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**GURINDER & PARTNERS**  
*Guidance with Precision*

# COMPLIANCE

*as a competitive filter*

*March 2026*

**LOGISTICS INDUSTRY**





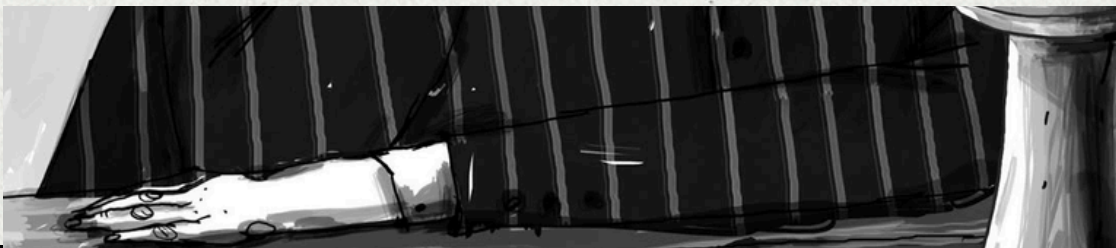
## COMPLIANCE AS ENTRY BARRIER

The logistics sector is undergoing regulatory densification, where compliance is no longer ancillary but embedded within market participation itself.

*Recent policy direction in India reflects this shift:*

Development of **35 Multimodal Logistics Parks** handling **~700 million metric tonnes** indicates **scale**, but also heightened regulatory supervision across integrated networks.

Freight distribution remains fragmented (66% road, 22% rail), increasing **multi-regime compliance exposure** across transport modes.



*Integration of infrastructure is increasing faster than harmonisation of legal frameworks.*



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## STATUTORY EXPANSION OF COMPLIANCE OBLIGATIONS (CURRENT ENFORCEMENT LANDSCAPE)

### CUSTOMS ACT



The Customs Act, 1962 remains the central enforcement framework, but its application has evolved through faceless assessment, ICEGATE integration, and pre-arrival data scrutiny. Authorities are increasingly invoking provisions such as Section 111 (confiscation), Section 112 (penalty for improper importation), and Section 114A (penalty for duty evasion) to address classification errors, valuation disputes, and documentation inconsistencies.

#### IMPLICATION

Enforcement is now data-triggered and system-led, with liability attaching at the point of filing. This places intermediaries under heightened scrutiny irrespective of fault origin.



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## STATUTORY EXPANSION OF COMPLIANCE OBLIGATIONS (CURRENT ENFORCEMENT LANDSCAPE)

### MULTIMODAL TRANSPORTATION OF GOODS ACT

The Multimodal Transportation of Goods Act, 1993 continues to govern integrated logistics, but its relevance has increased with the growth of end-to-end service models. While execution is spread across multiple carriers, the statute imposes singular liability on the Multimodal Transport Operator.

#### IMPLICATION

As supply chains become more integrated, the statutory structure results in liability concentration on the contracting entity, even where operational control is fragmented.





# STATUTORY EXPANSION OF COMPLIANCE OBLIGATIONS (CURRENT ENFORCEMENT LANDSCAPE)

## DIGITAL PERSONAL DATA PROTECTION ACT

The Digital Personal Data Protection Act, 2023 introduces a parallel compliance layer as logistics operations become digitised. Handling shipment data, KYC information, and digital documentation now attracts obligations relating to lawful processing, purpose limitation, and data security.

### IMPLICATION

Data compliance has moved from a policy requirement to an enforceable operational obligation. Logistics providers handling shipment data now face:

- real-time breach reporting exposure, including mandatory notification within defined timelines
- heightened liability for improper data collection or over-processing, especially where data exceeds stated purpose

Data errors, misuse, or breaches can now independently trigger regulatory action, even in the absence of any physical logistics failure.

- additional obligations for “Significant Data Fiduciaries”, including audits, DPIAs, and governance structures
- regulatory oversight by a specialised Data Protection Board, increasing enforcement certainty

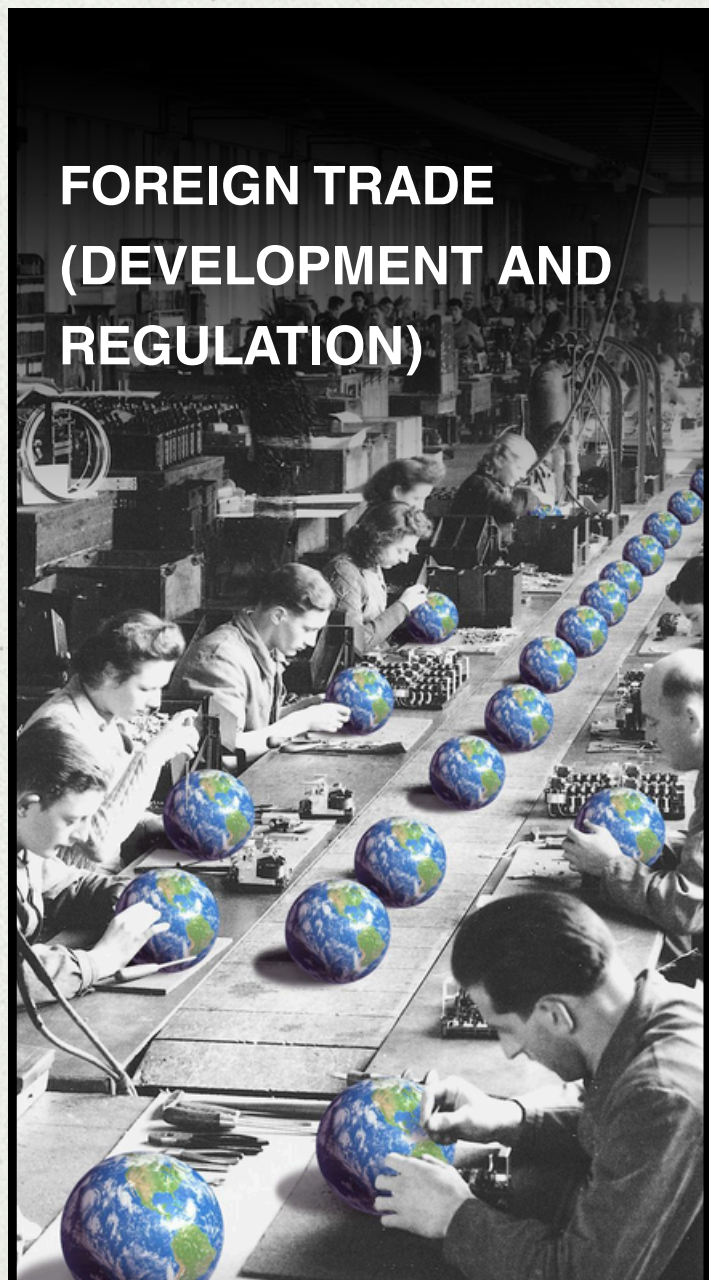


## STATUTORY EXPANSION OF COMPLIANCE OBLIGATIONS (CURRENT ENFORCEMENT LANDSCAPE)

The Foreign Trade (Development and Regulation) Act, 1992, read with DGFT notifications and EXIM policy controls, is seeing increased enforcement in areas such as restricted goods, licensing compliance, and origin-based trade regulations. There is also greater scrutiny on misuse of export incentives and inaccurate declarations.

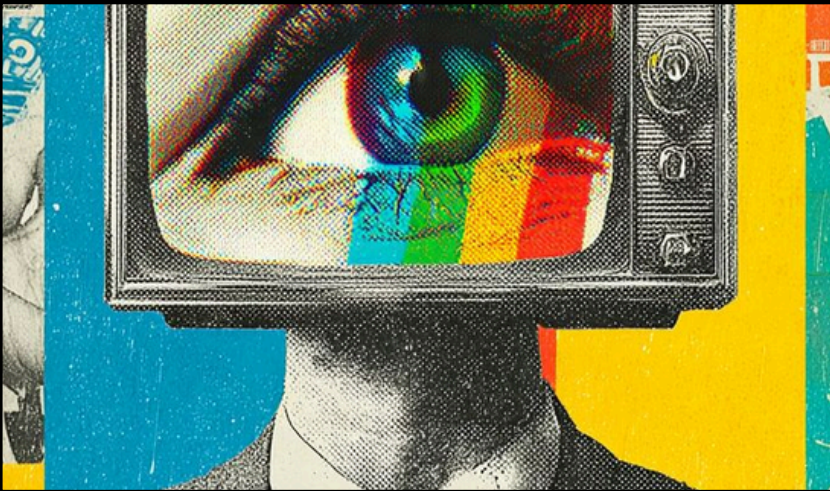
### IMPLICATION

Trade-level non-compliance directly translates into logistics exposure, with intermediaries facing secondary liability for upstream breaches.





## DATA, AI, AND MULTI-REGIME LEGAL EXPOSURE



*compliance is increasingly tied to technology enabled systems.*

*operations must align with international regulatory standards and digital frameworks*

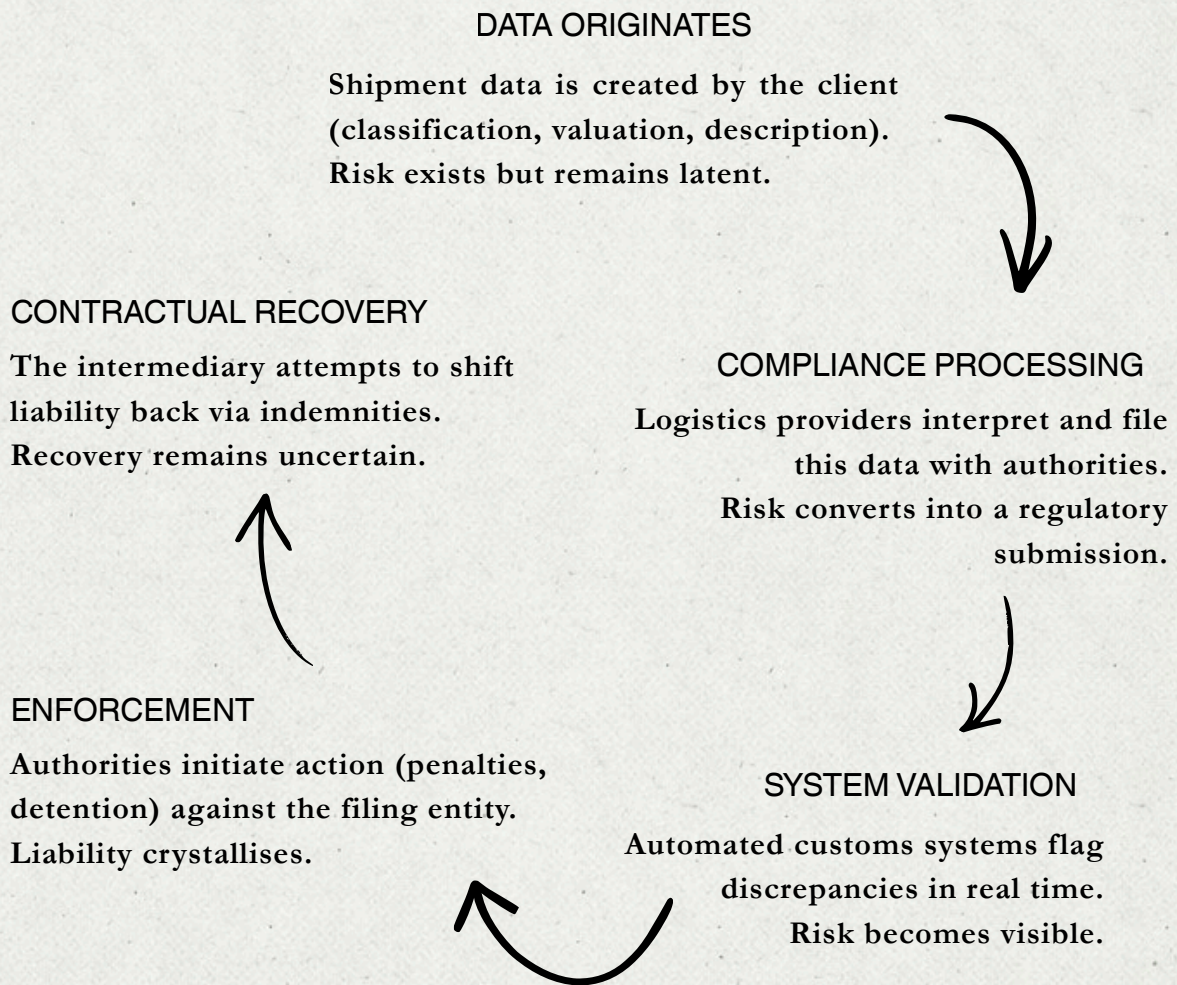
### *Legal Spillovers Triggered by AI/Data Systems*

Trigger	Applicable Law
Shipment data processing	Digital Personal Data Protection Act, 2023
Automated compliance decisions	Emerging AI governance frameworks
System failure / incorrect flagging	Tort liability + contractual breach
Cyber incidents	CERT-In Rules / cybersecurity law



# THE LIABILITY CONCENTRATION FRAMEWORK

*Liability in integrated logistics operates through a layered flow, where risk originates upstream but crystallises at the point of regulatory visibility.*



*Liability circulates through the system but consistently anchors at the point of regulatory visibility*