



TECHNICAL UNIVERSITY OF MOMBASA

Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

UKUNDA CAMPUS

DIPLOMA IN PROCUREMENT AND MATERIAL MANAGEMENT
DIPLOMA IN HUMAN RESOURCE MANAGEMENT

BPC 2206: INTERNATIONAL PURCHASING

END OF SEMESTER EXAMINATIONS

SERIES: AUGUST 2013

TIME: 2 HOURS

INSTRUCTIONS:

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

This paper consists of Two printed pages.

QUESTION 1 (Compulsory)

- a) Although international purchasing is inevitable in the modern world it must be done in moderation since it can adversely affect especially the developing country.
Explain briefly any FIVE reasons for a country laying import restrictions of various goods and services. **(10marks)**
- b) Describe counter trade as a form of payment outlining the various types it can take. **(10marks)**
- c) Describe briefly FIVE factors emphasizing the importance of national and international standards. **(10marks)**

QUESTION 2

- a) Define bill of lading and describe any FOUR types of bill of lading you are familiar with. **(10marks)**
- b) Briefly describe the two step bidding process and highlight any FOUR pre-requisites of an effective bidding. **(10marks)**

QUESTION 3

- c) Explain at least FIVE legal difficulties an international purchaser is likely to encounter abroad. **(10marks)**
- b) Describe the FIVE factors that distinguish industrial goods from consumer goods. **(10marks)**

QUESTION 4

- a) Explain FIVE reasons as to why international traders prefer to use the ICC court of arbitration rather than the contemporary or national courts. **(10marks)**
- b) Explain the obligation of the exporter and the responsibilities of the importer where the price quoted is FOB (free on Board) Kilindini port Mombasa. **(10marks)**

QUESTION 5

- a) Briefly describe the FOUR main concerns of international logistics in the supply chain management. **(10marks)**
- b) Write short notes on the following:
- i) Documentary credit
(4marks)
 - ii) Certificate of origin
(2marks)
 - iii) Regional grouping
(4marks)