

PGDM (IB) 2012-14
International Shipping Management
IB-304

Trimester –IV, End-Term Examination: September 2013

Time allowed: 2 hrs 30 min

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. In case of rough work please use answer sheet.

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	$3 \times 5 = 15$
B	2 out of 3 (Long Questions)	10 Marks each	$2 \times 10 = 20$
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

SECTION 'A'

1. Write a short note on 'Notice of Readiness'. Also explain the usual requirements to be fulfilled before a valid notice of readiness is served.
2. Describe 'Hub and Spoke Maritime Network System' followed in liner shipping. Also discuss three types of itineraries followed while deciding the operating routes in liner shipping system.
3. What is a Shipping Conference? Highlight the important benefits that accrue to liner shipping lines by becoming a member of a particular shipping conference
4. List out different types of Maritime frauds and write a short note on what you understand by an Arbitration Award
5. Differentiate between 'Jetty', 'Quay' and 'Berth' in a shipping port.

SECTION 'B'

1. Explain the distinctive characteristics of Liner Shipping and compare these with those of Tramp Shipping. On what basis the routes of liners are determined as against the chartered ships?

2. Discuss the unique features and strengths which make Singapore and Rotterdam ports as amongst the biggest in the world? Also compare them with JNPT port in India. Similarly analyze the reasons which make APL Maersk shipping company as amongst the leading ones.
3. A vessel, Sea View, arrives in port at 1130 hours on Tuesday 20th September with 24000 tons of bulk wheat. Notice of readiness was accepted at 1400 hours that day. The Charter party reads: "..... cargo to be discharged at the average rate of 4500 tons per day, weather permitting, SHINC (Sundays Holidays included). Consignee to pay vessel demurrage at the rate of 10000 USD per running day(or pro rata). Time to commence within 3 hours of acceptance of written notice of readiness. Despatch money to be paid by vessel at the rate of 5000 USD per per day saved (and pro rata)....."

Discharging commenced at 1500 hours on 20th September and was completed at 2200 hours, 25th September. Bad weather stopped work for 9 hours 30 minutes (from 0000 hrs to 0930 on 22nd September. Calculate the time allowed for discharge of cargo, time taken in discharge, amount of demurrage or despatch due.

For your convenience, a format of calculation table is given in the attached sheet. Detatch this sheet from the question paper and attach with your answer sheet with your calculations

SECTION 'C'

Study the following case carefully and answer the questions given below

The Plaintiff, an import and export company in Jiangsu Province, China, brought a suit against the Defendant, a shipping company in Hong Kong, before the Guangzhou Maritime Court in September 2002, to resolve a dispute relating to the delivery of goods under a contract of carriage of goods by sea

The Plaintiff claimed as follows:

He delivered the goods to the Defendant for carriage by the same. The goods were to be loaded at Chiwan Port (Shenzhen) and to be discharged at a Nigerian port. After loading had been completed, the Defendant issued a straight bill of lading that named the Plaintiff as the shipper.

When the goods arrived at the port of destination, the Defendant released the goods without receipt of the original bill of lading. Hence, the Plaintiff claimed against the Defendant for payment of goods and loss of freight. The Defendant on the other hand asserted that because this case involved a straight bill of lading, the carrier was only obliged to deliver the goods to the named consignee.

As the carrier, the Defendant did indeed deliver the goods to the consignee named in the straight bill of lading at the port of destination, and thus it should not bear any legal liabilities.

The Guangzhou Maritime Court ascertained that pursuant to the relevant provisions of Article 79 of the *Maritime Code of the People's Republic of China*, a straight bill of lading is not negotiable and thus has not the effect to be the document of title to the goods. The carrier therefore suffices to deliver the goods to the named consignee – unless the shipper gives instructions otherwise before the delivery of the goods. Whether the bill of lading is received or not does not affect the rights of the holder of the same.

Therefore, when the carrier delivers the goods to the consignee named in the straight bill of lading, it need not require the straight bill of lading from the named consignee. In the prevalent case, the Defendant indeed issued a straight bill of lading. Even if the Defendant did not receive the original bill of lading, he did deliver the goods to the named consignee. Moreover, prior to the delivery of the goods, the Plaintiff did not instruct the Defendant not to deliver the goods to the named consignee.

The Court thus concluded that the Defendant was not in breach of the contract of carriage and thus should not bear any liabilities there for, and the claim of the Plaintiff against the Defendant was consequently rejected.

Q1) what is Straight bill of lading? Explain the three basic properties of B/L.

Q2) what possible steps Carrier can take to stay clear of such claims?

Attached Table Q.No. 3 Section B

Name of Vessel and Cargo :

Quantity to Discharge :

Discharge rate :

Time allowed :

Demurrage rate :

Despatch rate :

Demurrage /Despatch calculations

Date	Time Counting		Time Used			Cumulative Time used		
	From	To	Day	Hrs	Mts	Day	Hrs	Mts

Time allowed ? Demurrage : US \$

Time used ? Despatch : US \$

Time Lost / gained