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**146 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**Date of decision : 07.08.2025
FAO-1088-1993**

Union of India & ors. Appellants

Versus

The Indian Iron & Steel Co., Ltd. Respondent

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The Union of India & ors. Appellants

Versus

Steel Authority of India Respondent

FAO-901-1995

The Union of India & ors. Appellants

Versus

Indian Iron & Steel Co., Ltd. Respondent

CORAM : HON'BLE MR.JUSTICE PANKAJ JAIN

Present :- Mr. Somesh Gupta, Senior Panel Counsel
for the appellants-UOI
(through V.C.)

Mr. Sandeep Punchhi, Advocate
for the respondent/s.

**PANKAJ JAIN, J. (ORAL)**

1 Present bunch of three appeals involve common question of law in the background of common set of facts and thus they are being decided by a common order. The issue relates to liability of Railways to account for loss of consignment in transit.

2 Learned counsel for the appellants admits that the issue involved will be covered by detailed judgment passed by this Court FAO No.1177 of 1996 titled as ***Punjab Small Ind. & Exprt. Corp., Chandigarh Vs. Union of India etc.***, decided on 16.01.2025 wherein this Court dealt with the issue and held as under :-

“17. Railway Administration will not be responsible for any loss, destruction, damage or deterioration of goods loaded at a siding not belonging to the railway administration only till the wagon containing the goods has been placed at the specified point of inter change of wagons between the siding and the railway administration. The only exception is where a railway servant authorized in this behalf has not been informed in writing accordingly by the owner of the siding. Admittedly, the wagon loaded in the siding belonging to respondent No.2 from whom appellant purchased the consignment was not only interchanged at the specified point but the same was carried by the railways up to the destination. In terms of Section 93, railway administration is generally responsible as carrier of goods and is required to account for any pilferage/loss. Even though in terms of Section 99 wherever the consignment is at owner's risk, the railway administration is not responsible as a bailee. However, by declining the request of the consignee for reweighment, the railway administration has not helped its cause and cannot

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escape its liability merely by claiming that the consignment was at owner's risk. Admittedly, railway administration charged RR as per the bill. Apprehending loss in transit, consignee requested for reweighment. After railway administration declined the request, consignee was left with no other choice but to appoint independent surveyor to get the consignment reweighed. Tribunal erred in rejecting the surveyor's report merely on the ground that three gate passes were missing. Gate passes were issued by railway administration and railway administration could have well proved the details thereof, in case they were disputing the same. There being no effort made at the end of Railways Department, this Court finds that the Tribunal erred in rejecting the surveyor's report.

18. Keeping in view the aforesaid facts, the findings recorded by the Tribunal cannot be sustained and are hereby set aside. The appellant is held entitled for monetary compensation in terms of the losses suffered on account of pilferage during transit."

- 3 Learned counsel for the respondent does not dispute the same.
- 4 Consequently, the present appeals are disposed off in the same terms as in **FAO No.1177 of 1996**.
- 5 Photocopy of this order be placed on the connected files.

07.08.2025
Pooja Sharma-I

(PANKAJ JAIN)
JUDGE

Whether speaking/reasoned:	Yes/No
Whether reportable:	Yes/No