



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

UNIVERSITY EXAMINATION FOR:

DIPLOMA IN PROCUREMENT AND MATERIALS MANAGEMENT

BPC 2205: INTERNATIONAL PURCHASING

END OF SEMESTER EXAMINATION

SERIES: APRIL 2022

TIME: 2 HOURS

PAPER- B

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 Three and Question one is Compulsory.

Do not write on the question paper.

Question ONE (Compulsory)

- A) Identify six challenges facing international trade/ purchasing (12marks)
- B) Explain the following INCOTERMS used in international purchasing (8marks)
 - I. Carriage paid to
 - II. Free on board
 - III. Cost insurance freight
 - IV. Duty delivered unpaid
- C) Analyze five circumstances in which competitive tendering exercise might not be the best approach to make a purchase (10marks)

Question TWO

- A) Outline any five differences between international sourcing and local sourcing (10marks)
- B) Examine five reasons of globalization in purchasing (10marks)

Question THREE

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A) Identify five differences between purchasing goods and purchasing services (10marks)

B) Explain the '5 rights of purchasing and how each might be achieved (10marks)

Question FOUR

A) Determine the role that a freight forwarder is expected to play to facilitate international purchasing for a client (10marks)

B) As newly employed purchasing Manager, you are seeking information pertaining the potential overseas suppliers. outline the possible sources of such information (10marks)

Question FIVE

A) Justify five factors that an organization should consider in selecting a mode of transport for materials (10marks)

B) list five methods of payment in international purchasing (10marks)