

| | |
|----------------------|--|
| Name: |  |
| Enrolment No: | |

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, December 2018

Course: MBA PSM

Program: Bunkering Management

Time: 03 hrs.

Instructions :Please write your answers clear and legible language

Semester: 3rd Semester

CC: TRPS 8003

Max. Marks: 100

SECTION A -20 marks

| S. No. | | Marks | CO |
|--------|--|-------|--------|
| Q 1 | State whether following are true or false | | |
| A | From 01 Jan 2020, maximum allowed sulphur content of fuel oil outside ECA is set to be 0.1%. | 1 | CO 2 |
| B | The unit of density of fuel is the centistoke. | 1 | CO 2 |
| C | The BDN has to be retained on board for a period of 12 months. | 1 | CO 2 |
| D | Emission of NOx can be eliminated by the use of scrubbers. | 1 | CO 2 |
| E | Under Marpol, carrying out fuel analysis after delivery is mandatory. | 1 | CO 2 |
| F | The bunker supplier can be different from the physical supplier. | 1 | CO 1 |
| G | The most widely used specification standard for fuels is ISO 8217:2005. | 1 | CO 1,2 |
| H | Marine residual fuels are classified on the basis of their viscosity. | 1 | CO 1 |
| I | Distance from surface of the liquid to the top of the tank is called the ullage. | 1 | CO 1 |
| J | Marpol sample of fuel delivered has to be retained for a period of three years. | 1 | CO 1,2 |
| K | The point for custody transfer of bunkers is usually the barge's bunker manifold. | 1 | CO 1 |
| L | The internationally accepted standard temperature for volume measurement 20oC or 60oF, depending on the part of the world and measurement units. | 1 | CO 2 |
| M | The distance from the surface of the liquid to the top of the tank is called the ullage. | 1 | CO 1 |
| N | At the opening gauge, if actual temperature is higher than declared temperature, there will be a gain of bunkers received. | 1 | CO 1 |
| O | A lien is a form of security over an item granted to ensure payment for that item. | 1 | CO 1 |
| P | The bunker supplier can hold the ship owner responsible for payment of bunkers even if the supply order was placed by the time charterer | 1 | CO 1 |
| Q | The Seller's measurements of volume and calculations of quantity is considered to be the final volume and quantity of Marine Fuels delivered | 1 | CO 1 |
| R | Futures are a type of non-standardized contracts wherein two parties agree on buying or selling an asset at an agreed price on a future date. | 1 | CO 1 |
| S | Claims regarding bunker quality and quantity can be put up at any time in the future. | 1 | CO 1 |
| T | The standard volume, multiplied by the density and WCF, gives the weight in air of the bunkers loaded on board. | 1 | CO 2 |
| | | | |

SECTION B –20 marks

Attempt any four (5*4=20)

| | | | |
|---|--|----|--------|
| Q 2 | Can old and new bunkers be co-mingled? If not why? | 5 | CO 1 |
| Q 3 | Briefly explain the various fuel options available for operating ships after entry into force of Marpol Annex VI requirements in 2020. | 5 | CO 2 |
| Q 4 | What is the “Cappuccino Effect” and how does it affect the quantity of bunkers delivered? | 5 | CO 2 |
| Q 5. | Explain the Bunker Non-lien Clause for Time Charter Parties | 5 | CO 1,2 |
| Q 6 | Enumerate the four BIMCO Clauses for Voyage Charters regarding bunkers? | 5 | CO 2,3 |
| SECTION-C- 30 marks Attempt any four (10*3=30) | | | |
| Q 7 | Discuss the feasibility of using LNG as fuel for ships. | 10 | CO 2 |
| Q 8. | There are certain dubious practices followed at times by bunker suppliers. What are these “tricks of the trade” one should be aware of during bunker stem operations? | 10 | CO 2,3 |
| Q 9 | Explain the six clauses contained in BIMCO’s Suite of Bunker Clauses | 10 | CO 3 |
| Q 10 | Describe sequentially the process of stemming bunkers as a bunker manager with a shipping company | 10 | CO 3 |
| SECTION-D-Case Study-30 marks | | | |
| Q 11 | A time charterer stemmed 2000 MT IFO for a vessel at Kandoli Port, with Alpha Ltd. being the supplier and Beta Inc. the physical supplier. The vessel bunkered on the planned date. Because of moderate weather, the ship’s crew was unable to witness the barge tanks prior bunkering. Due to a fault with the drip sampler, samples were taken from the barge tanks. On completion of bunkering, the vessel claimed to have received 1988 MT, while the barge figure was 2000 MT. The BDN quantity was adjusted to 1994 MT of 3.5% IFO, which was signed and stamped with a Non-lien clause by the vessel. The samples were landed for analysis. After 4 days, the analysis results reported Sulphur content to be 3.35%, and all other tests within limits prescribed by ISO 8217:2005. The vessel also reported that the bunkered quantity had gone down to 1954 MT, a loss of 40 MT. At the next port of call, Chennai, the PSC Authorities boarded for an inspection. They took samples of the bunkers being used on the main engines for analysis; the results showed the sulphur content to be 3.75%. The vessel was detained by the port as being in non-compliance with ECA regulations, with the quantum of fine to be decided. In the meantime, Beta Inc. moved the local courts to have the vessel arrested as they did not receive payment for the bunkers supplied to the vessel. | | |
| I | Discuss whether good practices were followed during bunkering? | 6 | CO 4 |
| II | Discuss what went wrong with this bunkering operation? | 6 | CO 4 |
| III | Can you tell that whether ship owner hold the time charterer or the bunker supplier liable for the detention, delays and fines? | 6 | CO 4 |
| IV | Can you tell that was is possible for bunker supplier to recover his dues from the ship owner? | 6 | CO 4 |
| V | What do you think, whether the correct procedures were followed, and if not what should have these been? | 6 | CO 4 |