

Welcome students. Today we are discussing subject Contract II for BALLB students.

The unit is a Special contract of bailment wherein we are going to discuss rights and duties of the Bailor and the Bailee. The general outline of what will be discussed today is

- 1.Rights of the Bailor
- 2.Duties of the Bailor
- 3.Rights of the Bailee.
- 4.Duties of Bailee

After the lecture, the students will be able to understand the rights and duties of the Bailor, and understand the rights and duties of the Bailee.

- 1.Right to indemnity for losses due negligence by the Bailee.
- 2.Right to termination of bailment on inconsistent use by the Bailee (Sec.153)
- 3.Right to recover compensation
- 4.Right of return of goods back (Sec.159)
- 5.Right to profit from goods bailed (Sec.163)

Duties of the Bailor:

- 1.Repay necessary expenses (Sec.158)
- 2.Indemnify the bailee
- 3.Disclose faults in goods bailed (Sec.150)
- 4.Liability on Premature breach of bailment

Rights of the Bailee:

- 1.Right to recover necessary expenses (Sec.158)
- 2.Delivery of goods to bailor without title-(Sec.166)
- 3.Right to have Lien (General Lien and Particular Lien –Sec.170-171)
- 4.Right to Sue Wrongdoer (Sec.180)
- 5.Delivery to one of several joint bailor of the goods bailed –Sec.165
- 6.Right to recover compensation (Sec.164)

Duties of the Bailee:

1. Reasonable Care (sec.151)
2. Goods of the bailor should not be mixed with his own goods (Sec.155-156)
3. Return Goods Bailed (sec.160)
4. Title of the Bailor should not be questioned (Sec.166)
5. Make proper use of goods bailed (Sec.154)
6. Pay increases or profit (Sec.163)

Bailor and Bailee are two parties to a special contract which is known as "Bailment". The relationship between the Bailor and the Bailee is governed by the provisions of the Indian Contract Act, 1872.

Bailor and Bailee have various rights coupled with reciprocal duty towards each other. For an effective Bailment contract, the duties should be followed by the Bailor and the Bailee and the rights should be exercised when the need arises.