

MDSL 814	Legal & Safety Issues in Supply Chain Sector	L	T	P	C
Version 1.0		3	0	0	3
Pre-requisites/Exposure	Basic knowledge of Logistics & Supply Chain Management				
Co-requisites	Acts, Rules, Protocols & Conventions				

Course Objectives

- a) To familiarize participants with legal and safety aspects of logistics sector.
- b) To enable the participants in identifying and formulating supply chain contracts.
- c) To familiarize participants with Acts, Rules, Protocols & Conventions relevant to logistics Industry.
- d) To impart knowledge for enabling students to develop sales and purchase contracts, analyse logistics policies practices in-lined with the rules and acts prevailing in the country.

Course Outcomes

Upon successful completion of the course you are expected to:

CO1) Conceptualizing and understand acts, rules and regulations in context with logistics and supply chain management.

CO2) Analyze on the basis of conceptual framework the legal aspect of transportation, warehousing and other supply chain functions in managing conflict, adhering to local and global norms to enable greater competitiveness.

CO3) To integrate legal knowledge & skills necessary for Logistics and Supply Chain Management related decisions.

CO4) Apply legal insights in developing strategies for designing logistical network in adherence with global and local rules, regulation and standards.

CO5) To be able to create supply chain's legal and policy level organizational framework for real time business problems.

CO6) Apply basic requirements of supply chain sector law enforcement and application

Catalog Description

This course is designed to provide students with the necessary skills and knowledge to determine the information necessary to address an identified legal problem (basic) and, using this understanding, develop and use actionable solutions. In this process, the students will gain an understanding of relevant approaches and elements of undertaking a regulatory and policy level enquiry specifically to provide insights to solving a relevant problem. This course is intended to give those in logistics and supply management a comprehensive look at various aspects of transportation, warehousing, sales and contract law and their application to the supply management function as well as what happens after a contract has been formed – each party's respective responsibilities for performance of the contract and rights to legal remedies in the event of non-performance. In addition, it provides an overview of the Indian legal system and other non-contract laws and legal principles that affect the supply professional's day-to-day job responsibilities. Successful completion of this course should be sufficient for students to frame and analyse a logistics, sales and contract proposal.

Legal & Safety Issues in Supply Chain Sector

Course Content

Module I: **3 lecture hours**
Introduction to Legal Aspect, Injunctions, Damages, Costs, Punishment, Fundamental Rights and their enforcement

Module II: **3 lecture hours**
Contract Act, 1872, Types of Contract, Breach of Contract, Essentials of a contract, Contract of indemnity, Contract of Guarantee, Judgement: Kilburn Engineering Ltd Vs ONGC, Remedies for Breach of Contract, How to discharge a contract, Flaws in contract, Unlawful Agreement

Module III: **3 lecture hours**
Sale of Goods Act, 1930, Definitions, rights of an unpaid seller, Sale by Sample

Module IV: **3 lecture hours**
Carriage by Air act 1972, Liability and its Enforcement, Rule of Registered Luggage/Baggage, Schedule 1 & 2 of Airway Bill

MODULE V: **3 lecture hours**
Negotiable Instrument Act, 1881, Features of P Note, Bill of Exchange, Difference between P. notes and Bill of Exchange, Difference between Bill of Exchange and Cheque,

MODULE VI: **3 lecture hours**
Carriage by road Act 2007, Objectives, Definitions, Consignor, Consignee, Consignment Note, Liability of Common Carrier

MODULE VII: **3 lecture hours**
Carriage of Goods by sea act 1925, Introduction and Definition, Application of Rules, Bill of Lading

MODULE VIII: **3 lecture hours**
Motor Vehicle Act, 1988, Objective and Definition

MODULE IX: **3 lecture hours**
Warehousing (Development and regulation) act, 2007 with allied rules and regulations, Introduction and definition

MODULE X: **3 lecture hours**
Customs Act, 1962/Central Excise Act, 1944, (Amendment in 2008), GST Act 2016, Arbitration Act 1940 (Amendment in 2016) , Introduction and overview

MODULE XI: **6 lecture hours**
Environment Protection Act 1986, Food Safety Standards Act, 2006

TEXT BOOKS:

1. Rajvanshi, G. (2015). *Transportation Law. Haryana: Lexis Nexis.*
2. Pathak, A. (2015). *Legal Aspects of Business. New Delhi: Mc Graw Hill Education.*
3. R S N Pillai, B. (2015). *Business Laws (p. 566). S Chand & Company, Delhi.*

REFERENCE BOOKS:

1. Legal Aspects of Purchasing and Supply Chain Management Third Edition, by Ian Longdin

Modes of Evaluation: Quiz/Assignment/ presentation/ extempore/ Written Examination Examination Scheme:

Components	Quizzes	Case Analysis and Class Participation offline/online	Group Project Presentation	ESE
Weightage (%)	15	15	20	50

Relationship between the Course Outcomes (COs) and Program Outcomes (POs)

Mapping between COs and POs		
	COURSE OUTCOMES (COs)	POs
CO 1	Conceptualizing and understand acts, rules and regulations in context with logistics and supply chain management.	PO 1,2, 3,4,7,8,9,10, 11,13, 14
CO 2	Analyze on the basis of conceptual framework the legal aspect of transportation, warehousing and other supply chain functions in managing conflict, adhering to local and global norms to enable greater competitiveness.	PO 1,2, 3, 7,8,9,10, 11,14
CO 3	To integrate legal knowledge & skills necessary for Logistics and Supply Chain Management related decisions	PO 1,2, 3, 8,9,10, 11, 13,14
CO 4	Apply legal insights in developing strategies for designing logistical network in adherence with global and local rules, regulation and standards.	PO 4,5, 8,12,13, 14
CO 5	To be able to create supply chain's legal and policy level organizational framework for real time business problems.	PO 1,2,3,7,8,9,10
CO 6	Apply basic requirements of supply chain sector law enforcement and application.	PO 1,2,3,4,5,8,9,10


Program Outcome / Course Outcome mapping

Course Outcomes	CO 1	CO 2	CO 3	CO 4	CO5	CO 6
PO 1	3	3	3	2	3	3
PO 2	3	3	3	2	3	3
PO 3	3	3	3	2	3	3
PO 4	3	1	1	3	3	2
PO 5	2	2	1	3	1	1
PO 6	1	1	1	1	1	1
PO 7	3	3	1	2	2	2
PO 8	3	3	3	3	3	2
PSO 9	3	3	3	1	1	2
PSO 10	3	3	3	2	1	3
PSO 11	3	3	3	2	2	3
PSO 12	1	1	1	3	2	3
PSO 13	3	1	3	3	3	3
PSO 14	3	3	3	3	3	3

Course Code	Course Title	PO 1	PO 2	PO 3	PO 4	PO 5	PO 6	PO 7	PO 8	PSO 9	PSO 10	PSO 11	PS12	PSO 13	PS O14
MDSL 814	Legal & Safety Issues in Supply Chain Sector	3	3	3	2	2	1	3	3	2	2	3	2	3	3
		Students will be able to develop and evaluate alternate managerial decisions and identify optimal solutions	Students will demonstrate effective application capabilities of their conceptual understanding to the real world business situations	Students will be able to exhibit effective decision making skills, employing analytical and critical thinking ability	Students will demonstrate effective oral and written communication skills in the professional context	Students will be able to work effectively in teams and demonstrate team building capabilities	Students will exhibit leadership and networking skills while handling business situations	Students will demonstrate sensitivity towards ethical and moral issues and have ability to address them in the course of business	Students will demonstrate employability traits in line with the changing dynamics of the industry	Students will demonstrate strong conceptual knowledge in the functional area of management as well as LSCM domain	Students will demonstrate effective understanding of relevant functional areas of management and their application in LSCM	Students will demonstrate analytical skills in identification and resolution of business problems pertaining to LSCM & general management	Students will exhibit the ability to integrate functional areas of management with domain perspective for the purpose of planning, implementation & control of LSCM	Students will have global perspective towards business situations in the area of LSCM	Students will exhibit deployable skills pertinent to the LSCM sector

- 1 – Weakly mapped
- 2 – Moderately mapped
- 3 – Strongly mapped

Model Question Paper

Name: Enrolment No:			
<p style="text-align: center;">Course: MDSL 813 – Legal & Safety Issues in Supply Chain Sector (HBO)</p> <p>Programme: M.B.A (LSCM Program) Semester: EVEN-2016-17</p> <p>Time: 03 hrs. Max. Marks: 100</p>			
<p>Instructions: Attempt all questions from Section A (Part A 1 Mark each & Part B carrying 2 marks each); any Two Questions from Section B (each carrying 5 marks). Section C is Compulsory (carrying 10 marks).</p>			
Section A (All Questions are Mandatory)			
1	Carriage by road act was passed in the year _____	[2]	CO1
2.	Indian Contract Act is derived from _____	[2]	CO2
3.	Indian Sales of Goods Act is separated from _____ in _____	[2]	CO1
4.	According to Indian Sales of Goods Act goods are classified as _____	[2]	CO1
5.	FSSAI stands for _____	[2]	CO1
6.	_____ is the Document issued by Shipping line in case of transportation by sea	[2]	CO1
7.	_____ is the Document issued by Shipping line in case of transportation by air	[2]	CO2
8.	RTO stands for _____	[2]	CO4
9.	WD&RA stands for _____	[2]	CO1
10.	FBO stands for _____	[2]	CO1
SECTION B (Attempt any Four Questions)			
1.	Who is a common carrier? And what is the condition to become a common carrier?	[5]	CO1
2.	Mentions the rights of an unpaid seller?	[5]	CO4
3.	What is difference between P notes and Bill of Exchange?	[5]	CO3
4.	What are the objectives of Food Safety and Standards Act?	[5]	CO4
5.	What is the importance of environment protection act with reference to logistics Industry?	[5]	CO3
SECTION C (Attempt any Two Questions)			
1.	Mention Objectives of Indian Contract Act 1872 and Essentials of a contract?	15	CO4
2.	Mention evolution and Importance of Carriage by sea act?	15	CO3

3.	Mention The Aircraft (Carriage of Dangerous Goods) Rules, 2003	15	CO1, CO3
SECTION D Case Study (Attempt all the questions)			
1.	<p>The thirsty citizens of Duluth, Minn., may have been disappointed when a local brew house received damaged beer fermentation tanks, but probably few knew that the incident was creating new precedent in transportation liability law. Can a “broker” actually be a “motor carrier”? Which entity are you dealing with? Does it really matter? If something goes wrong with a shipment you hired a broker to handle, can you go after the broker? The motor carrier? Both? All of these questions and more were addressed in a recent decision by a Federal court in Minnesota, and the answers are surprising. Basically the court said a “broker” can be a “motor carrier” even if it has no trucks and could be held liable to the shipper under the Carmack Amendment. The distinction does matter when things go wrong and law suits are instituted. As various forms of transportation service providers have emerged (brokers, 3PLs, logistics companies, shipper’s agents, etc.), the situation has led to an entangling web of issues concerning who may be liable when the goods get lost or damaged. The Minnesota case is a perfect example. A brew house in Duluth purchased two fermentation tanks from a New York brewery. It hired GST Corp. to arrange for the transportation of the tanks from New York to Minnesota. GST said it was a transportation broker and acted like a transportation broker by hiring Central Transport International (CTI), a motor carrier, to do the actual hauling. The tanks arrived damaged, and the brew house sued GST and CTI.</p> <p>GST told the court it was a broker, not a carrier, and therefore under the Carmack Amendment, could not be liable. Carmack makes carriers (motor carriers, freight forwarders) liable for loss and damage, but not other entities such as brokers. The court rejected GST’s argument and said GST may have called itself a broker, but it acted like a motor carrier and therefore can be held liable as a motor carrier, a unique interpretation of Carmack liability. Under the court’s decision, GST got hit with potential liability because its involvement in the shipment went beyond just finding a trucker. This should give pause to transportation intermediaries as to how far they can go in arranging for transportation services.</p> <p>In holding GST liable under Carmack as a motor carrier, the court said GST had assured the shipper there would be full liability coverage, GST drafted a bill of lading, GST directed how and when the shipment would take place, GST told the consignor how to load the shipment and GST was solely responsible for selecting the actual hauler. The court concluded that due to this level of involvement, GST could be responsible as a motor carrier even though it had no trucks and was apparently not registered with the Federal Motor Carrier Safety Administration (FMCSA) as a motor carrier. The court said GST had a duty to exercise due care in following the shipper’s instructions, such as obtaining full liability, and it was a factual issue for the court to decide if it had violated that duty. The court did not stop there; it also found that CTI, the motor carrier who actually hauled the items, could also be liable. CTI argued that it had limited its liability in its tariff and that its bill of lading incorporated the tariff. Of course motor carrier freight tariffs are no longer filed with or approved by any government agency. In any event, the court said that CTI could also be held liable because actual notice to a shipper of a carrier’s limitations of liability are necessary in order for a motor carrier to limit its liability, and no such notice was ever given to the brew house. Accordingly, under the ruling of the Minnesota court, without actual knowledge communicated to the shipper of a carrier’s liability limitation, the carrier was liable.</p> <p>The case demonstrates a continuing problem many shippers encounter. The shipper deals</p>		CO6, CO7

	<p>with a transportation service provider to take care of its transportation needs, but may have no understanding of what that transportation service provider actually is and the extent that it may be liable if things go wrong. This Minnesota decision provides some insight into the confused state within the transportation community concerning liability. In this case an attempt by a broker to say “as a broker I am not liable — only carriers are liable” was rejected. In addition, an attempt by a motor carrier to limit its liability by reference to language in a tariff was also rejected because the actual shipper had no notice of the limitation. Wise shippers should get the specifics in writing with their transportation service providers concerning who will be liable and for how much. After all, the cheapest rate quote may not be the best deal if liability is severely limited.</p>		
1.	Describe the case and liability in the case given?	[15]	
2.	Consider yourself in the similar situation, what you have done to resolve the issue?	[15]	