

31 JAN 2026

NATIONAL LAW UNIVERSITY, JODHPUR

End Term Examination, August- December 2025

Semester-VII

(Trade and Investment Law Hon'rs)

Subject: Law of Export Trade

Time: Three Hours

Marks- 100

Instructions:

1. Answer any five questions.
2. Bare Acts are not allowed.
3. Try to answer the questions citing the relevant provisions and case laws.

**Q.1)**

"The need to create internationally uniform rules for contracts linked to more than one country designed to transcend national borders in order to maximise the utilisation of resources and create certainty has been recognised for almost a century ago. Various attempts to make these rules uniform and certain had been made. But most of these treaties had not been seen so many countries ratifying the conventions. Only the ratification of international commercial treaty accelerated once Convention on International Sale of Goods (CISG) came into existence." Analyse.

Why has the CISG attracted to so many countries? Analyse the statement in the light of advantages and general principles of CISG. Whether India should sign this international sales law of the World? Provide major advantages and disadvantages the treaty offers for India.

(Marks 20)

**Q.2)**

Hamzeh Walas and Sons was a Jordanian firm. It contracted to purchase from the British Imen Industries Ltd. Based in UK, a large quantity of reinforced steel rods. The rods were to be delivered in two instalments. Hamzeh Walas and Sons had opened two confirmed letters of credit, one each for the two instalments, with the Midland Bank Ltd., in London, in favour of the seller, British Imen Industries Ltd. The seller delivered the first instalment and received payment from the Midland Bank by submitting the documents required by the terms of the letters of credit. On receiving the first instalment, Hamzeh Walas and Sons found the supplied goods to be defective. It sought court proceedings to stop the British Imen Industries Ltd., from realising the second letters of credit. It was argued by the seller that the buyer had repudiated the contract. Thus, there was no obligation on the seller to dispatch the goods and collect the money. The buyer argued that it was not seeking to change the liability of the bank to the seller, but merely to restrain the seller from realising the credit. Argue and decide.

(Marks 20)

**Q.3)**

An Australian buyer entered into a contract with a Bulgarian seller for the purchase of cheese. After the initial shipments, the buyer complained that the goods were not of the quality or description that the seller had agreed to supply, it thus withheld payments for the last



shipments. The seller sued the buyer, which objected that the seller was in breach of contract for lack of conformity of the goods and that the buyer was thus entitled to set off the seller's request with its claim for damages. The buyer, referring to the CISG argued that the cheese [should] "be fit for the purpose expressly or impliedly made known to [the seller] and that the cheese possesses the qualities of sample cheese provided".

Argue and decide the above case citing CISG provisions, report of the CISG Advisory Council and case laws.

**(Marks 20)**

**Q.4)**

The defendant, on September 29, 2020, sent a request for quotation to the plaintiff with 13 terms and conditions ("T&C") on the reverse side of the document. The Plaintiff gave the quote on September 26, 2020 with the 12 terms enumerated on the reverse side, including a condition that there shall be no modification of these terms despite any acknowledgement of a purchase order with additional or differential conditions. None of the T & C traded thus far had an arbitration clause. A revised proposal was sent by plaintiff on November 17, 2020 with the same 12 T & C. The defendant sent two purchase orders, one on January 16, 2021 and another one on July 13, 2021 with an added arbitration clause and the instruction of acceptance to be sent on mail with the shipment date. Though the orders were not signed, the goods were delivered. When defendant stopped payment due to deficiencies in the goods, plaintiff filed a suit for price while the defendant sought a stay on the proceedings in court and called for arbitration.

Argue and decide the case citing relevant provisions of the CISG and case laws.

**(Marks 20)**

**Q.5)**

Plaintiff runs a vine nursery in Austria dealing, inter alia, with the breeding and refinement of vines as well as the sale of these vines. In the grafting process, the [plaintiff] uses a special wax in order to protect the vines from drying out and in order to reduce the risk of infection. The wax, which plaintiff also in part resold, was purchased by [plaintiff] for many years from the defendant, whose owner also runs a vine nursery. The defendant in turn obtained the wax from the F.W. Company. The manufacturer of the wax was the company S. Werke GmbH.

In a letter dated January 18, 1994, plaintiff asked defendant, as in previous years, to submit an offer for "about 5,000 kg black vine wax." With reference to this letter, the defendant offered to plaintiff, in a letter dated January 21, 1994, 5,000 kg of "black vine wax" at the price of DM [Deutsche Mark] 5.43 per kilogram. On January 31, 1994, plaintiff placed such an order.

The wax which was thereupon delivered to plaintiff was a type of wax newly developed by S. Werke, as requested by defendant. Defendant had neither actually received nor inspected the goods prior to delivery to plaintiff. The delivery took place in the original



packaging directly from the manufacturer, S. Werke, as requested by defendant via the F.W. Company.

Plaintiff partially used the wax for the treatment of its own vines. In addition, plaintiff also sold the wax and vines which had been treated in its nursery with the wax to other nurseries which, in turn, treated their vines with the wax and also delivered vines that had been treated with the help of the wax to other customers.

In a letter dated June 16, 1994, plaintiff gave notice of the defective wax to defendant and complained of major damage to vines treated with the wax. In the lawsuit at issue, plaintiff demands the value of sA [Austrian Schillings] 14,146,348.40 in damages from the defendant. Defendant refuses to compensate [the buyer]. [The defendant] attributes the alleged damages to frost and argues that it is exempt from any liability as an intermediary pursuant to Article 79 of the CISG because the reasons for the damages are out of its control. In addition, [defendant argues that] the asserted damages are excluded by its general terms and conditions of sale.

The *Landgericht* [Court of First Instance] dismissed the complaint. Upon the appeal of the plaintiff, the *Oberlandesgericht* [Regional Appellate Court] held that the complaint presented a valid cause of action and remanded the case to the *Landgericht* for further hearings on the amount of damages. The appeal of defendant argues against this and requests the reinstatement of the *Landgericht* judgment. Argue and decide.

(Marks 20)

Q.6)

Write short notes on any two of the following:

- (a) Parole evidence and its interpretation by Article 8 of the CISG
- (b) Internal and external gaps under CISG
- (c) Bank Guarantee in international trade

(Marks 10+10)