain the following
  - (i) When does the insurance cover start? [2]
  - (ii) How long the cover continues? [4]
  - (iii) When does the cover end? [2]
- (b) Explain the additional; perils that may be included in ICC (B) and ICC (C) covers by paying additional premium. [8]



Qu. 5

- (a) A ship runs aground due to the negligence of the master of the vessel which resulted to the damage to the ship. The ship owner wants to claim for this damage from its Hull and Machinery insurance. Explain the clause under which this may be possible. Also explain the requirement of due diligence on part of the ship owner. [10]
- (b) List FIVE very important points which may be considered while fixing the premium of the H&M insurance. [6]

Qu. 6

Write short notes on: [4 \* 4 each]

- (a) Deductibles  
(b) Sue and labour charges  
(c) Warranties  
(d) Constructive total loss

Qu. 7

- (a) What is the difference between actual and constructive total loss? Explain with example. [8]
- (b) How much the hull and machinery insurance would pay in case of a partial loss claim. As an example you may consider a fire damage incident. [8]

Qu. 8

- (a) Explain the Collision Liability. [2]
- (b) Vessel 'A' collides with vessel 'B'. As a consequence following damages occurred:

	A	B
Damage to ship	1,000,000	6,000,000
Deductible H&M	50,000	200,000
Deductible P&I	10,000	50,000
Blame	80%	20%
Insured value	2,000,000	10,000,000

- (i) Calculate the total collision liabilities of both ships. [2]
- (ii) Calculate final amount of settlement between hull insurers [4]
- (iii) Calculate the settlement amount of P&I clubs of both ships [4]
- (iv) Calculate the amount by owners of both ships [4]

Qu. 9

A ship owner is planning to purchase a bulk carrier. Identify at least SIX risks that he may face while operating the ship. You must identify both pure and speculative risks. Explain the risk management process for any ONE of these risks. [16]



**NAROTTAM MORARJEE INSTITUTE OF SHIPPING  
MUMBAI**

Examination Paper – <sup>JUNE</sup> July 2024

Final year

CHARTERING

Date: **30 JUN 2024**

(80 Marks)

**NOTE: All Questions are compulsory**  
**Question 6 and 7 carry 15 marks each**  
**Rest of the Questions carry 10 marks each**

Q1) Answer in two/ three sentences only (Any Four)

- i) What is Stowage Factor?
- ii) What do understand by the term IWL?
- iii) Differentiate Reversible and non-reversible laytime.
- iv) What are cross trade?
- v) Who bears the loading and unloading costs under FIO term?

Q2) Calculate Net Freight

Vessel: MT Taj Mahal (DWT: 110212 MT)

Loadport: Mumbai (Jawahar Dweep)

Disport: New Mangalore SBM

Quantity: 80,000 MT (Minimum)

Freight: WS 180 O/A 50%

B/L Quantity: 82450 MT

WS 100 (flat rate): USD. 4.08 PMT

Commission: 2.5% total

When cargo is loaded or discharged at SBM in New Mangalore VRD addition of USD 0.44 must be made to the rate applicable to the voyage

Q3) Examine the clauses of NYPE form or another time charter-party form, of your choice and give a brief summary of their content. Also discuss as to what remedies are available with the owners when a charterer fails to make timely payment of hire?

OR

With respect to chartering negotiations, explain –

- a) Firm Offer
- b) Counter
- c) Subjects

Q4) Explain the following chartering terms (Any Four) –

- a) Broken stowage
- b) CQD
- c) Arrived Ship
- d) In geographical rotation
- e) Additional War Risk Premium

Q5) Give the full form and explain each chartering expression (Any Four) -

- a) NAABSA



- b) NDFCAPMQS
- c) SHINC
- d) BBB
- e) WSHTC

Q6) Using the information below, calculate whether it is beneficial for you as the Ship Operator to fix the cargo on the basis of a Voyage Charter or Time Charter Trip.

**The vessel:**

MV *Asian grace* , Panama Flag currently discharging at Bin Qasim (Pakistan).

Summer DWT 75182 MT at 14.12 metres  
 Cubic grain 90675 CuM, 7 HO/HA  
 LOA 225m  
 Constants including FW 750MT  
 Loaded Speed/cons 14kts on 28MT IFO 380CST  
 Ballast Speed/cons 13kts on 24MT IFO 380CST  
 Port Cons 3MT IFO 380 CST pd (single fuel ship)  
 Standing Costs \$9,000/day

**The cargo:**

70,000MT Iron Ore (SF 0.55) from Goa (India) to Chiba (Japan)  
 No draft restrictions at load port  
 Draft restriction of 14.50 M at discharge ports  
 10000 SHEX load/8,000 SHINC discharge  
 Freight \$12 pmt comm.. 5% FIOS

**Distances:**

Bin Qasim to Goa – 705 nm  
 Goa to Singapore – 2747 nm  
 Singapore to Chiba – 2882 nm

**Bunker prices:**

IFO 380 CST : USD. 200 PMT

**Port charges:**

Load port \$35,000  
 Discharge port \$45,000

**Assumptions:**

Use of IFO 380 is permitted by local regulations  
 Bunkers at Singapore: 1 day  
 Summer Zone throughout

**Time Charter rate offered for this business: \$19,500/Day less 5% comm basis  
 Delivery Bin Qasim and Re-delivery Chiba**

*(Hint: Candidates will have to compare TCY under voyage charter with Net time charter rate to determine whether voyage charterer or TCT is more beneficial)*

Q7) From below information, calculate demurrage ?

Vessel : MT Christ Messi

Statement of facts – loadport – Jebel Dhana



vessel anchored: 5th December 0600 hrs  
nor tendered : 5th December 0600 hrs  
pilot boarded : 5th December 1400 hrs  
all fast : 5th December 1815 hrs  
hose connected: 5th December 1900 hrs  
cargo commenced: 5th December 2000 hrs  
cargo completed: 7th December 1410 hrs  
hoses disconnected: 7th December 1656 hrs  
vessel sailed: 7th December 1805 hrs

Statement of facts – discharge port – Singapore Vopak Sebarok terminal

vessel anchored: 19th December 1000 hrs  
nor tendered : 19th December 1000 hrs  
pilot boarded : 22nd December 1300 hrs  
all fast: 22nd December 1526 hrs  
hose connected: 22nd December 1725 hrs  
cargo commenced: 22nd December 1800 hrs  
cargo completed: 25th December 0100 hrs  
hoses disconnected: 25th December 0345 hrs  
vessel sailed: 25th December 0530 hrs

- a) Out of the above time in discharge port the actual pumping time in the port was only 45 hours and 30 minutes, rest of the time was used in other activities e.g.:- documentation, ullaging, sampling etc.  
b) Port declared bad-weather at port from 25 December 0200 to 0300 hours.

Charter-party details are as under:-

1. Time to start 6 hours after tendering notice of readiness or all fast, whichever is earlier.
2. Vessel to discharge complete cargo in 24 hours.
3. Cow time permitted : 12 hours.
4. Conoco weather clause to apply
5. Layime : 72 hours SHINC
6. Demurrage: \$ 18,000 pdpr

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**NAROTTAM MORARJEE INSTITUTE OF SHIPPING  
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**Examination Paper – June/July 2024**

**Fellowship / Advance Diploma in Shipping Management & Logistics**

**LINER TRADE & MULTIMODAL TRANSPORT**

**01.07.2024**

**Total 80 Marks**

**Time: 3 Hours.**

**Note : Answer any FOUR Questions. All Questions carry equal marks.**

1.Explain the operational activities performed by the ICD/ CFS.

Mention the benefits of an ICD /CFS.

**(20 Marks)**

2.Explain in detail – difference between LCL and FCL Shipment.

Explain with an example , what is a BUYERS CONSOLIDATION.

**(20 Marks)**

3.Explain “ HUB & SPOKE” in Liner Shipping. List down the Advantages and disadvantages of “HUB & SPOKE”.

**(20 Marks)**

4. Choose any TWO of the following cargoes. Identify at least TWO major trades on which they are shipped detailing the main ports of loading and discharge. Explain the types of container equipment used and any special requirements or precautions that need to be taken to protect the cargo.

a) Grapes

b) Raw Cashews

c) Solar Panels

d) Buffalo Meat

5. E-Commerce and Shipping Lines Websites have become a very important platform for carriers and their customers in recent years. Describe from both carrier and cargo owner’s perspective why E-Commerce is so important in today’s commercial world and explain its widening use in the various areas it is used outlining benefits and drawbacks.

**(20 Marks)**

6.Explain the duties & responsibility of a Liner Agent as per SLAA ( Standard Liner Agency Agreement)

**(20 Marks)**

7.Explain the various precautions the Merchant should exercise during container Stuffing of Reefer containers.

**(20 Marks)**

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Examination Paper – June/July 2024

Fellowship / Advance Diploma in Shipping Management & Logistics

LAW OF SEA TRANSPORT

02.07.2024

Total 80 Marks

Time: 3 Hours.

**Note : Answer any FOUR Questions. All Questions carry equal marks.**

1. Write short notes on the following:

- i. International Regulation of Marine Oil Pollution
- ii. Salient features of the OPRC-HNS Protocol

**OR**

1. A vessel from Rotterdam to Shanghai fractured her tail shaft and dropped her propeller but was otherwise unimpaired. It was towed to an interim port where there were no repair or storage services. Hence, it was towed to China.

- i. What part of the voyage constitutes salvage? Describe in detail the 4 requirements of salvage.
- ii. What is the SCOPIC Clause? Trace its need and advantages.

2. What is an Indian ship? How can a merchant ship be registered in India? Is registration compulsory? Comment on the practice of 'open registries' in States such as Panama and The Marshall Islands that allow registration of vessels without the requirement of a 'genuine link' between the vessel and its owner.

**OR**

2. What is arbitration? Do you think arbitration is the most effective form of maritime dispute resolution? How is a foreign arbitral award enforced?

3. A is the owner of a chain of coffee shops in Pune who orders a consignment of 10 tonnes of coffee beans from B situated in Brazil through DDP terms. An MTO registered



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**Examination Paper – June/July 2024**

**Fellowship / Advance Diploma in Shipping Management & Logistics**

**LOGISTICS MANAGEMENT**

**03.07.2024**

**Total 80 Marks**

**Time: 3 Hours.**

**Question 1 is compulsory. Attempt any other FOUR Questions**

1. Define Logistics Management. Explain the importance of logistics management in the economy of a country.
2. "Supply Chain Management is a broad range of activities required to plan, control and execute a product's flow, from acquiring raw materials and production through distribution to the final customer, in the most streamlined and cost-effective way possible". Discuss this statement.
3. Write short notes on:
  - a. Bar Code
  - b. ULD (Unit Load Device) in air transport.
4. "Inventory Management is the supervision of non-capitalized assets (inventory) and stock items".  
Explain this statement and bring out the importance of inventory management.
5. "Transport is an important function for any nation" Discuss this statement and explain how the railways are considered a lifeline in the daily life of a common man.
6. "Material Handling is the movement, protection, storage and control of materials and products throughout manufacturing, warehousing, distribution, consumption and disposal". Bring out the validity of this statement.
7. Explain the different types of air freight carriers. Bring out the advantages and disadvantages of air transportation.
8. Discuss Inland Waterways of India.
9. Explain the importance of Customer Service in the Logistics industry.

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