



## Brief background Note on Carriage by Road Act, 2007 and Carriage by Road Rules, 2011

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The Carriers Act, 1865 was enacted on 14.02.1865 with a view to regulate the carriage by goods in any form of transport. The main purpose of the Carriers Act, 1865 was to define and limit the liability of the common carriers for loss or damage to consignments entrusted to them owing to their own negligence or fault. The Act envisaged liability of Rs.100/- only on account of the carrier in case of loss of or damage to the goods during transportation owing to his negligence or act of negligence.

2. Most of the provisions of the Carriers Act, 1865 had become obsolete as the transport trade had undergone a sea change over the last 142 years. A class of middlemen of booking agents / brokers has emerged who play a vital role in the road transportation and trade. They were not covered under the Carriers Act, 1865 since they did not exist at that time. Moreover, the other modes of transport such as railways, civil aviation and shipping sector have developed their own sector-wise carriage Act to take care of the liability of the common carrier and other requirements to govern transportation of goods.

3. The Carriage by Road Act, 2007 was notified on 01.10.2007 with a view to replace the old Act keeping in mind the changes and needs of modern day requirement of trade and transport by road. The Act came into effect from 01.03.2011. The important features of the Carriage by Road Act, 2007 are as under:-

- Mandatory registration of common carriers i.e., persons involved in transportation business on roads including goods booking company, contractor, agent, broker etc. The liability of the common carriers in case of loss or damage to the goods shall be prescribed under the rules. There is also scope for an agreement between the consignor and the common carrier for transport of the consignment on payment of a higher risk rate for higher liability.
- There will be single registration for a common carrier which will be valid for the entire country for a period of 10 years initially. Details of branch offices to be reflected in the certificate of registration.
- Common carrier shall be liable for the offence of overloading and shall be penalised in terms of Section 194 of the Motor Vehicles Act, 1988 at par with the drivers / owner of the motor vehicle.

4. The Carriage by Road Rules were finalized by a Working Group under Joint Secretary (Transport), MORTH which was also represented by major transport associations such as AIMTC, AITWA, AICGOA.

