

BMR358C

USN

[illegible]

Question Paper Version : A

Third Semester B.E./B.Tech. Degree Examination, Dec.2024/Jan.2025

Chartering

Time: 1 hr.]

[Max. Marks: 50

INSTRUCTIONS TO THE CANDIDATES

1. Answer all the **fifty** questions, each question carries one mark.
2. Use only **Black ball point pen** for writing / darkening the circles.
3. **For each question, after selecting your answer, darken the appropriate circle corresponding to the same question number on the OMR sheet.**
4. Darkening two circles for the same question makes the answer invalid.
5. **Damaging/overwriting, using whiteners on the OMR sheets are strictly prohibited.**

- Which type of ship is primarily designed to carry unpackaged bulk goods?
 - Container ship
 - Bulk carrier
 - General cargo ship
 - Tanker ship
- What is the primary characteristic of dry bulk carriers?
 - They carry liquid cargo
 - They carry dry loose cargo
 - They Carry ref goods
 - They carry packaged goods
- Which of the following is carried on a bulk carrier
 - Cars
 - Coal
 - Electronics
 - Oil
- What is the angle of repose?
 - Max angle a material can be piled without sliding
 - Depth of ship
 - List of the ship
 - Position of the ship
- Which of the following is not a hazard associated with stowing any bulk commodities
 - Spontaneous combustion
 - Water ingress
 - Temp fluctuations
 - Overloading
- What type of ship is used to transport vehicles?
 - Bulk carrier
 - Reefer ship
 - Ro-Ro
 - Container
- Which dry commodity requires careful ventilation during transport to prevent spoilage
 - Coal
 - Ore
 - Grain
 - Fertilizer
- What is one of the main characteristics of fertilizer when transported by ship
 - Has to be in liquid form
 - Requires dry conditions
 - Non hazardous in gel form
 - Must be refrigerated

9. What type of ship carries oil?
a) Bulk carrier b) Cargo ship c) Tanker ship d) Ro-Ro ship
10. What type of ship carries containers?
a) Bulk carrier b) Container ship c) Box ship d) Reefer
11. Who hires a vessel for transporting goods
a) Ship owner b) Operator c) Charterer d) Broker
12. What is the primary role of a ship owner?
a) To negotiate freight rates
b) To operate the vessel
c) To provide the ships for charter
d) To manage customs documentation
13. Who acts as a intermediary between shippers and carriers
a) Charterer b) Broker c) Operator d) Ship owner
14. What does the freight broker do?
a) Owns and operates vessels
b) Facilitates communication between shippers and carriers
c) Loads and unloads cargo
d) Handles customs
15. What is the primary role of the broker in freight markets
a) Loading cargo b) Acting as agent
c) Operating vessels d) Monitoring weather
16. Who do brokers typically act on behalf of in the freight market
a) Banks b) Principles c) Insurers d) Regulators
17. What does "dry cargo charter" primarily involve?
a) Liquid bulk transportation b) Container ships
c) Non – liquid cargo d) Passenger transport
18. What does the term Charter" refer to in shipping?
a) Insurance coverage b) Hiring a ship c) Selling a ship d) Customs clearance
19. Who negotiates the terms of a charter party
a) Ship owners b) Brokers c) Operators d) Insurers
20. What does the term principal refer to in a brokers context
a) A Captain b) A contracting party
c) Customs d) Shipping desk
21. What is a charter party?
a) A type of shipping festival b) A contract
c) A cargo document d) A customs document
22. What is the main purpose of a charter party?
a) To outline trade routes b) To specify terms of ship hire
c) To insure vessels d) To register a ship
23. Which of the following is a common clause in all charter party forms?
a) Lay time b) Cargo weight c) Import duty d) Customs clearance

24. What is the primary use of standard forms in charter party?
 - a) To create uniformity in contracts
 - b) To reduce legal disputes
 - c) To simplify negotiations
 - d) All of these
25. What does the term 'laytime' refer to?
 - a) Ship maintenance time
 - b) Time allowed for cargo loading /unloading
 - c) Time for voyage planning
 - d) Rest period for crew
26. Which rules are specifically designed for calculating laytime?
 - a) Hague – Visby rules
 - b) Voylay rules
 - c) Rotterdam rules
 - d) UNCITRAL rules
27. What is FONASBA?
 - a) Broker organization
 - b) A shipping registry
 - c) A vessel classification body
 - d) A chartering system
28. What year was the FONASBA time charter code introduced?
 - a) 1980
 - b) 1993
 - c) 2000
 - d) 2010
29. What is the key responsibility of a ship owner in a charter party?
 - a) Cargo insurance
 - b) Maintaining the vessels sea worthiness
 - c) Customs clearance
 - d) Paying freight
30. For chemical carriers more safety measures are required?
 - a) Yes
 - b) No
31. What is the first step in the chartering negotiation process?
 - a) Acceptance
 - b) Cargo circulars
 - c) Rejection
 - d) Counter offer
32. What does the term 'firm offer' refer to in negotiations?
 - a) A suggestion
 - b) A binding proposal
 - c) A rejection
 - d) A flexible agreement
33. What is the purpose of a cargo circular?
 - a) To announce cargo availability
 - b) To finalize a contract
 - c) To issue an invoice
 - d) To track shipping routes
34. What does the abbreviation "TBA" mean in chartering negotiations?
 - a) To be avoided
 - b) To be advised
 - c) To be abroad
 - d) To be added
35. Which term describes the response to a rejected offer with a modified proposal?
 - a) Acceptance
 - b) Counter offer
 - c) Circular
 - d) Indication
36. What is an "Indication" in the context of chartering negotiation?
 - a) A firm commitment
 - b) A general idea of terms
 - c) A signed agreement
 - d) A refusal
37. What does "accept/except" mean during negotiations?
 - a) Accept everything
 - b) Accept with exceptions
 - c) Reject everything
 - d) Start over
38. What does the abbreviation "N/B" mean?
 - a) Negotiable basis
 - b) No binding
 - c) No broker
 - d) New business

39. What happens when an offer is rejected?
a) It leads to a counter offer
b) Negotiations end
c) Agreement is signed
d) The cargo is loaded
40. What is the primary focus of legal requirements in chartering?
a) Avoiding taxes
b) Ensuring that taxes are binding
c) Increasing profits
d) Simplifying Negotiations
41. What does NOR stand for in shipping?
a) Notice of receipt
b) Notice of readiness
c) Notice of rejection
d) Notice registration
42. What is the primary purpose of a notice of readiness (NOR)?
a) To declare the ships is ready to load
b) To finalize a charter party agreement
c) To issue payment to the charterer
d) To request cargo details
43. When is an NOR considered valid?
a) When the ship is fully loaded
b) When the ship is ready and in the agreed location
c) When the weather is clear
d) When the charterer accepts the cargo
44. What document provides the key details about a vessel's activities at the post?
a) Laytime statement
b) Statement of facts
c) NOR
d) Charter party agreement
45. What does the statement of facts include?
a) Weather conditions
b) Cargo details and time logs
c) Payment terms
d) Ship dimensions
46. What is the purpose of the laytime statement?
a) To calculate laytime used
b) To finalize charter party
c) To issue on NOR
d) To document payment
47. What happens if laytime is excluded?
a) Dispatch is paid
b) Demurrage is charged
c) Laytime resets
d) Charter party is voided
48. What does 'laytime' mean?
a) Time allotted for a ship to travel
b) Time for loading and discharging cargo
c) Time spent at berth
d) Time for tendering NOR
49. Who is responsible for tendering NOR
a) Ship owner or captain
b) Charterer
c) Broker
d) Cargo owner
50. What is the final step in a successful negotiation
a) Rejection
b) Signing the argument
c) Sending counter offer
d) Issue of new contract
