

of tea carrying business. There was damage to Mogul Steamship Co. The Court held that there was no unauthorized interference with the plaintiff's lawful rights.

Remoteness of Damages (novus actus interveniens)

Person is liable for consequences, not too remote from his conduct. No person is liable *ad infinitum* for all consequences, which follow from his wrongful act. The Courts have provided tests to ascertain *novus actus interveniens*.

1st Test.— The test of reasonable foresight (<i>Greenland v. Chaplin</i>)	Liability of the defendant is only for those consequences, which could have been foreseen by a reasonable man placed in the circumstances of the wrongdoer.
2nd Test.— The test of directness (<i>Wagon Mound case</i>)	In the case of <i>Re Polemis & Furness, Withy & Co. Ltd</i> test of reasonable foresight was rejected. A person is liable for all the direct consequences of his wrongful act. However in <i>Wagon Mound</i> case, the Privy Council reversed the decision of <i>Re Polemis</i> case. The Polemis rule was reversed by substituting "direct" to "reasonable foreseeable consequences leads to equally illogical and unjust consequences."

Rule of Strict Liability and Rule of Absolute Liability

In the case of *Rylands v. Fletcher*, Justice Blackburn held that "We think that the rule of law is, that the person who for his own purpose brings on his lands and keeps anything, likely to do mischief if it escapes, must keep it in at his peril, and if he does not do so, is *prima facie* answerable for all the damages which is the natural consequence of its escape. He can excuse himself by perhaps that the escape was the consequence of *vis major*, or the act of God; but nothing of this sort exist here, it is unnecessary to inquire what excuse would be sufficient."

Essentials of Strict Liability

1. Dangerous thing must be kept by a person
2. Dangerous thing must escape
3. It must be non-natural use of land

Exceptions to the rule in *Ryland's v. Fletcher*

1. *Vis majeure*— Act of God
2. Act of third party
3. Consent of plaintiff— *Volenti non fit injuria*
4. Statutory Authority
5. Plaintiff's own default

The above rule was modified in the case of *M.C.Mehta v. Union of India* where Chief Justice Bhagwati laid down the rule of 'absolute liability'. When an enterprise is engaged in a hazardous or inherently dangerous activity and harm resulting to anyone on account of an accident in the operation of such hazardous or inherently dangerous activity resulting for example, in the escape of toxic gas, the enterprise is strictly and absolutely liable to compensate all those who are affected by the accident and exceptions under the rule in *Rylands v. Fletcher* are not applicable.

The above decision of the Court was followed in the case of *Indian Council for Enviro-Legal Action v. Union of India* by invoking the doctrine of "Polluter Pays" and in the case of *Union Carbide Corporation v. Union of India*.

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