



Name :

Roll No. :

Invigilator's Signature :

CS/MBA(N)/SEM-4 (FT)/SHM-402/2011

2011

MARITIME FINANCIAL MANAGEMENT

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) Accounting in an organization is a
 - a) Recording activity
 - b) Summarizing activity
 - c) Financial information activity
 - d) all of these.
- ii) Bookkeeping in a shipping financial management is a/an
 - a) general financial data of income and expenditure
 - b) ordered financial data of income and expenditure
 - c) chronological financial data of income and expenditure
 - d) positioned and ordered financial data of income and expenditure.

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- iii) Nature of entry in a journal shows
 - a) debit and credit
 - b) debit and credit with a narration
 - c) debit and credit separately
 - d) debit and credit summary.

- iv) General ledger contains
 - a) all credit and debit accounts
 - b) all credit and debit accounts with folio numbers
 - c) all residual accounts
 - d) all important accounts.

- v) Management accounting is for
 - a) internal reporting only
 - b) external reporting only
 - c) external & internal reporting only
 - d) external, internal & regulatory bodies.



vi) Annual standard depreciation percentage against a ship in a shipping company is taken as

- a) 4%
- b) 5%
- c) 8%
- d) 10%.

vii) 'Bad debt' in a balance sheet relates to

- a) amount from a debtor not expected to be received
- b) amount due to creditor not payed during a period
- c) amount due to creditor expected to be paid later
- d) amount from a debtor not expected to be received within a period.

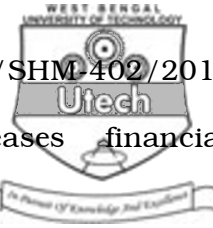
viii) Ship acquisition in a financial year by a shipping company can be accounted as

- a) investment
- b) tangible asset
- c) capital expenditure
- d) all of these.

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- ix) Currency exchange rates in international business is affected by
- a) import and export trade
 - b) inter-governmental trade
 - c) balance of trade
 - d) private and public trades.
- x) Budgeting, which is a forward estimation of expenses, is a result of
- a) Financial accounting
 - b) Cost accounting
 - c) Management accounting
 - d) All of these.
- xi) In a shipping company, ships may be
- a) an asset
 - b) a liability
 - c) a capital
 - d) all of these.



xii) A limited shipping company releases financial information to its shareholders through

- a) Profit and loss account
- b) Profit and loss account and balance sheet
- c) Profit and loss account, balance sheet and budget
- d) Profit and loss account, balance sheet, trial balance and budget.

GROUP – B

(Short Answer Type Questions)

Answer any *three* of the following. $3 \times 5 = 15$

- 2. Enlist the type of accounts maintained by a shipping company and highlight features of all types in brief.
- 3. Prepare a Trial balance sheet of a shipping company. The schedule of balance of transactions is given a under :
 - a) Cash in hand : \$ 100,000
 - b) Cash at bank : \$ 300,000
 - c) Purchase of a ship : \$ 1,000,000
 - d) Wages : \$ 150,000
 - e) Rent & Maintenance : \$ 50,000
 - f) Loan from bank : \$ 100,000
 - g) Freight to be realized : \$ 1,200,000.



4. What is an accounting cycle and what is its purpose ? Draw an accounting cycle of a company indicating its principal acts.
5. Enlist the documents used in an international business which covers supply and payment. Highlight feature of each document.
6. Briefly explain different types of freights involved in shipping. In this connection highlight different modes of freight and time for payment of same.

GROUP – C

(Long Answer Type Questions)

Answer any *three* of the following. $3 \times 15 = 45$

7. What is a documentary credit system ? Explain a documentary credit system to be followed for a shipment of cargo from one port to another by shipper to a consignee. Which all banks are involved in such an operation ?
8. What is clearing and forwarding in international shipping ? Highlight major functions undertaken by a clearing and forwarding agent and his role with stevedoring.
9. Explain features of balance sheet of a company. With respect to a shipping company, explain the entries which will qualify as assets and liabilities.



10. State and explain the different flow processes involved in conventional break bulk cargo exports. What are functions of a freight broker ? Highlight the different documents used for such operation.
11. State and explain the different process involved in import of a conventional break bulk cargo. Enlist the different documents used in the process and the different dues/duty to be paid. Also highlight the role of stevedores in this process.

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