

INDIAN MARITIME UNIVERSITY
(A Central University, Govt. of India)
End Semester Examinations - December 2018
SEMESTER-III
M.B.A (Port and Shipping Management)
Shipping Economics (PG21T2305)

Date: 31.12.2018

Maximum Marks : 60

Time: 3 Hours

Pass Marks : 30

PART A
(Answer all the Questions)

12x1=12

- 1(a). Trade between people, companies and nations take place when
- A. Produce is more than the need
 - B. Need is more than the produce
 - C. Greed is more than the need
 - D. None of the above.
- 1(b). Unit cost of Transportation of cargo depends upon
- A. Distance
 - B. Speed of the vessel
 - C. type of the vessel
 - D. All of the above
- 1(C). The three economic centers for Seaborne Trade are
- A. North America, Europe and Asia
 - B. North America, Australia and Africa
 - C. North America, South America and Africa
 - D. Africa, Europe and Asia
- 1(d). Pure economists base their theory and predictions on
- A. Volume of Seaborne Trade
 - B. Value of the Seaborne Trade
 - C. Both A and B
 - D. None of A and B
- 1(e). Cabotage law gives protection to
- A. Country's own flag vessels
 - B. Vessels of neighbouring countries
 - C. Vessels of flags of convenience
 - D. Vessels of trading partner countries

- 1(f).The main characteristic of Bulk Commodity
- A.Volume
 - B.Stowage and handling
 - C.Value
 - D.None of the above
- 2(a).Demand and price are inversely related
- A.True
 - B.False
 - C.True and false
 - D.None of the above
- 2(b).Concept of demand in economics is based on
- A.Need
 - B.Willingness to pay
 - C.Ability to pay
 - D.All of the above
- 2(c).In the demand and supply model, demand is changed by
- A.Business cycles
 - B.Economic shocks
 - C.Secular trends
 - D.All of above
- 2(d).Baltic freight index was commenced by Baltic exchange in
- A.1945
 - B.1985
 - C.2001
 - D.1919
- 2(e).Passenger Ferries differ from Cruise vessels in the sense
- A.Generally cruise vessels are bigger
 - B.Ferries normally carry cargo too
 - C.Cruise vessels ply between continents
 - D.All of the Above
- 2(f).USA has never been a force to reckon with in ship building for a considerable length of time. It is
- A.True
 - B.False

PART- B (200 Words)
(Answer any Five out of Seven)

5 x 4 = 20

3. Write a short note on ship recycling industry.
4. What do you understand by the term equilibrium with respect to supply and demand spect to supply and demand?
5. Shipping revolves around 4 markets- elaborate.
6. Shipping revolves around market cycles. Explain this statement.
7. Explain shipping return paradox
8. Maritime trade has traditionally followed west line. Elaborate
9. What do you understand by product differentiation in shipping.

PART C
(Question No.10 is compulsory and
any three questions to be answered from the remaining)

4 x 7 = 28

10. Explain the demand for shipping highlighting the factors affecting the demand
11. Elaborate on ship building across the globe.
12. Describe bulk cargo transport with respect to economics.
13. Explain the cost of running ships
14. Give an overview of shipping cycles since 1746 till date with special emphasis post ii world war till 2007.
15. (a) What are the four methods of computing the cash flow?
(b) It is better for banks to choose clients who do not default-explain
