



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

UNIVERSITY EXAMINATION FOR:

DIPLOMA IN LOGISTICS AND TRANSPORT MANAGEMENT

(YEAR 2 SEMESTER 1)

BLT 2204: CLEARING AND FORWARDING

END OF SEMESTER EXAMINATION

SERIES:AUGUST2019

TIME:2HOURS

DATE:13Aug2019

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **FIVE** questions. Attempt question ONE (Compulsory) and any other TWO questions.

Do not write on the question paper.

Question ONE A

- a) Explain the term disbursement and some instances in which a disbursement voucher might be used
(12 Marks)
- b) Containerization is a system of intermodal freight transport using intermodal containers also called shipping containers and ISO containers made of weathering steel. Explain the disadvantages of Containerization
(12 Marks)
- c) Freight forwarding is the coordination and shipment of goods from one place to another via a single or multiple carriers via air, marine, rail or highway ,these freight forwarder have merits and demerits ,discuss these demerits
(6 marks)

Question TWO

- (a) insurance companies play an important role in clearing and forwarding or in the international trade name any five and explain the functions it plays (10 Marks)
- (b) Most of the logistics players have been traditionally freight forwarders dealing with cargo bookings coupled with origin and destination services. However as the global business practices changed and supply chain managements started gaining ground, these companies realized the potential of being able to offer multiple services including ground transportation, Explain the Role of Freight Forwarding & Logistics Companies in Supply Chain Management (10 Marks)

Question THREE

- (a) An invoice is a commercial document issued by a seller to a buyer, discuss the contents in an invoice ,Discuss the features or information in an invoice (10 Marks)
- (b) Establishing a clearing and forwarding firm is very important to the clearing and forwarding agents what are these factors one has to considers in establishing this firm (10 Marks)

Question FOUR

- (a) Transshipment is a shipping activity where goods are transported to a third party or intermediate location before being sent to their final destination. Discuss some reasons why shippers may engage in transshipments (10 Marks)
- (b) Road infrastructures are large consumers of space with the lowest level of physical constraints among transportation modes. However, physiographical constraints are significant in road construction with substantial additional costs to overcome features such as rivers or rugged terrain. Discuss five advantages of road transport as compared to other means of transport. (10 Marks)

Question FIVE

- (a) Multimodal transport also known as combined transport is the transportation of goods under a single contract, but performed with at least two different means of transport. Discuss the advantages of multimodal transport (10 marks)
- (b) Discuss the procedure for clearance imported goods (10 Marks)



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Question ONE

- (a) Diversity of Modes Transport modes are the means by which people and freight achieve mobility.
Discuss the main disadvantages of joint operations (12 marks)
- (b) Persons properly described as shipping and forwarding agents frequently act as carriers themselves with respect to part of the carriage, for example, by performing collection and delivery services between the customers' premises, their own depots, and warehouses, docks and carriers' depots. In such cases these agents have their rights and liabilities. Explain Rights and liabilities of forwarding agents they would have during the time they are performing their duties. (12 Marks)
- (c) Freight transport is the physical process of transporting commodities and merchandise goods and cargo. A transport mode is a combination of different components discuss these components of a mode of transport (6 marks)

Question TWO

- (a) There are several parties involved in clearing and forwarding, they play an important role in clearing and forwarding or in the international trade name any five and explain their functions (10 marks)
- (b) Documentation is a requirement in international trade and for moving goods. Well-ordered and accurate documents are essential for a freight forwarder and are required for a successful export order and receipt of payment for delivery, the international Trade documents may be classified into four different categories commercial documents being one of them in the category, list five documents in this category and explain their benefit in international trade (10 Marks)

Question THREE

- (a) Establishing a clearing and forwarding firm is very important to the clearing and forwarding agents what are these factors one has to consider in establishing this firm (10 marks)
- (b) Containerization is a system of intermodal freight transport using intermodal containers also called shipping containers and ISO containers made of weathering steel. Explain the advantages of Containerization (10 marks)

Question FOUR

- (a) Discuss the Factors one may prefer using air Freight instead of using. Ocean Freight (10 Marks)
- (b) Explain the term disbursement and some instances in which a disbursement voucher might be used (10 marks)

Question FIVE

- (b) Multimodal transport also known as combined transport is the transportation of goods under a single contract, but performed with at least two different means of transport. Discuss the advantages of multimodal transport (10 marks)
- (c) Most of the logistics players have been traditionally freight forwarders dealing with cargo bookings coupled with origin and destination services. However as the global business practices changed and supply chain managements started gaining ground, these companies realized the potential of being able to offer multiple services including ground transportation, Explain the Role of Freight Forwarding & Logistics Companies in Supply Chain Management. (10 marks)