



Name :
Roll No. :
Invigilator's Signature :

CS/MBA (NEW)/SEM-3 FT/SHM-303/2010-11

2010-11

SHIPPING ECONOMICS & E-BUSINESS

Time Allotted : 3 Hours

Full Marks : 70

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

GROUP - A

(Multiple Choice Type Questions)

1. Choose the correct alternatives for any *ten* of the following :

10 × 1 = 10

- i) Demand of a commodity means,
 - a) Demand at a price
 - b) Demand at a price per unit of time
 - c) Demand at a price per unit of time w.r.t. consuming population
 - d) Demand at a price per unit of time w.r.t. quality and quantity
- ii) Law of diminishing marginal utility emphasizes,
 - a) Diminishing intensity of consumer's want
 - b) Saturation point of demand
 - c) Continual lesser want of a particular product
 - d) all of these.



- iii) Determinant for elasticity of demand in general terms is,
 - a) Price of goods
 - b) Income of people in the related area
 - c) Export of the goods to that region
 - d) Import of the related goods from that region.
- iv) Demand for shipping services does not depend upon,
 - a) Distance
 - b) Turn around time
 - c) Speed of the ship
 - d) Culture and habits of regional people.
- v) Demand for shipping services is a
 - a) Constant demand
 - b) Derived demand
 - c) Changing demand
 - d) Temporary demand.
- vi) Elasticity of supply at a given price is emphasized as
 - a) Degree to which supply responds
 - b) Supply flexibility made under monopoly
 - c) Supply flexibility made under imperfect competition
 - d) all of these.



- vii) Measures through which shipping industry adjust the supply of shipping services are,
- a) Building new ships
 - b) Transferring from one trade to another
 - c) Adjusting degree of utilization
 - d) All of these.
- viii) Variable costs borne by a liner-operator are,
- a) Cost of loading and discharging the cargo.
 - b) Cost of fuel, manning & spares
 - c) Cost of port/canal dues
 - d) All of these.
- ix) Freight-rates for liner shipping services is depended on the principle of
- a) Combined costs of service being recovered from freight
 - b) Fixing different unit value freight for different type of cargo
 - c) Having different rates of value addition by transportation
 - d) All of these.



- x) Deferred rebate is awarded to
 - a) Shippers for a liner service
 - b) Shippers for a tramp service
 - c) Shippers for a voyage charter service
 - d) Shippers for a time-charter service.

- xi) Fixed costs under tramp service include
 - a) Interest on borrowed capital, Depreciation and Standing charges
 - b) Return to Bank loan, Interest, Depreciation and Standing charges.
 - c) Return to Bank loan, Interest, Depreciation, Insurance and Standing charges
 - d) Return to Bank loan, Interest, Depreciation, Insurance, Administrative overheads and Standing charges.



- xii) Freight rate of a tramp-service is decided
- By conferences fixing that Route-freight
 - By interplay of demand and supply in competitive environment
 - By the quantity of cargo carried
 - All of these.

GROUP – B

(Short Answer Type Questions)

Answer any *three* of the following.

3 × 5 = 15

- What are the different form of "own funds" for ship-financing as used in a maritime country ?
 - Why "own funds" form a small percentage of actual funds required under ship finance ?
- Enumerate the different cost heads under tramp shipping ?
Which head will bear the maximum 'cost' and why ?



4. What is the theory of "comparative advantage" in International trade ? On what are all factors comparative advantage dependent upon ?
5. What are different factors considered for charter-hire of a vessel ? Out of all factors where finance-involvement is highest ?
6. What is a balance sheet ? What are the different heads used in a shipping company balance sheet ?

GROUP – C

(Long Answer Type Questions)

Answer any *three* of the following. 3 × 15 = 45

7. What are the different accounting procedures for a shipping company ? Highlight each enumerating their elements and objective ?
8. What is P & I club claim procedures ? In which all losses claims can be obtained from P & I club and its limitations in disbursement ?



9. What all claims can arise in case of Collision, Pollution, Accidents involving death of crew members & passenger in the event of a cargo ship collides with a passenger vessel ?

What are categories claims to be met by Insurance, P & I club and a Ship owner in such a situation ?

10. Explain the character of a shipping freight market. How is a unit of freight computed in liner/charter service. What are all rebates commonly allowed ?
11. Explain E-commerce. What are its main advantages ? State its influence on shipping and logistic operation.
