

CONTRACT OF BAILMENT

Rights of Bailee

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Rights of Bailee

- *Right to Compensation* - Section 164 of the Act provides that the bailor is responsible to the bailee for any loss which the bailee may sustain



- by reason that the bailor was not entitled to make the bailment, or to receive back the goods, or to give directions respecting them.



- *Right to Damages* – Section 150 of the Act provides that the bailor is bound to disclose to the bailee faults in the goods bailed, of which the bailor is aware, and which materially interfere with the use of them, or



- expose the bailee to extraordinary risks; and if he does not make such disclosure, he is responsible for damage arising to the bailee directly from such faults.



- If the goods are bailed for hire, the bailor is responsible for such damage, whether he was or was not aware of the existence of such faults in the goods bailed.



For examples,

- 'A' lends a horse, which he knows to be vicious, to 'B'. He does not disclose the fact that the horse is vicious. The horse runs away. 'B' is thrown and injured. 'A' is responsible to 'B' for damage sustained.



- 'A' hires a carriage of 'B'. The carriage is unsafe, though 'B' is not aware of it, and 'A' is injured. 'B' is responsible to 'A' for the injury.



Right to Expenses/Remuneration

- – Section 158 of the Act provides that where, by the conditions of the bailment, the goods are to be kept or to be carried, or to have work done upon them by the bailee for the bailor,



- and the bailee is to receive no remuneration, the bailor shall repay to the bailee the necessary expenses incurred by him for the purpose of the bailment.



- *Not responsible for wrong delivery* – Section 166 of the Act provides that if the bailor has no title to the goods, and the bailee, in good faith,



- delivers them back to, or according to the directions of, the bailor, the bailee is not responsible to the owner in respect of such delivery.



- *Right of Lien* – Section 170 of the Act provides that where the bailee has, in accordance with the purpose of the bailment, rendered any service involving the exercise of labour or skill in respect of the goods bailed,



- he has, in the absence of a contract to the contrary, a right to retain such goods until he receives due remuneration for the services he has rendered in respect of them.



For examples,

- 'A' delivers a rough diamond to 'B', a jeweller, to be cut and polished, which is accordingly done. 'B' is entitled to retain the stone till he is paid for the services he has rendered.



- 'A' gives cloth to 'B', a tailor, to make into a coat. 'B' promises 'A' to deliver the coat as soon as it is finished, and to give a 3 months' credit for the price. 'B' is not entitled to retain the coat until he is paid.



- Section 171 of the Act provides for general lien of bankers, factors, wharfingers, attorneys and policy-brokers. It states that Bankers, factors, wharfingers, attorneys of a High Court and policy-brokers may,



- in the absence of a contract to the contrary, retain as a security for a general balance of account, any goods bailed to them;



- but no other persons have a right to retain, as a security for such balance, goods bailed to them, unless there is an express contract to that effect.



- *Right to Sue* – Section 180 of the Act provides for Suit by bailor or bailee against wrong-doer. It states that if a third person wrongfully deprives the bailee of the use or possession of the goods bailed,



- or does them any injury, the bailee is entitled to use such remedies as the owner might have used in the like case if no bailment had been made; and either the bailor or the bailee may bring a suit against a third person for such deprivation or injury.

