

**JYOTI NIVAS COLLEGE AUTONOMOUS  
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

**Programme: B.Com LSM**

**Semester: VI**

**CONTRACT AND BUSINESS NEGOTIATION FOR PURCHASING AND SUPPLY**

**Course Code: 18BL605**

**No. of Hours: 60**

**COURSE OBJECTIVES:**

- To enable students to know about the general concepts of contract.
- To impart knowledge on various approaches for business negotiations.
- To help the students to understand the importance of purchasing in supply chain

**LEARNING OUTCOMES:**

- Legal consultants with regard to logistical contracts
- Students will learn to approach each business negotiation in a strategic and systematic way.
- Students will enhance their commercial negotiation skills

**UNIT 1:**

**10 HRS**

**Introduction to contracts & commercial negotiation**

Contracts for supply of goods or services & their documentation. Invitation to tender and quotations. Key performance indicators (KPIs). Contractual terms. Pricing and Other Schedules. Commercial negotiations – sources of personal power, organizational power, comparison of powers of suppliers and purchasers

**UNIT 2:**

**16 HRS**

**Sale of Goods Act**

Introduction-meaning and definition of contract of sale, Essentials of contract of sale, conditions and warranties, Rights of an unpaid seller. The Vienna Convention on the International Sale of Goods. Types of agreements – One-off purchases, framework agreements, mini competitions, call offs, service contracts, contracts for hire and leasing of assets

**UNIT 3:**

**12 HRS**

**Commercial negotiation in relation to supply chain**

Sources of conflict in relation to commercial negotiation. Team management in commercial negotiation. Approaches for commercial negotiations – Win-win integrative approach, Win-lose approach, Lose-lose approach.

**UNIT 4:****12 HRS****Costs and prices in commercial negotiations**

Types of costs – Direct & Indirect, Fixed & Variable. Break-Even-Analysis, CVP Analysis, Costing Methods – Absorption costing, Marginal Costing & Activity Based Costing. Volumes, Margins and Mark-ups and their impact on pricing. Influence of Micro and Macro economic factors on commercial negotiation.

**UNIT 5:****10 HRS****Communication aids to undertaking commercial negotiations**

Stages of Commercial Negotiations – Preparation, Opening, Testing, Proposing, Bargaining, Agreement & Closure. Influence of behavior on commercial negotiation. Methods of commercial negotiations – Persuasion method, use of tactics, communication skills. Influence of culture on commercial negotiations. Resources required for commercial negotiations.

**Skill Development:**

- Preparing Marginal Costing Income statement and analysing Cost Volume and Profit relationship of any Supply chain unit for a current period.
- Preparing a report on recent approaches on Commercial negotiations.

**BOOKS FOR REFERENCE:**

- R.B. Handfield and E.L. Nochols, Jr. Introduction to Supply Chain Management. Prentice Hall, 1999
- N. Viswanadham and Y. Narahari. Performance Modeling of Automated manufacturing Systems. Prentice Hall of India, 1998.
- Sunil Chopra and Peter Meindel. Supply Chain Management: Strategy, Planning, and Operation, Prentice Hall of India, 2002.
- Jeremy F. Shapiro. Modeling the Supply Chain. Duxbury Thomson Learning, 2001.
- David Simchi Levi, Philip kaminsky, and Edith Simchi Levi. Designing and Managing the Supply Chain: Concepts, Strategies, and Case Studies. Irwin McGrawHill, 2000. 4