

BINDURA UNIVERSITY OF SCIENCE

EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF ECONOMICS

**BACHELOR OF SCIENCE HONOURS DEGREE IN PURCHASING
& SUPPLY**

SCM 402: GLOBAL SOURCING/

PAS 410: INTERNATIONAL PURCHASING1

DURATION: 3 HOURS

TOTAL MARKS: 100

INSTRUCTIONS TO CANDIDATES

- i. Answer any 4 questions.
- ii. Begin a new answer on a new page.
- iii. All questions carry 25 marks.

QUESTION ONE

What is meant by a bill of exchange? Discuss the life cycle of a bill of exchange.
(25 Marks)

QUESTION TWO

Explain the different documents used in international purchasing. (25 Marks)

QUESTION THREE

What factors affect the choice of a payment method in international purchasing.
(25 Marks)

QUESTION FOUR

(a) Discuss the factors to consider when determining the method to use in international shipping. (12 Marks)

(b) Before shipping, what key issues should the exporter check? (13 Marks)

QUESTION FIVE

Assume that a buyer wants to make an insurance claim against damaged goods. Explain the documents that the buyer must produce and describe the process that the buyer must follow. (25 Marks)

QUESTION SIX

Explain the following rules defined by Incoterms 2010 for any mode(s) of transportation.

- (a) DES – Delivery ex – ship (5 Marks)
- (b) DEQ – Delivered ex - quay (5 Marks)
- (c) DAF - Delivered at frontier (5 Marks)
- (d) DDP - Delivered Duty Paid (5 Marks)
- (e) DDU/ Delivered Duty Unpaid (5 Marks)

END OF PAPER