



Executive Education
Indian Institute of Management Ahmedabad

INTERNATIONAL SALE CONTRACTS

February 4 - 7, 2019



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The Context

India is completely integrated in the global production, manufacturing, service and consumption chain. Most manufacturing companies buy components, raw materials, equipments and plant and machinery from the international market. This includes industries engaged in electronic goods, automobile manufacturing, consumer durables, drugs and pharmaceuticals, chemicals, cosmetics, petroleum products and power and electricals. The companies providing services procure equipment, machinery and materials from the international markets. This includes the industries in telecommunications, information technology, construction, aviation, broadcasting, health care, real estate, education, entertainment, transportation, banking, ports and infrastructure development.

The user companies buy directly from the international sellers. Subsidiaries of foreign companies buy from the other subsidiaries and third parties. Dealers and distributors of foreign manufactures buy, import and sell the goods to domestic businesses and retailers. Importers specialise in and import and sell diverse kinds of goods, including consumer goods, industrial goods, spare parts, raw materials and chemicals. The online stores have emerged as a category procuring goods from the international market and retailing in India.

While India has a large domestic market for its manufactures, it is also a manufacturing base for exports. A large variety and quantities of manufactured goods are exported all over the world. The exports are done by three classes of companies. Indian companies, for example pharma companies, sell in the international market, either directly or through their subsidiaries. Foreign companies have subsidiaries in India who export goods manufactured by them to other subsidiaries and third parties. Then there exporting companies who specialise in exporting diverse goods to different countries.

The sale, import and export of goods happens through international sale contracts. All contracts have the risk of failures, more so, international sale contracts. An international sale contract involves different national legal systems. The contract terms including quality of goods, delivery and documents, risk and damages to goods and exclusion clauses may get understood differently by the parties. Well intentioned parties too could readily get into a dispute over the contract. Arbitration in neutral jurisdiction mitigates the differences in the national laws of the parties but it adds a new element to the contract. A thorough understanding of the nature and scope of the terms of international sale contracts would lead to efficient and successful performance of the contract.

Objectives

The buying and selling companies have their General Conditions of Contract (GCC) on which they buy and sell; and import and export goods. After the parties negotiate the sale, 'the battle of forms' starts, where each insists the contract would be on its GCC. Eventually, one party succeeds and has the contract on its terms, with or without revisions. The terms of the contract set the rights, duties and obligations of the parties. Managing the sale contract means negotiating the terms of the contract and performing the duties and obligations under the contract.

The objective of the programme, then, is to help the executives develop comprehensive understanding of the terms of the sale contract.

Programme Highlights

The programme will cover the following themes and contract terms:

- **Formation of contract:** Offer and acceptance, 'battle of forms', email communications, online contracts and contract by signing of documents.
- **Goods:** Scope of goods; composite contracts involving goods and services; and intellectual property rights and goods.
- **Quality of goods:** The right of the buyer to get the described goods; goods of merchantable quality; reliance on the seller to get suitable goods; express and implied condition and warranties; and clauses excluding conditions and warranties.
- **Inspection and examination:** The buyer gets the right to examine and reject the goods before delivery only if the contract provides it.
- **Repair and maintenance:** The warranty clauses settle the right of the buyer to receive post- purchase replacement of parts, repairs and maintenance and servicing.
- **Transportation and delivery:** Incoterms define the means and mode of transportation; risk in transportation; delivery of goods and documents; and insurance. Incoterms also settle as to who would pay custom duty.
- **Ownership:** Transfer of ownership, risk of damage and loss of goods; insurance; and the right to re-sell.
- **Payment mechanism:** Letters of credit and the chain of international banks; confirmed and unconfirmed letters of credit; the Uniform Customs and Practice for

Documentary Credits (UCP 600); and guarantees and counter-guarantees.

- **Termination of contract:** Termination of contract for breach, convenience and impossibility (force majeure).
- **Award of damages:** Commercial damages, liquidated damages, indirect and consequential losses; and limitations on damages.
- **Product liabilities:** Indemnities cover all risks and losses the buyer could suffer in performance of the contract or from the goods.
- **Taxation:** International sale and incidences of taxations; tax regimes; custom duties; and sale on high seas.

Pedagogy

The programme will employ a mix of case studies and discussion, participatory exercises, and lectures.

Participants' Profile

The programme is intended for all levels of managers in private and public sector organizations handling international purchase and sales; and imports and exports. The fields include, organisations engaged in electronic goods, automobile manufacturing, consumer durables, drugs and pharmaceuticals, chemicals, cosmetics, petroleum products, power and electricals, telecommunications, engineering goods, information technology, construction, aviation, broadcasting, healthcare, real estate, education, entertainment, transportation, banking, ports and infrastructure development, agricultural produce, marine produce, leather goods, textiles, plantations and handicrafts.

Faculty

- **Pathak, Akhileshwar** Ph.D., Edinburgh
Faculty Chair – International Sale Contracts
Professor Pathak has been researching, teaching and training in the field of business law and contracts.
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Guest Faculty would include a banker specialising in international banking and Uniform Documentary Practices; and taxation specialist.

Nominations and Inquiries

Nominations should reach the Executive Education Office latest by **January 21, 2019**. The last date for early bird discount is **January 14, 2019**.

Organisational sponsorship is generally required, but can be waived in case the participant is likely to gain significantly from the programme for personal improvement or greater job effectiveness.

All nominations are subject to review and approval by the programme faculty (usually after the due date for receiving nominations). A formal acceptance letter will be sent to selected nominees accordingly. Nominees are requested to make their travel plans only after receiving the acceptance letter.

For nomination forms and more information, please contact:

Executive Education

Indian Institute of Management Ahmedabad
Vastrapur, Ahmedabad 380 015.

Phone: +91-79-6632 4461 to 69 and 4472 to 77

Fax: +91-79-2630 0352 (ExEd)/2630 6896 (General)

Email: exed@iima.ac.in

Website: www.iima.ac.in/exed

Certificate

A certificate of participation will be issued to the participants at the end, subject to attending all the sessions of the programme.

Venue and Accommodation

The programme will be held at the Indian Institute of Management Ahmedabad. Participants would get a full board and air-conditioned single room accommodation on the Institute campus.

IIMA norms do not allow participants to have guests stay with them during the programme.

Programme Fee and Payment

INR 1,20,000 plus 18% GST per person for participants from India and its equivalent in US Dollars for participants from other countries. The fee includes tuition fees, programme materials, boarding and lodging.

The programme fee should be received by the Executive Education Office latest by **February 21, 2019**. In case of cancellations, the fee will be refunded only if a request is received at least 15 days prior to the start of the programme. If a nomination is not accepted, the fee will be refunded to the person/organisation concerned.

The programme fee can be paid in one of these two ways:

[A] Electronic Fund Transfer:

1. Name of Beneficiary:
Indian Institute of Management Ahmedabad
2. Savings Bank A/c No. 9369EEP, YES Bank Limited,
C. G. Road Branch, Ahmedabad
(IFSC: YESB0000007, SWIFT Code: YESBINBB)
3. Name of Remitter: _____ (Please mention the name of the sponsoring organisation)
4. Purpose of Remittance:
International Sale Contracts
5. IIMA Permanent Account Number (PAN):
AAATI1247F
6. IIMA Tax Deduction Account Number (TAN):
AHMI00189A
7. IIMA GST Registration Number:
24AAATI1247F1Z4 SAC: 999293

After making the payment, please email us the complete transaction details immediately so that we can link your remittance with your nomination.

[B] Payment Gateway

For more information, please visit the respective programmes in our website (www.iima.ac.in/exed).

Discount

Early Bird Discount: Nominations received with payments on or before **January 14, 2019** will be entitled to an early bird discount of 7%. Early submission of fee and nomination does not however guarantee acceptance of the application.

Group Discount: Any organisation sponsoring four or more participants will be entitled to a discount of 7% on the total fee payable provided that at least four

participants actually attend the programme. Organisations can avail themselves of both the discounts subject to a maximum overall discount of 10%.

Any organisation sponsoring 25 or more participants across all the programmes in one academic year will be entitled to an overall discount of 15% on the programme fee payable.

The above discounts will be applicable only when the requisite numbers of participants actually attend the programmes.

Alumni Association

Participants who are attending short-duration Executive Education Programmes for the first time on or after April 1, 2012, will have to attend for a total of 21 days in one or more programmes in order to be eligible for alumni status and the alumni identity card, both of which will be awarded on the payment of a one-time alumni fee of INR 10,000.

Indian Institute of Management Ahmedabad (IIMA)

IIMA was set up by the Government of India in collaboration with the Government of Gujarat and Indian industry as an autonomous institution in 1961. The Institute provides education, training, consulting and research facilities in management.

Major Programmes Offered by IIMA

- Two-Year Post Graduate Programme in Management (equivalent to MBA)
- Two-Year Post Graduate Programme in Food and Agri-business Management (equivalent to MBA)
- Fellow Programme in Management (equivalent to Ph.D.)
- One-Year Post Graduate Programme in Management for Executives
- Executive Education offers short duration programmes through open enrolment, customisation and online for various levels of experienced professionals across industry
- Faculty Development Programme for teachers in universities and colleges
- Two-Year Online Post Graduate Programme in Management (ePGP)

The Institute has 97 faculty members working in the following management areas and centres:

Disciplinary Areas and Groups

- Business Policy
- Economics
- Human Resource Management
- Marketing
- Production and Quantitative Methods
- Communications
- Finance and Accounting
- Information Systems
- Organisational Behaviour
- Public Systems Group

Interdisciplinary Centres

- Centre for Gender Equity, Diversity and Inclusivity
- Centre for Innovation, Incubation and Entrepreneurship
- Centre for Management in Agriculture
- Centre for Management of Health Services
- IIMA-Idea Telecom Centre of Excellence
- India Gold Policy Centre
- Ravi J. Matthai Centre for Educational Innovation

Kasturbhai Lalbhai Management Development Centre (KLMDC) located on the IIMA main campus and the **International Management Development Centre (IMDC)** located on the new campus, provide an academic and learning environment for participants of the Executive Education Programmes. All rooms at KLMDC and IMDC are air-conditioned and have internet connectivity. They have separate dining halls, a reading lounge, classrooms and auditorium (with audio-visual and computer projection facilities), syndicate rooms and computer lab. The campus is Wi-Fi enabled. Recreation facilities exist for indoor and outdoor games (badminton, basketball, billiards, carrom, chess, cricket, football, squash, TT and volleyball). Participants can also take advantage of the Institute's library.



कार्यकारी शिक्षा
भारतीय प्रबंध संस्थान अहमदाबाद

EXECUTIVE EDUCATION
INDIAN INSTITUTE OF MANAGEMENT AHMEDABAD

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