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INDIAN CONTRACT

Act 1872

LL.B. II Sem

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Rights of an Agent

Agent's right against his principal

1) Agent's right of retainer out of sums received on principal's account - means Right to retainer → An agent has a right to retain out of sums received on principal's account, all moneys due to himself in respect of advances made or expenses properly incurred by him in conducting such business.
(Sec - 217)

2) Agent's duty to pay sums received for principal - means right to remuneration → An agent, when he has wholly carried out the business of the agency has the right to be remunerated of any expenses suffered by him while conducting the business.
(Sec - 219) but he is not entitled to this remuneration in respect of that

part of business which he has misconduct.
(Sec - 220)

case → Saraswati Devi v/s Motilal AIR 1982

3) Agent's lien on principal's property

means right of lien → The agent has the right to hold (keep with himself) any movable or immovable property of the Principal until his due remuneration is paid to him by the Principal (Sec - 221)

4) Agent to be indemnified against consequences of lawful acts - means Right to be indemnified → The agent has the right to be indemnified against all the lawful acts done by him during the course of conducting the Principal's business.
(Sec - 222)

5) Agent to be indemnified against consequences of acts done in good faith - means An agent is entitled to be indemnified by the principal against the consequences

of acts done in good faith though they cause an injury to the rights of third person. (Sec - 223)

6) Compensation to agent for injury caused by principal's neglect, means Right to get compensation → The agent has the right to be compensated for any injury or loss suffered by him due to the lack of skill and competency of the Principal.

Illustration → A employs B as a bricklayer in building a house, and puts up the scaffolding himself. The scaffolding is unskillfully put up and B is in consequence hurt. A must make compensation to B.