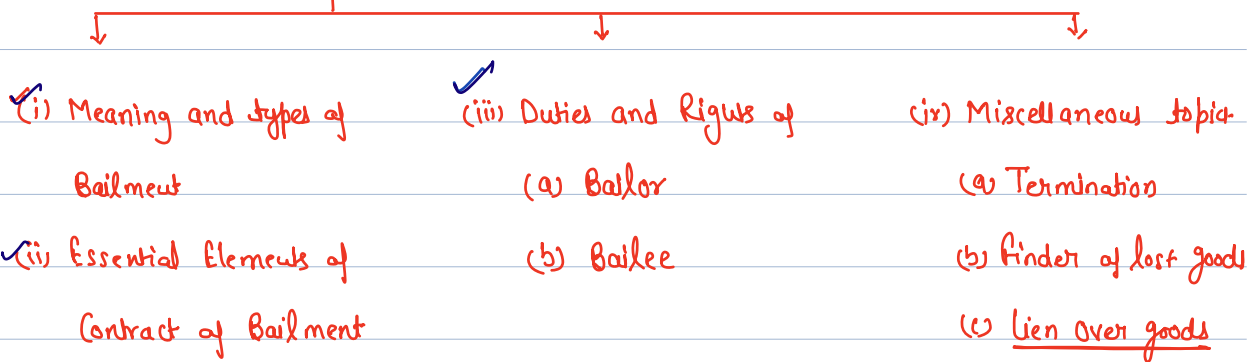


Part - II of Indian Contract Act, 1872 - Bailment and Pledge

(A) Contract of Bailment:



(i) Meaning and Types of Bailment:

Sec. 148: Delivery of goods by one person to another
(Actual or Constructive) (movable) ↓ (Bailor) (Bailee)
for some purpose under a Contract
(Express/Implied) ↓ (Express/Implied)
that the goods, shall, when the purpose is accomplished be
Returned or otherwise disposed of as per the directions
of the person delivering them.
(Bailor)

same form →
altered form →

Bailment is of two types: (a) Gratuitous (b) Non-Gratuitous

(ii) Essential Elements of Contract of Bailment:

- (a) Existence of a Contract (Express/Implied)
- (b) Delivery of goods (transfer of possession of goods - actual/constructive)
- (c) Change of possession of goods.
- (d) Purpose of delivery (Express/Implied)
- (e) Returned/disclosed of (on accomplishment of purpose)

(iii) Duties and Rights of Bailor and Bailee:

↓ Duties

↓ Rights

↓

↓

(a) Bailor:

- (i) To disclose fault in goods (Sec. 150)
- (ii) To bear all necessary expenses (Sec. 158)
- (iii) To Indemnify the bailee for premature termination. (Sec. 159)
- (iv) To Indemnify bailee for loss suffered due to wrong acts of bailor (Sec. 164)
- (v) To receive back the goods when returned (Sec. 164)

(a) Bailee:

- (i) To claim compensation in case of faulty goods (Sec. 150)
- (ii) To claim necessary expenses (Sec. 158)
- (iii) Right to Indemnity (Sec. 166)
- (iv) To deliver the goods to any of the joint bailor (Sec. 165)
- (v) To apply to the court to decide title of goods.

(b) Duties of Bailee:

- (i) To take reasonable care of the goods (Sec. 151 and 152)
- (ii) To return the goods (Sec. 160 and 161)
- (iii) Not to make inconsistent use of goods. (Sec. 153 and sec. 154)
- (iv) Not to mix the goods with goods of his own (Sec. 155, 156, and 157)
- (v) To return the accretion from the goods (Sec. 163)
- (vi) Not to set-up any adverse title.

(b) Rights of Bailor:

- (i) To terminate the bailment (Sec. 153)
- (ii) To demand back the goods [with accretion, if any] (Sec. 159)
- (iii) To claim compensation in case of inconsistent use of goods or unauthorised mixing of goods.
- (iv) To file a suit against wrong doer (Sec. 180 and 181)
- (v) To sue the bailee

H.W. - Written Practice of Questions asked in Exams.