

Article amount of
freight recovered by
the defendant



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Article 24 applies where the defendant may be said to have held the money in trust for the plaintiff. Art. 24 applies to 'suits for money had and received'. Such suits arise where money is payable forthwith to the plaintiff.

Article 24 applies to recover the money payable under Section 65 of the Contract Act. Under Section 65 of the Contract Act, the cause of action to recover the consideration arises when the agreement is discovered to be void and the time would commence to run from the date of agreement. The Art.

24 does not apply when the defendant is not liable to pay over the money to the plaintiff as soon as it is received and the money is payable after a particular period. It will not apply where accounts are required to be rendered. The suit for recovery of excess amount of freight recovered by the defendant from the plaintiff attracts Article 24. The expression "money received by the defendant for the plaintiffs use" in Article 24 does not mean that when the money was received by the defendant, the defendant must have intended to receive it for the plaintiffs use either expressly or by necessary implication. The fact that the defendant received the money, which on the date of receipt did not belong to him in the eye of law but belonged to the plaintiff, Art. 24 will be attracted. In *Hansraj v.*

Ratni, (13 ALJ 494), it has been held that a suit by the plaintiff against his ex-agent for money realised by the latter after the termination of the agency falls under Section 24. In *Labh Singh v. Courts of Wards*, (AIR 1945 Lah.

210), it has been held that a suit for the return of money paid in advance under a contract of sale is governed by the Art. 24 and not by Article 47. In <https://assignbuster.com/article-amount-of-freight-recovered-by-the-defendant/>

Hans Raj v. Official Liquidators, (AIR 1933 PC 63), it has been held that an amount paid by the plaintiff under a void agreement is recoverable as money had and received under Section 24 and time runs from the date on which the agreement is discovered to be void. In Venkataraman & Co. v.

State of Madras, (AIR 1966 SC 1089), it is held that when the money has been paid under a mistake of fact or law, a suit for its recovery will not fall under Article 24 but under Art. 59 of the Limitation Act, 1963. In Panjatan Ahmed v. Najatannessa, (AIR 1952 Cal. 230), it is held that a suit- for recovery of money realised by a de facto guardian is governed by the Article 24. Under Art. 24, the limitation would run from the time when the money was received and not when the money was demanded.