

Roll No:

UNIVERSITY OF PETROLEUM
AND ENERGY STUDIES



Examination – SEM II

Program/course: MBA PSM

Subject: SHIP BROKING & CHARTERING

Code : TRPS 7006

No. of page/s: 3

MAY 2018

Max. Marks: 100

Duration: 3 Hrs.

Section A

Total 10 marks

1) Please answer as directed:

- a) RELET clause
- b) PWWD
- c) WICCON
- d) PDPR & its importance
- e) LAYCAN
- f) FIOST
- g) Note of protest
- h) Demurrage
- i) Expand NYPE
- j) Expand BIMCO

2) Identify & locate sea ports on the political map provided:

10 Marks

Rotterdam, Santos, Richards Bay, Tianjin, Busan, Haldia, Rastanura, Mundra, Karachi, Hong Kong

Section B

[each question is 5 marks – total: 20 marks]

- 3) Explain the following terms- use example wherever applicable. Answer 4 out of 6 questions.
- a) Difference between Voyage Charter & Bare boat charter.
 - b) Comment on difference between a Charter Party Bill of Lading and an Order Bill of Lading
 - c) Summarize and comment on the award given in “M V Mexico” case.
 - d) Differentiate between “berth charter” & “port charter”

- e) Why is 'reversible laytime' beneficial at certain times?
- f) Examine benefits of arbitration vis-à-vis the legal proceedings.

Section C

(Any Three – each 10 marks)

30 Marks

- 4) Examine the role of "SUBJECTS" in finalizing a charter party.
- 5) Write Short note on following **(Any Two)**
 - a) Duties & responsibilities of a "ship-broker"
 - b) General Average – conditions and impacts
 - c) Forum non-convenience
 - d) Contract of Affreightment
- 6) Stowage sum: a shipper has two alternatives **(A)** Bring the ship to Paradip on or around 14th November or **(B)** around 21st December.

The vessel's particulars are:

Vessel summer DWT 39000 MT Cube 49300 M³
 Vessel's summer draft – 11.90 M TPC- 48
 Vessel's tropical draft – 11.76 M Constant + bunkers = 2000 MT
 Cargo has a SF of 20

If the shipper makes a delivery by 14th November, he pays \$ 10 per MT and if he delivers by Dec 21st he pays \$9.10 per MT. For maximising benefits – when should the shipper make delivery – basis the maximum cargo that the ship can load at THAT POINT OF TIME

- 7) Describe in brief – the decision given by Learned Justice Diplock in Hong Kong Fir vs KKK (Kawasaki Kisen Kaisha) - shipping case.

Section D

30 Marks

You are an Owner. You have received an indication from Charterers for cargo from Houston, TX, USA to Kobe, Japan for the carriage of fertilizer.

The inquiry reads as follows:

Charterers invite Owner's best for following: 24000 MT FERTILIZER, 5PCT MOLCO // 1SBSP HOUSTON, USA/ 1SBSP KOBE, JAPAN// FEB 1~10, 2010// FIOST / LOAD/DISCHARGE 6,000MT PWWD SHINC// ADD/ BROK. COMM – see below// Take one day through Panama Canal Transit

You search your internal position lists and then find the closest suitable open vessel is expected as follows:

N/ OPEN: MIAMI, FL, USA ON JAN 31ST, 2010 / Name of vessel: Sea Orion / Yr. built: 1998 (Flag: Philippines) Class - LR/ DWT: 25324

Speed: 14 Kts. / hour – Bunker: FO 40 MT per day - (in sailing)
 DO usage – 5 MT per day in sailing and 8 MT per day in port

LOA/BEAM: 145.50m / 21m | HOLDS/HATCHES: 5/5 | GEAR: 5 SETS X 25MT
 (SINGLE) HORIZONTAL SLEWING
 CRANES GEMINI = 1 SET = 2 X 25MT = 50MT

Please make a voyage calculation and **create an offer for best freight** – that can be negotiated.

Voyage details	Description	Days
Savannah		
Houston	Sail 1,379 nautical miles	
Kobe	Sail 9,778 nautical miles	
	via Panama	
Weather	Factor 5% of total days (rounded)	
Houston	Loading	
Kobe	Discharge	
Total voyage days	 <i>days</i>

Gather all the cost components up as below:

Port costs @ Houston	USD 25,000
Port costs @ Kobe	USD 28,000
Canal fees @ Panama	USD 45000
Other expenses:	USD 3,000
Daily hire rate of vessel : (USD 13,000 PDPR xdays)	USD

Agency costs	1% Broker commission BENDS
Bunker Costs @ Sea	USD
Bunker Costs @ Port	USD
Total assessed cost	USD

Given the total costs of USD, the breakeven freight rate would be USD/MT.

Assuming a reasonable return on your investments – you may decide to make an initial firm offer @ USD pmt. State in maximum four lines why you want to do that.

END OF OFFER
