

NAROTTAM MORARJEE INSTITUTE OF SHIPPING

MUMBAI

Examination Paper - March 2025

Fellowship/Advance Diploma in Shipping Management & Logistics

RISK MANAGEMENT & MARINE INSURANCE

Date: 01.03.2025

Time: 3 Hours

(80 Marks)

Instructions:

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

Question No. 1 is compulsory

Answer any other FOUR questions. (Total five questions have to be attempted - any additional questions attempted will not be considered)

Qu. 1 Answer the following questions in at least FIVE lines. Marks will be awarded on the basis of the clarity of thought and reasoning: [4*4 =16]

- (a) A tanker is in ballast and has engine breakdown during a voyage when the ship is passing near an island. The Master drops an anchor so that the drifting ship does not run aground. The vessel is saved and in the meanwhile the engine starts and the ship continues on its original voyage. In this process the ship lost the anchor. Explain how the ship owner can claim from insurance for the loss of the anchor considering that this intentional action of the Master would probably result in the loss?
- (b) A ship ran aground and had extensive bottom damage. The ship was insured under ITC (Hulls), 1.10.83 clauses. What could be the proximate cause of the damage which is included in the risks covered so that the ship owner could claim from the insurance company for the damage?
- (c) A truck company is engaged in transporting containers between ICD/ CFS to the port. During this transport the containers may be damaged. Can the company take insurance of the cargo?
- (d) A stevedore died on board a vessel while engaged in discharging general cargo. The family claims from the ship owner. Can the company recover this claim from its H&M insurance?

Qu. 2 (a) Explain the principle of subrogation with an example from shipping operation. [8]

(b) Explain the difference between marine insurance and other types of insurances? [8]

PTO

Qu. 3 (a) Briefly explain the risks covered clauses of the three Institute Cargo Clauses, 1.10.82. [8]

(b) Which additional risks can be covered under ICC (B) and(C) by paying extra premium? [8]

Qu. 4 (a) What is the role of the International Group of P&I Clubs? [6]

(b) A ship owner has purchased a new ship and wants to insure the third party liabilities. Explain any five such liabilities, including the ones which are required as per some Conventions, which should be insured. Selected liabilities must be clearly different from each other. [10]

Qu.5 (a) Explain collision liability of a ship owner. [4]

(b) Ship A collided with ship B. As a result of the collision ship B sank. The damage on A was 400,000. The blame of A and B was 70% and 30% respectively. The insured value of B was 1,000,000.

Calculate:

- (i) The collision liabilities of ships A and B. [2]
- (ii) The liabilities of hull underwriters of A and B. [5]
- (iii) The liabilities of P&I Clubs of A and B. [5]

Qu. 6 Write short notes on any FOUR: [4*4 = 16]

- (a) Constructive total loss
- (b) Forwarding charges in cargo insurance
- (c) Deductible
- (d) Utmost good faith
- (e) Reinsurance

Qu. 7 Risk management is necessary in today's competitive environment. Explain this statement in detail with the process of risk management. [16]

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Examination Paper – March 2025

Fellowship/Advance Diploma in Shipping Management & Logistics

CHARTERING

Date: 02.03.2025

(80 Marks)

NOTE: Q6 and Q7 are Compulsory

Answer any Three questions from Q1 to Q5

All questions carry equal marks (16 marks each)

Q1) a) Give the full form and explain following abbreviations **(any 4)**

- i) MOLCO
- ii) NAABSA
- iii) DWCC
- iv) BBB
- v) BB

(4 X 2 marks)

b) Explain following chartering terms **(any 4)**

- i) P&I bunkering clause
- ii) First Class Charterer
- iii) Cross Trade
- iv) Gross Terms
- v) Air Draft

(4 X 2 marks)

Q2) Answer Briefly (Any Four)

- i) What is a contract of affreightment and how do its main clauses vary from other forms of fixture
- ii) What are Subjects in Chartering Negotiations?
- iii) Enumerate the functions of a Post Fixture Manager if vessel is fixed on voyage charter?
- iv) What is LOI ? When it is issued?
- v) The Baltic Indices are reported daily by the Baltic Exchange in London. Explain the relevance of these indices for chartering practitioners.

(4 x 4 marks)

Q3) a) Write short notes on **(any 2)**

- i) Shipping Pools
- ii) LNG Shipping
- iii) Q88

(2 x 4 marks)

b) Answer BOTH parts of the question.

i) Prepare a full fixture recap for a Crude carrier, fixed on voyage charter, loading 75,000 metric tonnes crude oil from Saudi Arabia for discharge Yokohama, Japan.

ii) Explain the main terms used.

(candidates may make logical assumptions while answering this question)

(8 marks)

Q4) a) Solve the following -

M.V. Scott Prince, summer dwt = 38000 mt, draft = 11.180 m ssw
 Tpc = 47 cube = 49250 m³ draft at loadport = 11 m
 Cubic bale = 46295 m³, constants + bunkers = 1750 mt

Shipowner has the option to load either corn at \$12 pm t or iron ore at \$ 6 pmt.
 SF of iron ore = 15 and SF of corn = 63

- i) Which cargo will generate more revenue for the shipowner?
- ii) Will his decision change if there is no draft restrictions at loadport?
 (assume, no draft restrictions at disport)

b) MV Bull Horse, a bulk carrier vessel was fixed on time charter basis for 3 months +/- 15 days CHOPTION at a daily charter-hire rate of us\$. 13000/- pdpr. The vessel was delivered on 30 June 2024 at 1000 hrs and re-delivered on 8 October 2024 / 1400 hrs.

During the charter-period, following interruptions were reported -

- 1) 30 July 0800 hrs to 31 July 1300 hrs for main-engine break down
- 2) 8 August 0600 hrs to 8 August 1600 hrs for crew change
- 3) On 15 August at port of Kochi due to non-availability on stevedores cargo operation was stopped for one full day
- 4) On 4 October cargo operation was stopped at Mormugao from 0800 hrs to 1800 hours due to rains

Owners have agreed to charterers under-performance claim of US\$. 40,000/- for excess bunker consumption. During the on-hire period, owners received a sum of US\$ 850,000.

Analyse the list of interruptions and confirm as to whether vessel has to be treated as off-hire if the base charter-party is NYPE. Also draw out a charter-hire statement for the period and determine what is the balance amount payable by charterers to owners or vice - versa.

(2 x 8 marks)

Q5) Enlist critical clauses and write a brief on Any Two of Standard Charter party form

- i) BARECON
- ii) GENCON
- iii) SHELLTIME4
- iv) NYPE

(2 x 8 marks)

Q6) From the following data of tanker ship - prepare voyage estimate and calculate Time Charter Yield and NOP per day.

- | | | |
|----|-----------------|---|
| A) | Dead-weight : | 114,200 mt |
| B) | Voyage : | Colombo (Free)-Jebeldhana (Load)-Colombo(Discharge) |
| C) | Speed: | 13 knots |
| D) | Cargo quantity: | Minimum 80000 mts +/-5% moloo (vessel to opt plus option) |
| E) | Freight rate: | ws 148 overage 50% |

- F) Address commission: 2.5%
 G) Brokerage: 1.25%
 H) Laytime: 96 hours shinc (2 days loading and 2 days disch)
 I) Standing charges usd. 14000 per day
 J) Bunker consumptions basis per day are as follows :-

	Laden	Ballast	Loadport	Disport
VLSFO(mts)	45	44	10	30
MGO (mts)	0.1	0.1	0.1	0.1

As per world scale, the details are as follows -

Round distance : 4220 nm
 flat rate : us\$ 9.27 pmt
 VRD of 0.12 to be deducted for voyages involving COLOMBO

Other details-

Bunker rates : Vlsfo - usd. 590 pmt
 Mgo - usd. 750 pmt

Port charges: Jebeldhana - usd. 75000
 Colombo- usd. 50000

(16 marks)

Q7) From the following data (sof of load port), cp terms of mv "Munich" - loaded b/l 60000 mt of wheat in bulk, calculate lay time used and demurrage/dispatch for load port.

"load rate 10,000 mt per wwd - shex uu - ("iuatc") - basis 5h/5h.
 - 6 hr t/t - unless sooner commenced. Vessel to be in free pratique and custom cleared prior nor.dem us \$ 20,000/- pdpr/half despatch - wts.

Load port sof

Wednesday 5th July arrived / 09.00 hrs.
 Wednesday 5th July. Anchored / 09.30 hrs.
 Wednesday 5th July. F.p. / 10.00 hrs
 Wednesday 5th July. Custom boarded 1000 hrs.
 Wednesday 5th July. Custom cleared 1030 hrs.
 Wednesday 5th July n.o.r. 1030 hrs.
 Wednesday 5th July p.o.b. 1100 hrs
 Wednesday 5th July all fast 1700 hrs
 Wednesday 5th July Comm.. Loading 1800 hrs
 Thursday 6th July raining 0600 hrs
 Thursday 6th July to 1200 hrs
 Friday 7th July (local holiday) loading continued : 08.00 to 16.00 hrs
 Saturday 8th July strong winds - no loading between 07.00 to 13.00 hrs
 Sunday 9th July loading continued only between 08.00 hrs to 14.00 hrs.
 Monday 10th July two hatches not available full day on a/c of cranes breakdown.
 Tuesday 11th July loading completed at 06.36 hrs.

(16 marks)

-end-

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Examination Paper – March 2025

Fellowship/Advance Diploma in Shipping Management & Logistics

LINER TRADE & MULTIMODAL TRANSPORT

Date: 03.03.2025

TIME: 3 HRS.

(80 Marks)

Note : Question 1 is compulsory.

Answer any other FOUR Questions.

All Questions carry equal marks (16 Marks Each)

1. a) Explain the significance of the Suez Canal in the container shipping industry and the impact of its blockage on global trade.

b) In India, Which are new Ports- Container Terminals coming up in next few years ?

c) Explain Import Cycle of a Container

d) Role of Digitization in Liner Freight Pricing agreement for Lines with Customers

(4 marks each)

2. Explain 4 Liner Shipping Services in Details.

a) End to End

b) Round the World

c) Pendulum

d) Hub and Spoke

(4 marks each)

3.A Give Full form of the Following

(1 mark each)

a) FEU b) FCL c) DDU d) RTG e)RMQC f) IMO

B Write Short notes on any Two of the Liner Tariff charges

(10 marks)

a) War Risk Surcharge

b) PEAK Season Surcharge

c) Congestion Surcharge

4. Define Container Terminal and list the container handling equipment used in container terminal and define the scope of use of container handling equipment. **(16 marks)**

OR

Explain the objectives of the IMDG Code. List down the various classes of the IMDG Code.

(16 marks)

5. Define role of Freight Forwarder in Liner Shipping. List down the Typical work activities of Freight Forwarder. **(16 marks)**

6. Explain guidelines for stuffing of Cargo in Containers. List down 10 types of cargo stuffed in containers. **(16 marks)**

7. Explain how Vessel Sharing Agreements [VSA], Alliances and Slot Charter Agreements [SCA] work and highlight the differences between them. Discuss how these arrangements are likely to develop over the coming years with recent changes in Alliances. **(16 marks)**

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Examination Paper – March 2025

Fellowship/Advance Diploma in Shipping Management & Logistics

LAW OF SEA TRANSPORT

Date: 04.03.2025

(80 Marks)

Note:

- Question No. 1 is compulsory
- Question No. 2 to 7 have options, student can answer any other FOUR questions. (Total five questions have to be attempted – any additional questions attempted will not be considered)
- All question carries equal marks (16 marks each)

Q1 In below issue, Court rejected the owner's claim - explain whether it is a correct order or not and support your answer with reason. **(16 Marks)**

In Kriti Akti Shipping Co. S.A. v. Petroleo Brasileiro S.A Case

CP Terms:

Time chartered the vessel KRITI AKTI from the owners on a Shelltime 3 form, which had express wording as below

Clause 3: the duration of the charter period was for a period of "11 (eleven) months, 15 days more or less in Charterer's option"

Clause 18: "Notwithstanding the provisions of clause 3 hereof, should the vessel be upon a voyage at the expiry of the period of this charter, Charterers shall have the use of the vessel at the same rate and conditions for such extended time as may be necessary for the completion of the round voyage on which she is engaged and her return to a port of redelivery as provided by the charter."

Clause 50:

"Any loss of time during which the vessel is off hire shall count as part of the charter period and may be used by charterers at their option as an extension of the aforesaid period."

Facts:

On 13th March 2001 charterers informed owners that they were exercising their option to extend the final date of the charter to 14th June 2001

On 29th May 2001, whilst the vessel was discharging, charterers ordered her to carry out another voyage.

Owners disputed another voyage at same hire & argued that the charter had already expired on the basis that the "period of this charter" under clause 18.

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Q. 2 Answer in brief any **FOUR** from following:

(16 marks)

- I. Difference between Charter party & Bill of Lading.
- II. MARPOL
- III. Explain concept of absolute seaworthiness & obligation of ship owner to provide seaworthy ship.
- IV. Difference between SCOPIC and Art 14 of the Salvage Convention 1989.
- V. US Oil Pollution Act 1990
- VI. Difference between maritime claim and maritime lien.

Q.3 a) Give the full form of the following

(6 marks - ½ marks each)

I. ETA	II. NOR	III. CY
IV. POD	V. LC	VI. CLC and FC
VII. CFR	VIII. POL	IX. COA
X. LOU	XI. ATA	XII. BL

b) write short notes on any **TWO** of the following.

(10 marks)

- i. Laytime and Demurrage
- ii. Differences between demise and non-demise charterparties
- iii. Salvage

Q.4 Answer any **ONE** of the following.

(16 marks)

- A** What is an Indian ship? How can a merchant ship be registered in India? Is registration compulsory? What are the documents required for registration?
- B** When can a ship be arrested according to the Admiralty Act, 2017? Explain with the help of case laws. Also, explain the jurisdiction of Indian Courts in the Arrest of ships under the Act.

Q.5 Answer any **ONE** of the following

(16 marks)

- A** i. What are the essential elements of General Average? What is the difference between the application of the terms 'voluntary' and 'intentional' in the definition of General Average as per the Merchant Shipping Act 1995?
- ii. At the time of General average act the vessel had unrepaired damage from a previous accident of Rs. 1 lakh. The sound value of the vessel on the arrival at the destination was Rs. 1 crore. The damage sustained on the current voyage was, say, Rs. 2 lakhs. What would be the contributory value of the vessel?

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B Explain the term 'seaworthiness' by supporting your answer with cases. What do you understand by the term 'due diligence?' To what extent is the carrier expected to exercise "due diligence" to make his vessel seaworthy? Quote at least one case law.

Q.6 Answer any **ONE** of the following

(16 marks)

A 'Aqualand' is a country situated in the 'Calm Strait,' the only international passageway that connects the eastern and western hemispheres. Naturally, the Calm Strait witnesses a number of merchant vessels carrying cargo and oil to and from both sides of the world. Recently, the number of oil spills due to the tricky course of the strait has increased, resulting in Aqualand having to use funds from its treasury to clear and restore the Strait. At present Aqualand is not a party to any international conventions governing oil pollution. Present arguments on why Aqualand must sign the CLC and Fund Conventions and how these may be advantageous to the country in tackling Marine Oil Pollution in the Calm Strait.

B What are the Rotterdam Rules? Explain the scope and application of the Rotterdam Rules. Explain in detail

- i. the door-to-door concept under the Rules,
- ii. liability for non-localized damage, and
- iii. limitation on liability under the Rules.

Q 7. Answer any **ONE** of the following

(16 marks)

A A party in Delhi, India intends to procure 50 metric tonnes of palm oil from a seller in Jakarta, Indonesia. Having agreed to trade in CIF terms, the seller would be required to ship the cargo by sea, air, and road to reach the destination in Delhi. As a legal practitioner, what would you recommend to the seller as the best means of carriage: individual contracts or a multimodal transport document? Give appropriate reasons. Also explain and analyse, with suitable cases, the provisions relating to Multimodal Transport Documents under the Multimodal Transportation of Goods Act, 1993.

B What is Bill of lading and its functions in international trade? How it is important in the international trade?

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Examination Paper – March 2025

Fellowship / Advance Diploma in Shipping Management & Logistics

LOGISTICS MANAGEMENT

05.03.2025

Total 80 Marks

Time: 3 Hours.

Instructions:

- **Question No. 1 is compulsory.**
- **Answer any other FOUR Questions. (Total five questions have to be attempted – any additional questions attempted will not be considered)**
- **All question carries equal marks (16 marks each)**

Q. 1. A local manufacturer of products would like to export his goods from India to a foreign country. What guidance would you give him so that he can make a simple start for exporting his products.

Q. 2 Answer in brief any 4 from following: (16 marks)

1. Custom Broker
2. Advantages of sea transport
3. Total Quality Management (TQM)
4. Supply Chain Management
5. Concept of Supplier Relationship Management

Q.3

a) Expand and explain the following:

i. JIT ii. 4PL iii. RR (6 marks)

b) Write short notes on any TWO of the following: (10 marks)

- i. Packaging ii. Global Logistics
- iii. Bar Coding

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Q.4 Answer (a) or (b) (16 marks)

- a. Explain 'Customer Service' and bring out its importance in logistics.
- b. "Understanding 'artificial intelligence' is important in logistics".

Discuss the validity of this statement.

Q.5

- a. Discuss the documentation required in international logistics. (8 marks)
- b. Explain the different types of Cold Storage. (8 marks)

Q.6 Transportation economics is driven by many factors. List the factors and explain their relevance. (16 marks)

Q.7 Explain the different types of air freight carriers used in air cargo transport. Bring out the advantages of air freight. (16 marks)
