



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

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FAO-1722-2001 (O&M)

Date of decision : 23.03.2026

Union of India

..... Appellant

versus

New India Assurance Company Limited and another... Respondents

CORAM : HON'BLE MR. JUSTICE PANKAJ JAIN

Present: Ms. Gehna Vaishnavi, Panel Counsel
for the appellant-UI.

Mr. R.C. Gupta, Advocate
for respondent No.1.

Mr. Harinder Pal Singh Ishar, Addl. A.G., Punjab
for respondent No.2.

PANKAJ JAIN, J. (Oral)

1. The present appeal is at the behest of the department of railways against order dated 07.12.2000 passed by Railway Claims Tribunal, Chandigarh Bench, Chandigarh.

2. The issue relates to damage to the consignment of 600 kattas of basmati rice weighing 240 qtls loaded in wagon No.CR 63770. It has come on record that the consignment was loaded in the presence of railway staff and was to be carried from Amritsar to Bombay. A valid receipt bearing No.322370 dated 24/25.05.1990 was issued. At the destination, the certificate to the effect was issued that 448 kattas of rice have been damaged. Admittedly, respondent No.2 served legal notice under Section 106 of the Railways Act, 1989 claiming compensation of Rs.79,920/-.



3. Tribunal after analysing the evidence threadbare concluded that the onus was upon the railways to prove that due care and caution was exercised while transportation of the consignment to the destination and that damage, if any, caused was on account of non-compliance of packing conditions. Railways having failed to adduce any evidence to prove the same, Tribunal held the railways liable to compensate the consignee/insurance company for the loss caused.

4. Counsel for the appellant has not been able to show any piece of evidence which has been misread by the Tribunal. Pure finding of fact has been recorded. It is a case where advance notice under Section 106 of the Act was served upon the railways. Railways themselves issued a valid receipt for booking the consignment. Though, the railways claimed that the wagon was water tight, however, they failed to prove that the damage caused was on account of any negligence on part of the consignor.

4. In view thereof, this Court finds no reason to interfere well reasoned order passed by the Tribunal.

5. Finding no merits in the present appeal, the same is ordered to be dismissed.

6. Since the main case has been decided, pending miscellaneous application, if any, shall also stands disposed off.

(PANKAJ JAIN)
JUDGE

23.03.2026
Dinesh

Whether speaking/reasoned :	Yes
Whether Reportable :	No