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PUBLIC, PRIVATE AND COMMON CARRIERS: A COMPARATIVE ANALYSIS OF DUTIES, LIABILITIES AND EMERGING CHALLENGES IN INTERNATIONAL TRADE LAW

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ABSTRACT

The rapid growth of international trade has made efficient transportation systems essential for the movement of goods and passengers across borders. Carriers play a crucial role in Facilitating global commerce and supply chains by providing transportation services. Based on the nature of their operations, carriers are classified as public, private, and common carriers, each governed by distinct legal duties, standards of care, and liability regimes.

This article presents a comparative study of the duties and liabilities of public, private, and common carriers under Indian and international trade law. It examines the legal framework governing carrier liability in India, particularly the Carriers Act, 1865, Carriage by Road Act, 2007, Indian Contract Act, 1872, and relevant judicial decisions. The study also
Analyses key international conventions, including the Hague Rules, Hague–Vis by Rules, Hamburg Rules, Rotterdam Rules, Montreal Convention, and the CMR Convention, with emphasis on liability for loss, damage, delay, negligence, and breach of contractual obligations.

The article further explores emerging issues such as multimodal transportation, digital transport documentation, artificial intelligence, autonomous transport systems, cybersecurity, cross-border e-commerce, and sustainable logistics. It finds that although international conventions have improved the harmonization of carrier liability, significant differences continue to exist across jurisdictions, creating legal uncertainty. The study concludes that modernizing domestic legislation and promoting greater harmonization between national

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laws and international conventions are essential for strengthening carrier accountability, enhancing consumer protection, supporting technological innovation, and ensuring an efficient legal framework governing the duties and liabilities of public, private, and common carriers in international trade.

Keywords: International Trade Law, Common Carrier, Private Carrier, Public Carrier, Carrier Liability, Hague Rules, Hamburg Rules, Rotterdam Rules, Multimodal Transport, Carriage of Goods

1. INTRODUCTION

The transportation of goods and passengers has historically served as the backbone of commerce and economic development. In the modern era, characterised by globalization and rapidly expanding international markets, the significance of carriers has increased considerably. Contemporary trade extends far beyond regional exchanges, relying instead on intricate global supply chains supported by sophisticated transport infrastructure, digital logistics, and multimodal transportation systems. The effectiveness of these commercial networks depends not only on technological advancements but also on a comprehensive legal framework that regulates the rights, obligations, and liabilities of parties engaged in the carriage of goods and passengers. Consequently, the law relating to carriers occupies a central position in commercial and international trade law by ensuring legal certainty and promoting confidence in domestic and cross-border transactions.[1]

Carriers play an indispensable role in connecting producers, exporters, importers, distributors, and consumers by facilitating the secure and efficient movement of goods across different geographical regions. Whether transportation is undertaken by road, rail, sea, or air, carriers assume responsibility for the custody, preservation, and timely delivery of cargo. Their legal obligations are not confined merely to transporting goods from one place to another; they are also expected to exercise due care, comply with contractual and statutory obligations, maintain appropriate standards of safety, and safeguard the interests of the consignor and consignee throughout the period of transit. Any breach of these obligations may give rise to substantial financial losses, contractual disputes, insurance claims, and interruptions in domestic and international supply chains, thereby affecting commercial stability.

The legal framework governing carriage distinguishes carriers into public, private, and common carriers, each of which is subject to a distinct legal regime based on the nature of the services provided. A common carrier offers transportation services to the public for consideration and traditionally bears a comparatively higher standard of liability because of the public character of its undertaking. Conversely, a private carrier undertakes transportation under individual contractual arrangements and generally incurs liability according to the specific terms of the contract, together with the ordinary principles governing breach of contract and negligence. Public carriers, particularly those operating under statutory authority or governmental control, perform essential public functions and are often governed by additional regulatory obligations designed to safeguard public interest. These classifications are significant because they determine the extent of responsibility borne by the carrier, the allocation of commercial risks, the burden of proof in legal proceedings, and the remedies available in cases involving loss, damage, delay, or non-delivery of goods.

The law relating to carrier liability has undergone substantial transformation over time. Under early English common law, common carriers were subjected to an almost absolute form of liability, reflecting the need to protect merchants and traders from fraud, negligence, and the considerable risks associated with transportation during that period. As commercial practices evolved, courts and legislatures gradually introduced recognised exceptions to this strict rule, including losses resulting from acts of God, acts of public enemies, inherent defects in the goods, and limitations validly incorporated through contractual agreements. These developments have significantly influenced Indian commercial jurisprudence, which regulates carrier liability through legislation such as the Carriers Act, 1865, the Indian Contract Act, 1872, the Carriage by Road Act, 2007, the Merchant Shipping Act, 1958, and the Multimodal Transportation of Goods Act, 1993.[2] Together, these enactments establish the legal principles governing the rights, duties, and liabilities of carriers operating within India.

The increasing integration of global markets has further shaped carrier liability through the adoption of international conventions intended to create uniform legal standards for cross-border transportation. Instruments such as the Hague Rules, Hague–Visby Rules, Hamburg Rules, Rotterdam Rules, the Convention on the Contract for the International Carriage of Goods by Road (CMR), and the Montreal Convention seek to harmonise the legal principles governing the carriage of goods and passengers across various modes of transport. Despite these efforts, the existence of multiple international conventions alongside differing domestic laws and judicial approaches continues to create inconsistencies in the regulation of international carriage, particularly in disputes involving multimodal transportation, jurisdictional conflicts, and complex contractual relationships.

Technological innovation has added an entirely new dimension to the legal regulation of carriers. The emergence of electronic bills of lading, blockchain-enabled documentation, artificial intelligence in logistics management, autonomous transport systems, Internet of Things (IoT)-based cargo tracking, and smart contracts has transformed the manner in which transportation services are organised and monitored. These developments have significantly improved operational efficiency, transparency, and traceability within global supply chains. At the same time, they have generated complex legal issues concerning cybersecurity, electronic evidence, algorithmic decision-making, data protection, jurisdictional conflicts, and the allocation of liability arising from technologically driven transport operations. Many existing domestic statutes and international conventions were enacted before these technological advancements emerged, making it increasingly necessary to modernise legal frameworks so that they adequately address the realities of digital commerce.

Against this backdrop of legal and technological transformation, a comparative study of public, private, and common carriers becomes particularly relevant. Although each category performs the essential function of transporting goods and passengers, the legal obligations, standards of care, contractual responsibilities, and liability regimes applicable to them differ significantly. A clear understanding of these distinctions is essential for promoting commercial certainty, protecting the interests of consignors, consignees, carriers, and consumers, and ensuring the efficient functioning of international trade. Furthermore, a coherent and harmonised legal framework governing carrier liability is indispensable for reducing commercial risks, facilitating dispute resolution, encouraging investment in transport infrastructure, and strengthening the resilience of global supply chains in an increasingly interconnected and technology-driven commercial environment.

1. EVOLUTION AND CONCEPT OF CARRIERS

The law relating to carriers has evolved alongside the growth of trade and commerce. From ancient times, the transportation of goods has been essential for economic development, enabling merchants to exchange commodities across regions and nations. As trade expanded from local markets to international commerce, reliable transportation became indispensable, leading to the emergence of carriers as specialized service providers. Consequently, legal rules developed to regulate their rights, duties, and liabilities while promoting commercial certainty and protecting traders and consumers.

The origins of carriage law can be traced to Roman law, where shipowners (*nautae*), innkeepers (*caupones*), and stable keepers (*stabularii*) were held to a high standard of responsibility for goods entrusted to them. They were liable for loss or damage unless it resulted from exceptional circumstances beyond their control. These principles, founded on public trust and accountability, significantly influenced English common law and later the legal systems of common law countries, including India.

During the medieval period, expanding trade routes increased merchants' dependence on professional carriers for transporting goods by land, sea, and inland waterways. Since consignors had little control over goods once they were entrusted to carriers, courts imposed strict liability on common carriers, treating them almost as insurers of the goods except in limited situations such as acts of God or public enemies. This approach promoted commercial confidence by discouraging negligence and fraud.

A landmark development occurred in ***Coggs v. Bernard* (1703)**[3]**,** where Lord Holt classified different forms of bailment and held that the degree of care depended on the nature of the transaction. The decision laid the foundation for distinguishing private carriers, who operate under individual contracts, from common carriers, who offer services to the public for reward. Similarly, ***Morse v. Slue (1671)***[4] reinforced the principle that common carriers could not escape liability merely because goods were lost through theft or third-party misconduct, emphasizing their heightened duty of care.

These common law principles were codified in India through the Carriers Act, 1865, which imposed a presumption of liability on common carriers for the loss or damage of goods unless they established legally recognized exceptions. Unlike ordinary bailees under the Indian Contract Act, 1872, common carriers were subjected to a stricter standard because they provided transportation services to the public.

The Supreme Court of India reaffirmed this position **i*n Nath Bros. Exim International Ltd. v. Best Roadways Ltd.,***[4] holding that once goods are entrusted to a common carrier and are subsequently lost or damaged, the burden shifts to the carrier to prove that the loss occurred due to recognized legal exceptions. In ***Patel Roadways Ltd. v. Birla Yamaha Ltd.,***[4] the Court further ruled that contractual clauses cannot override the statutory liability imposed by the Carriers Act, thereby safeguarding consignors against unfair contractual practices.

With globalization and technological advancement, the concept of a carrier has expanded significantly. Modern carriers perform not only transportation but also warehousing, freight forwarding, customs clearance, multimodal logistics, cargo tracking, and supply chain management. Consequently, their legal responsibilities now extend beyond physical carriage to the coordination of complex commercial operations across multiple jurisdictions.

Today, a carrier may be broadly defined as any individual, company, or public authority engaged in transporting goods or passengers by road, rail, sea, air, or multimodal transport. Depending on the nature of its operations, a carrier may function as a public, private, or common carrier, each subject to distinct duties, standards of care, and liability regimes. Although these categories differ in legal obligations, they collectively facilitate domestic and international trade by ensuring the safe and efficient movement of goods.

The evolution of carrier law reflects its transition from simple rules governing transportation to a comprehensive legal framework regulating global logistics and digital commerce. As technologies such as blockchain, artificial intelligence, electronic transport documents, and autonomous transport reshape international trade, carrier law must continue to evolve to ensure accountability, commercial certainty, and the efficient functioning of global supply chains.

2. PUBLIC, PRIVATE, AND COMMON CARRIERS: A COMPARATIVE LEGAL ANALYSIS

The classification of carriers into public, private, and common carriers forms a fundamental aspect of transportation and commercial law. Although all three categories are engaged in the carriage of goods or passengers, they differ in their legal status, contractual relationships, duties, standards of care, and extent of liability. These distinctions have evolved through common law, statutory enactments, and commercial practice, reflecting the varying responsibilities imposed on carriers according to the nature of their operations. In modern international trade, where multimodal transport and cross-border logistics are integral to commerce, understanding these classifications is essential for determining risk allocation, contractual rights, and legal remedies.

A public carrier is generally a government-owned or government-regulated entity that provides transportation services as a public utility. Examples include railway administrations, state transport corporations, and metro rail services. Unlike private enterprises, public carriers operate under statutory mandates and public law obligations, requiring them to ensure accessibility, safety, non-discrimination, and regulatory compliance. Their liability may arise not only under contract and tort law but also under constitutional and administrative law. In India, the Railways Act, 1989 governs the carriage of goods and passengers, prescribing duties relating to safe transportation, compensation for loss or damage, and accountability for negligence. While public carriers must exercise a high degree of care, they may also enjoy certain statutory protections and procedural safeguards provided by legislation.

A private carrier, in contrast, provides transportation exclusively under individual contractual arrangements. It does not hold itself out as willing to serve the general public and retains discretion to accept or reject contracts. Examples include manufacturers transporting their own goods or logistics companies serving selected clients under long-term agreements. The liability of a private carrier is governed primarily by the Indian Contract Act, 1872, particularly the provisions relating to bailment. A private carrier is required to exercise reasonable care over the goods entrusted to it, but unlike a common carrier, liability is not presumed merely because goods are lost or damaged. The claimant must establish negligence, breach of contract, or failure to exercise due care. Consequently, contractual terms relating to limitation of liability, indemnity, and risk allocation assume considerable importance.

A common carrier occupies a unique position in commercial law because it offers transportation services indiscriminately to the public for reward. By undertaking to carry goods or passengers for anyone willing to pay the prescribed charges, a common carrier assumes obligations extending beyond ordinary contractual duties. Traditionally, common carriers were regarded as insurers of the goods entrusted to them and were liable for loss or damage regardless of negligence, except where the loss resulted from recognised exceptions such as acts of God, public enemies, inherent defects in the goods, or the consignor's own fault. This stringent liability reflects the need to protect consignors who surrender possession and control of their goods during transit.

The rationale for imposing such a high standard of liability lies in commercial necessity and public confidence. Since the carrier has exclusive custody and control over the goods, it is best placed to prevent loss or damage. Strict liability encourages professional diligence, reduces fraud and negligence, and ensures effective remedies for consignors, thereby promoting certainty in commercial transactions.

Indian law preserves this principle through the Carriers Act, 1865, which imposes a higher degree of responsibility on common carriers than on ordinary bailees. In ***Nath Bros. Exim International Ltd. v. Best Roadways Ltd.***, the Supreme Court held that once goods are entrusted to a common carrier and are subsequently lost or damaged, the burden shifts to the carrier to prove that the loss resulted from legally recognised exceptions. The Court reaffirmed that common carriers cannot escape liability merely by denying negligence, thereby strengthening the protection available to consignors.

Similarly, in ***Patel Roadways Ltd. v. Birla Yamaha Ltd***.,[5] the Supreme Court ruled that contractual clauses cannot dilute or exclude the statutory liability imposed by the Carriers Act, 1865. The Court emphasised that transportation contracts must be interpreted consistently with legislative intent and commercial fairness, preventing carriers from avoiding mandatory statutory obligations through unilateral contractual terms.

The distinction between private and common carriers also finds its roots in English common law. In ***Coggs v. Bernard (1703),*** Lord Holt explained that different categories of bailees are subject to different standards of care depending upon the nature of their undertaking. Although the case primarily concerned bailment, it laid the conceptual foundation for distinguishing common carriers, who serve the public for reward, from private carriers operating under specific contractual arrangements.

At the international level, similar principles are reflected in conventions such as the Hague Rules, Hague–Visby Rules, Hamburg Rules, Rotterdam Rules, CMR Convention, and Montreal Convention. While these instruments do not expressly classify carriers as public, private, or common carriers, they prescribe uniform standards regarding due diligence, liability for loss or damage, limitation of liability, available defences, and compensation. Their common objective is to promote legal certainty and ensure a fair allocation of risks in international transportation.

However, the rapid growth of integrated logistics and supply chain management has blurred the traditional distinctions between these categories. Modern logistics providers frequently combine transportation with warehousing, freight forwarding, customs clearance, inventory management, multimodal transport, and digital logistics under a single contract. As a result, courts increasingly adopt a functional approach, examining the nature of the services provided, the contractual relationship, the extent to which services are offered to the public, and the applicable statutory framework before determining the appropriate liability regime.

Although the traditional classification of public, private, and common carriers remains legally significant, modern commercial realities require a more flexible approach. Digital logistics platforms, blockchain-based documentation, artificial intelligence, automated cargo management, and integrated global supply chains have expanded the role of carriers far beyond the physical transportation of goods. Consequently, transportation law must continue to evolve to preserve the protective principles of carrier liability while adapting to technological innovation and the changing demands of international commerce.

3. DUTIES AND STANDARD OF CARE OF PUBLIC, PRIVATE, AND COMMON CARRIERS

The duties imposed on carriers form a core aspect of transportation and commercial law. When goods are entrusted to a carrier, possession and control pass from the consignor to the carrier, making the latter legally responsible for their safe transportation and delivery. However, the extent of this responsibility differs according to whether the carrier is public, private, or common. The applicable standard of care depends on the nature of the carrier, the contractual relationship, and the governing statutory framework, balancing commercial efficiency with consumer protection.

At the most basic level, every carrier must transport goods or passengers with reasonable care, skill, and diligence. This includes proper loading, handling, storage, transportation, and timely delivery while taking precautions against theft, loss, deterioration, or damage. Carriers must also employ competent personnel, maintain suitable transport facilities, comply with statutory regulations, and communicate material information affecting transportation. Failure to fulfil these obligations may result in contractual, tortious, or statutory liability.

Public carriers derive their duties primarily from statutory provisions and public law principles. As providers of essential public services, they must ensure safety, accessibility, efficiency, and non-discriminatory treatment while complying with regulatory and constitutional obligations. In India, the Railways Act, 1989 requires railway authorities to exercise due care in the carriage, storage, and delivery of goods and passengers and provides compensation mechanisms for loss, damage, or delay. Thus, public carriers are accountable not only under contract but also under broader principles of public administration.

Private carriers operate under individual contractual arrangements and are primarily governed by the Indian Contract Act, 1872, particularly the law of bailment. Under Sections 151 and 152, they must exercise the care that an ordinarily prudent person would take of their own property. Unlike common carriers, they are liable only where negligence or breach of contract is established. Since private carriage is contractual in nature, parties may allocate risks through limitation clauses, indemnities, and insurance provisions, subject to public policy. Courts generally refuse to enforce clauses excluding liability for fraud, wilful misconduct, gross negligence, or statutory violations.

Among all categories, common carriers are subject to the highest standard of care because they offer transportation services to the public for reward. Once goods are accepted, they are expected to preserve and deliver them with extraordinary diligence. Traditionally, common carriers have been treated as insurers of the goods entrusted to them and remain liable for loss or damage unless it results from recognised exceptions such as an act of God, public enemies, inherent defects in the goods, or the consignor's own fault.

This principle was affirmed by the Supreme Court in ***River Steam Navigation Co. Ltd. v. Syam Sunder Tea Co. Ltd***., [6] where the Court held that common carriers occupy a special legal position under the Carriers Act, 1865 and bear greater responsibility than ordinary bailees. Similarly, in ***Nath Bros. Exim International Ltd. v. Best Roadways Ltd***., the Court ruled that once the consignor proves that goods were delivered to the carrier but not safely delivered to the consignee, the burden shifts to the carrier to establish a legally recognised defence. In ***Patel Roadways Ltd. v. Birla Yamaha Ltd***., the Court further held that contractual clauses cannot override the mandatory statutory liability imposed upon common carriers, thereby strengthening protection for consignors.

International instruments adopt comparable standards while varying according to the mode of transport. The Hague–Visby Rules require maritime carriers to exercise due diligence in ensuring seaworthiness and the safe carriage of goods. The Hamburg Rules impose liability for loss, damage, or delay unless the carrier proves that all reasonable measures were taken to avoid the loss. The Rotterdam Rules extend these obligations to multimodal transport and recognise electronic transport records. Likewise, the Montreal Convention for international air carriage and the CMR Convention for international road transport establish uniform liability regimes that promote commercial certainty and equitable risk allocation.

Technological developments have further expanded carriers' responsibilities. Modern logistics providers now undertake warehousing, freight forwarding, customs facilitation, electronic cargo tracking, blockchain-based documentation, and AI-driven logistics management. Consequently, the contemporary standard of care extends beyond physical cargo to include cybersecurity, protection of electronic records, confidentiality of commercial information, and the reliability of digital supply chains. Failure to implement adequate technological safeguards may expose carriers to liability for losses arising from cyberattacks, data breaches, or system failures.

Overall, the duties and standards of care applicable to public, private, and common carriers continue to evolve in response to globalisation and technological innovation. While traditional principles governing the safe carriage of goods remain fundamental, modern transportation law increasingly requires carriers to ensure efficiency, transparency, digital security, and accountability across integrated logistics networks. This evolving framework strengthens commercial confidence and supports the effective functioning of domestic and international trade.

4. LIABILITY OF CARRIERS UNDER INDIAN LAW: STATUTORY FRAMEWORK AND JUDICIAL INTERPRETATION

Carrier liability in India is governed by a combination of statutory law and judicial interpretation. While transportation law facilitates trade and commerce, it also protects consignors, consignees, passengers, and consumers by providing remedies for loss, damage, delay, or non-delivery of goods. Indian law adopts a mode-specific approach through specialised statutes while applying the general principles of contract, bailment, and tort, thereby balancing commercial freedom with consumer protection and legal certainty.

The Carriers Act, 1865 is the principal legislation governing the liability of common carriers. It imposes a strict standard of liability by presuming the carrier responsible for the loss or damage of goods unless it proves that the loss resulted from recognised exceptions such as an act of God or public enemies. Unlike ordinary bailees, the burden of proof rests on the carrier, thereby providing greater protection to consignors.

The Supreme Court affirmed this principle in ***River Steam Navigation Co. Ltd. v. Syam Sunder Tea Co. Ltd.,*** holding that a common carrier occupies a special legal position and is subject to a higher standard of liability than an ordinary bailee. The Court emphasised that consignors should not be required to prove negligence after surrendering possession of their goods. This approach was reaffirmed in ***Nath Bros. Exim International Ltd. v. Best Roadways Ltd***., where the Court held that once the consignor proves that goods were entrusted to the carrier but were not safely delivered, the burden shifts to the carrier to establish a legally recognised defence. **In *Patel Roadways Ltd. v. Birla Yamaha Ltd***., the Court further ruled that contractual clauses cannot override the mandatory liability imposed by the Carriers Act, thereby preventing carriers from escaping statutory responsibility through exclusion clauses.

The Indian Contract Act, 1872 governs the liability of private carriers through the law of bailment. Under Sections 151 and 152, a private carrier must exercise the care of an ordinarily prudent person. Unlike common carriers, liability arises only upon proof of negligence, breach of contract, or failure to exercise reasonable care, allowing greater contractual flexibility in allocating risks.

To modernise road transport, Parliament enacted the Carriage by Road Act, 2007, which provides for the registration of common carriers, distinguishes between common and private carriers, and enhances regulatory oversight. Similarly, the Multimodal Transportation of Goods Act, 1993 governs the movement of goods under a single contract involving multiple modes of transport by making the Multimodal Transport Operator primarily liable for the entire journey.

Other specialised statutes also regulate carrier liability. The Merchant Shipping Act, 1958 governs maritime transport by imposing duties relating to seaworthiness, marine safety, and cargo protection, while the Railways Act, 1989 regulates the carriage of goods and passengers by rail and provides compensation for loss, damage, or delay. In addition, the Consumer Protection Act, 2019 enables consumers to seek remedies before Consumer Commissions for deficiencies in transportation services, thereby strengthening carrier accountability.

Despite this comprehensive framework, Indian carrier law faces new challenges arising from electronic transport documents, blockchain, artificial intelligence, autonomous vehicles, digital freight platforms, and cybersecurity risks. Since much of the existing legislation, particularly the Carriers Act, 1865, predates these technological developments, courts have increasingly adopted a purposive approach to interpret traditional principles in light of modern commercial realities. However, comprehensive legislative reform remains necessary to harmonise Indian law with international standards and effectively address the evolving demands of digital trade and global supply chains.

5. COMPARATIVE INTERNATIONAL LEGAL FRAMEWORK GOVERNING CARRIER LIABILITY

The growth of international trade has transformed carrier liability into a complex legal issue involving multiple carriers, transport modes, and jurisdictions. To reduce uncertainty and ensure uniformity, several international conventions have established common rules governing the rights, duties, and liabilities of carriers. Although these conventions share the objective of promoting legal certainty and fair risk allocation, they differ in their standards of care, burden of proof, liability limits, and available defences.

5.1.Hague Rules, 1924

The Hague Rules, 1924 were the first major international instrument regulating the carriage of goods by sea. They imposed minimum non-excludable obligations on carriers, requiring them to exercise due diligence in ensuring the seaworthiness of the vessel and the safe carriage of cargo. However, carriers could rely on several statutory defences, including acts of God, fire, perils of the sea, and navigational errors. While the Rules established uniformity in maritime law, they have been criticised for favouring shipowners through broad exemptions and limited liability.

5.2.Hague–Visby Rules, 1968

The Hague–Visby Rules modernised the Hague regime by increasing liability limits, improving documentation requirements, and strengthening cargo owners' protection while retaining the principle of due diligence. Although they continue to recognise traditional defences such as navigational negligence, they provide greater commercial certainty and remain widely adopted by major maritime nations.

5.3.Hamburg Rules, 1978

The Hamburg Rules sought to create a more balanced liability regime by placing greater responsibility on carriers. A carrier is liable for loss, damage, or delay unless it proves that all reasonable measures were taken to prevent the occurrence. The Convention also expressly recognises liability for delay in delivery. Despite offering stronger protection to cargo owners, particularly in developing countries, its adoption remains limited compared to the Hague–Visby regime.

5.4.Rotterdam Rules, 2008

The Rotterdam Rules represent the most modern framework for international carriage, addressing multimodal transport and digital commerce. They recognise electronic transport records, regulate liability across multiple modes of transport under a single contract, and provide detailed rules on the handling, preservation, and delivery of goods. Although widely regarded as progressive, the Convention has not yet achieved widespread international acceptance.

5.5.Montreal Convention, 1999

The Montreal Convention governs international air carriage by establishing a uniform liability regime for loss, damage, or delay of cargo and passengers. It prescribes fixed compensation limits, simplifies claims procedures, and balances the interests of airlines with those of passengers and cargo owners. Its broad international acceptance has made it one of the most successful transportation conventions.

5.6.CMR Convention, 1956

The Convention on the Contract for the International Carriage of Goods by Road (CMR) regulates international road transport by prescribing uniform rules on carrier liability, transport documentation, jurisdiction, and limitation periods. Carriers are generally liable for loss, damage, or delay unless they prove that the loss resulted from unavoidable circumstances or recognised statutory exceptions. The Convention has significantly enhanced certainty in cross-border road transportation.

5.7.Comparative Perspective

These international instruments demonstrate the gradual evolution of carrier liability from a carrier-oriented approach under the Hague Rules to a more balanced framework under the Hamburg and Rotterdam Rules. While all conventions aim to facilitate international trade by promoting uniformity and commercial certainty, they differ in the extent of carrier responsibility and the protection afforded to cargo owners. Together, they form the foundation of modern international transportation law and continue to influence national legal systems, including India's, in addressing the challenges of global trade and multimodal logistics.

6. COMPARATIVE ANALYSIS OF INDIAN LAW AND INTERNATIONAL CONVENTIONS

A comparison of Indian transportation law with international conventions reveals both notable similarities and significant differences. Like the traditional common law principles reflected in the Hague Rules, the Carriers Act, 1865 imposes strict liability on common carriers by placing the burden of proving recognised exceptions on the carrier[7]. Indian courts have consistently upheld this principle through landmark decisions such as ***River Steam Navigation Co. Ltd. v. Syam Sunder Tea Co. Ltd.***, ***Nath Bros. Exim International Ltd. v. Best Roadways Ltd.***, **and** ***Patel Roadways Ltd. v. Birla Yamaha Ltd.***, thereby strengthening commercial accountability and protecting consignors.

However, modern international instruments such as the Rotterdam Rules and the Montreal Convention provide more comprehensive frameworks by addressing electronic documentation, multimodal transport, delay in delivery, and digital logistics. In contrast, Indian transportation law remains fragmented, with separate statutes governing road, rail, maritime, and multimodal transport, often leading to procedural complexity and overlapping jurisdictions.

A key distinction lies in the regulation of multimodal transportation. While the Rotterdam Rules establish a unified liability regime for goods transported under a single multimodal contract, India relies primarily on separate transport statutes supplemented by the Multimodal Transportation of Goods Act, 1993. Although this Act represents significant progress, it does not provide the level of harmonisation envisaged by modern international conventions.

Another limitation of Indian law is that many statutes, particularly the Carriers Act, 1865, predate electronic commerce, blockchain documentation, artificial intelligence, autonomous transport, and digital supply chains. Consequently, they offer limited guidance on issues such as cybersecurity, electronic evidence, data protection, and technology-driven liability. Recent international conventions, by contrast, increasingly recognise these developments and seek to accommodate technological innovation within carrier liability.

Overall, international carrier liability has evolved from a carrier-oriented regime towards a more balanced system protecting both carriers and cargo owners. Although Indian law continues to uphold strong principles of carrier accountability, it requires legislative modernisation to address digital trade, multimodal logistics, and emerging technologies. Harmonising domestic laws with international standards would improve legal certainty, facilitate efficient dispute resolution, and strengthen India's role in global trade and supply chains.

7. CARRIER LIABILITY IN THE DIGITAL AND GLOBAL TRADE ERA: EMERGING CHALLENGES AND FUTURE REFORMS

The digital transformation of international trade has expanded the role of carriers from transport providers to integrated logistics operators managing multimodal transportation, warehousing, customs, cargo tracking, and digital supply chains. Technologies such as AI, blockchain, IoT, and autonomous transport have improved efficiency but also created new legal challenges relating to liability, cybersecurity, jurisdiction, and electronic documentation. Existing laws, including India's Carriers Act, 1865, are not fully equipped to address these developments.[8]

7.1.Artificial Intelligence

AI enhances logistics through route optimisation, cargo management, and predictive analysis. However, when AI causes cargo loss or delay, it is unclear whether liability should rest with the carrier, software developer, or technology provider. Clear legal standards are therefore required.

7.2.Blockchain and Digital Documents

Electronic bills of lading and blockchain records reduce paperwork and fraud while improving transparency. However, issues relating to legal recognition, authenticity, and cross-border enforceability require harmonised legislation[9].

7.3.Autonomous Transport and Cybersecurity

Autonomous ships, trucks, and drones challenge traditional liability rules based on human negligence. Similarly, cyberattacks and data breaches create risks that existing carrier laws inadequately address, making stronger cybersecurity obligations essential[10].

7.4.E-Commerce and Sustainable Transport

Cross-border e-commerce involves multiple logistics providers, making liability allocation more complex. At the same time, carriers are increasingly expected to comply with environmental standards and sustainability obligations.

7.5.Need for Legal Reform

India's carrier liability regime requires modernisation to recognise digital transport documents, regulate AI and autonomous transport, strengthen cybersecurity, and align with international conventions. Promoting arbitration, online dispute resolution, and specialised commercial courts will further improve the resolution of transportation disputes.

Overall, carrier liability must evolve with technological innovation to ensure legal certainty, commercial efficiency, and effective protection of all participants in global trade.

8. CONCLUSION

The law governing public, private, and common carriers has evolved alongside the growth of trade, globalization, and technological advancement. While carriers were traditionally responsible only for transporting goods, they now play a crucial role in integrated logistics, multimodal transport, and international supply chains. As a result, carrier liability has become essential for ensuring commercial certainty, protecting consignors, and facilitating efficient domestic and international trade.

This study highlights that the distinction between public, private, and common carriers remains legally significant because each category is subject to different duties, standards of care, and liability regimes. Public carriers operate under statutory obligations and public accountability, private carriers are primarily governed by contract and bailment, while common carriers continue to bear a higher degree of responsibility due to the public nature of their services. Indian law, through statutes such as the Carriers Act, 1865, Indian Contract Act, 1872, Carriage by Road Act, 2007, Multimodal Transportation of Goods Act, 1993, Merchant Shipping Act, 1958, and Railways Act, 1989, together with judicial interpretation, provides a strong foundation for carrier liability, although the framework remains fragmented.

The comparative analysis of international conventions demonstrates a continuing effort to harmonise carrier liability through instruments such as the Hague, Hague–Visby, Hamburg, Rotterdam, Montreal, and CMR Conventions. However, technological developments—including artificial intelligence, blockchain, electronic transport documents, autonomous transport, cybersecurity risks, and cross-border e-commerce—have exposed significant gaps in traditional legal frameworks. Existing legislation, particularly in India, requires modernization to effectively regulate digital logistics and integrated supply chains.

Accordingly, India should reform its carrier liability regime by recognising electronic transport documents, establishing liability standards for AI and autonomous transport, strengthening cybersecurity obligations, promoting multimodal transportation, and aligning domestic law with international standards. Such reforms would enhance legal certainty, facilitate international trade, reduce commercial disputes, and strengthen India's position in the global logistics sector.

In conclusion, carrier liability is no longer confined to compensation for loss or damage; it is a fundamental mechanism for ensuring accountability, commercial confidence, and efficient global trade. A modern, technology-neutral, and internationally harmonised legal framework is essential to balance innovation with responsibility and to ensure that transportation law continues to serve the evolving needs of twenty-first-century commerce.

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9. International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading (Hague Rules), Aug. 25, 1924, 120 L.N.T.S. 155.
10. Protocol to Amend the International Convention for the Unification of Certain Rules of Law Relating to Bills of Lading (Hague–Visby Rules), Feb. 23, 1968, 1412 U.N.T.S. 127.
11. United Nations Convention on the Carriage of Goods by Sea (Hamburg Rules), Mar. 31, 1978, 1695 U.N.T.S. 3.
12. United Nations Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea (Rotterdam Rules), Dec. 11, 2008, G.A. Res. 63/122, U.N. Doc. A/RES/63/122 (Jan. 23, 2009).
13. Convention on the Contract for the International Carriage of Goods by Road (CMR), May 19, 1956, 399 U.N.T.S. 189.
14. Convention for the Unification of Certain Rules for International Carriage by Air (Montreal Convention), May 28, 1999, 2242 U.N.T.S. 309.
15. UNCITRAL Model Law on Electronic Transferable Records, G.A. Res. 72/162, U.N. Doc. A/RES/72/162 (2017).

10. FOOTNOTES

1. WILLIAM R. ANSON, *PRINCIPLES OF THE ENGLISH LAW OF CONTRACT* 410–15 (Arthur L. Corbin ed., 23d ed. 1969); AVTAR SINGH, *LAW OF CARRIAGE* 1–15 (7th ed. 2020).

2. Carriers Act, 1865, No. 3, Acts of Parliament, 1865 (India); Indian Contract Act, 1872, No. 9, Acts of Parliament, 1872, §§ 148–171 (India); Carriage by Road Act, 2007, No. 13, Acts of Parliament, 2007 (India); Multimodal Transportation of Goods Act, 1993, No. 28, Acts of Parliament, 1993 (India).

3. *Coggs v. Bernard*, (1703) 92 Eng. Rep. 107; 2 Ld. Raym. 909 (K.B.).

4. *Morse v. Slue*, (1671) 86 Eng. Rep. 129; 1 Vent. 190 (K.B.).

5. *Patel Roadways Ltd. v. Birla Yamaha Ltd.*, (2000) 4 S.C.C. 91 (India).

6. *River Steam Navigation Co. Ltd. v. Syam Sunder Tea Co. Ltd.*, A.I.R. 1962 S.C. 1276.

7. *Nath Bros. Exim Int'l Ltd. v. Best Roadways Ltd.*, (2000) 4 S.C.C. 553 (India); Carriers Act, 1865, No. 3, Acts of Parliament, 1865, § 9 (India).

8. U.N. Comm'n on Int'l Trade L. (UNCITRAL), *UNCITRAL Model Law on Electronic Transferable Records* (2017); U.N. Conf. on Trade & Dev. (UNCTAD), *Review of Maritime Transport 2024* (2024).

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