

Law:

Chp-2: Sale's of Goods Act, 1930

UNIT - 1

Formation of the contract  
of sale

# Introduction:

→ Sale of Goods Act, 1930 is an act to define and Amend laws relating to sale of goods. It extends to whole of India. It came in force on 1<sup>st</sup> July, 1930.

# Scope:

→ Provision of this act are applicable to contracts related to sale of goods i.e movable property. This is not applicable for sale immovable properties.

# Definition's:

(i) Buyer & Seller

- •) Buyer means a person who buys or agrees to buy Goods
- ) Seller means a person who sells or agree to sell Goods.

(ii) Goods

- Good means every kind of movable property other than Actionable claims and money in

Circulation and It includes stock and Shares, Growing Crop's, Grass and things attached to or forming part of land, which are agreed to be severed before sale or under contract of Sale.

### •) Types of Goods :

#### 1) Existing Goods

→ These are such goods as are in existence at the time of contract of sale i.e. owned or possessed or acquired by seller at the time of contract of sale.

#### → Types of Existing Goods :

##### a) Specific Goods

→ mean's goods identified and agreed upon at the time of contract of sale is made.

##### b) Ascertained Goods

→ Those Goods which are identified in accordance with agreement after contract of sale is made.

##### c) Unascertained Goods

→ Those Goods which are not specifically identified or ascertained at the time of making contract. They are defined by Description.

2) Future Goods

→ Goods to be manufactured or produced or acquired by seller after making contract of sale.

3) Contingent Goods

→ Acquisition of which by seller depends upon an uncertain contingency. These goods also operate as an agreement to sale and not sale.

(iii) Delivery

→ Delivery means voluntary transfer of possession from one person to another.

•) Actual Delivery : When goods are physically delivered to buyer.

•) Constructive Delivery : When it is effected without change in custody.

•) Symbolic Delivery : Where there is delivery of a thing in token of transfer of something else.

(iv) Document of title :

→ A document is document of title only where it shows unconditional undertaking to deliver goods to holder of document.

e.g.: Receipt, Bill of lading.

•) Document Showing title :

→ A document that merely shows that the person named in that document is owner.  
eg: Share Certificate, Marksheets, etc.

(V) Mercantile Agent

→ Agent who in customary course of business as an agent authorised to consign or sell goods of the purpose of raising money.  
eg: Auctioneer, etc.

(VI) Property

→ Property means ownership.

•) General property : means all ownership rights of the goods

•) Special property : When owner is someone else however ~~contain right~~ certain rights are transferred to holder of goods.

eg: pledge.

(Vii) Insolvent

→ A person ceases to pay his debt in ordinary course of business.

(Viii) Price

→ Money consideration for sale of goods.

(ix) Quality of Goods

→ Means State or Condition of Goods.

## # Sale and Agreement to Sale (Sec. 4)

•) Contract of sale

→ Where seller transfers or agrees to transfer property in goods to buyer for a price.  
→ Contract of sale may be absolute or conditional.

Contract of Sale

Sale

Agreement to sale

a) Sale :

→ If property in goods is transferred from seller to buyer such contract is called Sale.

b) Agreement to Sale

→ If property in goods is transferred on future date or time it is called agreement to sale.

•) Elements of contract of Sale :

(i) There must be two parties Buyer and Seller.

(ii) Subject matter of contract of sale must be covering movable goods.

(iii) Price in money should be paid or promised. But there is nothing to prevent the consideration from being partly in money and partly in kind.

(iv) Transfer of property in goods from seller to buyer.

(v) Contract of sale may be Absolute or conditional.

(vi) All other essential elements of valid contract must be present in contract of sales.

NOTE : Please refer Study Material or module for Diff. b/w Sale & agreement to sale

[Pg no. 2.8]

# Sale Distinguished From other similar contracts.

(i) Sale and Hire purchase

→ Contract of Sale and Hire purchase resembles very closely as real object is to sale goods ultimately.

→ Hire purchase agreements are governed by  
Hire purchase Act, 1972.

→ In these Agreement, goods are let on Hire and hirer has an option to purchased them as per terms of agreement.

NOTE : Refer [Pg no. 2.9] For Diff b/w sale & Hire purchase

(ii) Sale and Bailment :

→ Bailment means delivery of Goods for some specific purpose under contract on condition that same good are to be returned or disposed as per the instructions of Bailee.  
eg: Carrier, Vehicle on rent.

• Types of Bailment

- (a) Gratuitous
- (b) Non Gratuitous

(iii) Sale and Contract for work and labour :

→ If no goods are sold and there is only rendering of some work or labour, then contract is only of work and labour and not of sale of Goods.

NOTE : Refer [Pg no. 2.10] for Diff b/w sale & Bailment.

# Contract of sale How made (Sec. 5) :

→ A contract of sale is made by an offer to buy or sell goods for price and Acceptance of such offer.

→ Delivery & Price may be immediate or Both on installment or on future Date, etc.

### # Subject matter of contract of sale :

• Existing or Future Goods (Section 6) :

→ Goods which form subject matter of contract of sale either existing goods or owned or possessed by seller or future goods.

→ There may be contract of sale of goods Acquisition of which depends upon contingency which may or may not happen.

→ If there is a sale of future goods, contract is said as agreement to sell.

• Goods Perishing before making of contract (Sec.7)

→ Where there is contract of sale of specific goods, contract is void, if goods perished even without knowledge of Seller.

There, Perished means Damaged

- ) Goods perishing before sale but after Agreement to sell (Sec. 8)

→ Where there is an agreement to sell specific goods, and subsequently goods without fault of seller or buyer perished or become so damaged that it doesn't solve need of buyer. Then such agreement can be avoided or become void.

- ) Perishing of future goods

→ Destruction of future goods shall amount to supervening ~~Impossibility~~ Impossibility and contract shall be void.

### # Ascertainment of Price (Sec. 9 & 10)

- ) Ascertainment of price (Sec. 9)

→ Price in a contract of sale may be

1) Fixed by contract, or

2) Agreed to be fixed in manner provided in contract, or

3) determined by dealing between parties.

- ) Agreement to sell at valuation (Sec. 10)

→ If Agreement is to sell goods at valuation by third party and such third party either does not or could not make valuation then Agreement shall be void.

Less - Drawings (31.00)  
Sundry creditors

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However, if goods are already delivered to buyer than he shall be liable to pay ~~the~~ reasonable price.

→ If third party is prevented for making valuation by fault of Buyer or Seller, such party in fault is liable for damages.

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## UNIT - 2

### Conditions & Warranties

# Stipulation as to time (sec. 11)

→ Generally, Essence of contract is not time of payment nor terms of contract. However delivery of goods must be made without delay. As an essence to a contract.

# Condition and Warranty (sec. 12)

→ A condition is a stipulation essential to main purpose of contract, breach of which gives rise to right to that contract as repudiated.

→ Warranty is a stipulation collateral to main purpose of contract, breach of which gives rise to a claim for damages but not to a right to reject goods and treat contract as repudiated.

NOTE :- Refer Pg no. 2.20 for Diff b/w Condition & Warranty.

# When condition is treated as warranty (sec. 13)

- 1) Where buyer waives performance of condition.  
[For own benefit voluntary waiver].
- 2) Where buyer elects to treat breach of condition as breach of warranty. [Only damages will be claimed]
- 3) Where contract is non-severable and buyer has accepted either whole goods or part thereof. [Compulsory waiver]
- 4) Where fulfilment of any condition or warranty is excused by law [compulsory waiver]

### # Express and Implied condition and warranties (Sec. 14 - 17)

→ Express Condition : Those conditions which are expressly agreed upon between parties to contract and are expressly provided in contract.

→ Implied Condition : Such condition which are presumed by law to be present in contract.

#### •) Implied Conditions :

1) Condition as to title

→ First implied condition is -

a) Seller must have right to sale goods.

b) In case of future goods, seller will have right to sell goods, when property passes.

2) Sale by description

→ This is based on rule, "If you contract to sell peas you cannot compel buyer to buy beans". Where goods are sold by description, goods must correspond to its description.

3) Sale by Sample

→ If goods are sold by sample

- o) Sample must correspond to bulk.
- o) Goods shall be free from any defect rendering them unmerchantable.

4) Goods sold by Sample as well as description.

→ Where goods are sold both by sample as well as description, the implied condition is that bulk must correspond both with sample as well as description.

5) Condition as to Quality or fitness:

→ This implied condition states that seller must supply reasonably fit goods for the purpose for which buyer wants them.

a) If buyer has made seller known purpose of buying goods.

b) Seller is in business Supply such goods.

c) Buyer relied on Skill & Judgement of seller

6) Condition as to Merchantability.

→ Goods must be of merchantable quality i.e. a person of ordinary prudence would accept them against price paid by him.

7) Condition as to wholesomeness

→ In case of Eatables, addition condition is added with merchantability i.e. goods must be wholesome.

### # Implied Warranty

1) Warranty as to Undisturbed Possession:

→ It is implied warranty that buyer should enjoy quiet possession of goods. If buyer gets disturbed while possession of goods then he may sue seller and demand for damages.

2) Warranty as to non-existence of encumbrances

→ It is implied warranty that goods must be free from any charge or encumbrance in favour of third party.

3) Warranty as to Quality or fitness by usage of trade:

→ The rule 'Let the buyer beware' states it is buyer's duty to check good before buying

Inventory	2500	Investment	5000
Cash at Bank			6400
Cash in hand			
	4120		

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& seller shall not be liable for any visible defect. However, if buyer made seller know purpose if goods and rely on his skills and judgement then he can claim damages if goods are not fit.

4) Disclosure of Dangerous nature of goods  
→ If goods are dangerous in nature and buyer is ignorant of danger then seller must warn buyer of such danger.

#### # Caveat Emptor :

→ Doctrine of 'Caveat Emptor' means "Let the buyer Beware" when goods are displayed in open market it is buyer to make proper selection or choice. if goods turn out to be defective. He cannot hold seller liable. Seller shall be responsible for bad selection of buyer.  
not

However, if following conditions are satisfied doctrine of caveat emptor shall not be applicable :

- If buyer had made known to seller purpose of his purchase.
- Buyer relied on seller's skill and judgement.
- Seller's business is to supply goods of that description

## # Exception to Caveat Emptor

### 1) Fitness as to Quality or Use:

→ Where buyer makes known to seller purpose for which goods are required to show that he relies on sellers skills and judgement and goods are of a description which is in course of seller's business to supply.

### 2) Goods Purchased ~~when~~ under Patent or Brand Name:

→ If goods bought under a patent or brand name, there is no implied condition that goods shall be fit for particular purpose.

### 3) Goods sold by description

→ Where goods are sold by description it is implied condition that goods shall correspond to its description.

### 4) Goods of merchantability Quality:

→ Where goods are bought by description from seller, it is implied condition that goods shall be of merchantable quality. Rule of Caveat Emptor is not applicable.

### 5) Sale by sample

→ Where goods are bought by sample, rule of Caveat Emptor does not apply if bulk does not correspond with sample.

Less - Drawings (8100)		Cundry Debtors (17600 - 800)	16800
Sundry creditors	7500	Investment	5000
		Cash at Bank	6400
		Cash in hand	100
42230			

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Likelihood  
Opportunity  
Addition  
NIP  
Drawing  
dry tree  
expenses

6) Goods sold by sample as well as Description  
 → Where goods are sold by sample as well as description, rule of caveat emptor is not applicable in case goods do not correspond with both or either.

7) Trade usage

→ It is implied condition that goods must fit for purpose it is bought.  
 Caveat Emptor shall not be applicable if purpose of buying is not fulfilled.  
 eg: Ready-made garments must fit

8) Seller actively conceals defect or guilty of fraud.

→ When seller sells goods by making misrepresentation or fraud and Buyer relies on it than Buyer has right to rescind such contract.

SOMA, 1930

UNIT-3

Transfer of ownership and  
Delivery of Goods.

# Importance of time of transfer of property

- As per general rule, Risk *Prima facie* Passes with property.
- When goods are lost or damaged, burden will be borne by person who is owner at that time.
- If goods are lost or damaged by third party owner shall take action.
- Even a seller can sue buyer only after passing of ownership.

NOTE: Passing of property is most important element to decide liabilities of Seller and Buyer.

Passing of property means Passing of ownership if property in Goods passed than risk is goods sold is that of buyer and not of seller.

# Passing of Property. (sec 18-26)

### A) Specific / Ascertained Goods

→ If contract of sale is of specific / Ascertained goods than property is transferred if contract intend to transfer.

→ For ascertaining intend of parties we need to check terms and condition of contract.

→ Unless a different intension appears. Rules under section 20 to 24 shall be followed.

#### (i) Specific goods in deliverable state :

→ Immaterial of time of payment or delivery of goods , the property in goods transferred when contact is made.

#### (ii) Specific Good to be put into a deliverable state :

→ If contract of sale specifies that seller is bound to do something to put goods in deliverable state than property shall pass once such thing is done

#### (iii) Specific goods in deliverable state, when Seller has to do anything in order to ascertain price :

→ When there is contact of sale of specific goods and Seller is bound to measure, weight, test or do anything with reference to ascertain price.

B) Unascertained Goods:

→ Goods must be Ascertained:

•) If there is a contract of sale of unascertained goods, property shall transfer to Buyer only after goods are ascertained.

→ Sale of unascertained goods by Description:

•) If unascertained goods are sold by description, it must be done by mutual consent of seller and Buyer.

•) Essentials are

(i) There must be contract of sale of unascertained goods.

(ii) Goods must match its description.

(iii) Goods must be in deliverable state.

(iv) Goods must be transferred unconditionally

(v) and Appropriation must be made by

•) Seller with assent of Buyer or Buyer with assent of Seller.

•) Assent may be express or Implied, also may be given before or after appropriation

→ Delivery to carrier (under sec 23(2))

•) If seller delivers goods to buyer or carrier or any other Bailee for the purpose of transmission to buyer and does not reserve any right of disposal, it is assumed that goods are appropriated to buyer.

c) Goods Sent on Return or on Approval Basis (Under Section 24)

→ When goods are sold on return or on approval basis, property shall transfer to buyer if :

a) He signifies his approval or acceptance to seller.

b) If he does not signifies his approval nor reject goods with reasonable time.

c) He does something to goods which is equivalent of accepting goods.  
eg: Pledge or sell of goods.

→ Sale for cash only or Return

•) if goods sold on terms of sale or return then goods shall remain seller's property until buyer paid for goods

D) Reservation of Right of Disposal.

→ Where there is contract of sale of specific goods, seller may reserve right of disposal of goods when sent to buyer by carrier or agent then property of goods does not pass to buyer until conditions are satisfied.

### # Risk Prima facie Passes with property (Sec.26)

→ Goods remains at seller's risk until property in goods transferred to buyer, goods are at buyer's risk only after property in goods passes to buyer.

→ Provided that, if delivery has been delayed due to fault of buyer or seller, good shall be at risk of party in fault.

### # Transfer of title by non owners (Sec 27-30)

→ Sale of by person not the owner (Sec 27):

•) In general, seller can only sell those goods of which he is absolute owner. But sometimes, even a non-owner can pass valid title. The general rule is express in latin Maxim "Nemo dat Quod non habet" which means no one can pass give what he has not got.

•) However there are certain exception to this rule:

## 1) Sale by Merchantile Agent

→ If a sale is made by merchantile agent he would pass valid title to buyer if :

- he has possession of goods and consent of owner to sell.
- Sale is made while acting as agent in ordinary course of business.
- Buyer has bought goods in good faith.

## 2) Sale by one of the joint owners :

→ If one of the several joint owners sell goods which are in his sole possession with permission of other joint owner and buyer bought goods in good faith than valid title shall be transferred.

## 3) Sale by a person in possession under voidable contract :

→ A Buyer would acquire valid title of goods sold to him by a seller who obtained goods under coercion, undue influence, fraud or misrepresentation.

## 4) Sale by a person who has already sold goods but good continue in possession :

→ If a person sold goods but continue to be in possession of them or if documents of title to them than he may pass valid title to third party if such person obtains

delivery in good faith.

5) Sale by buyer obtaining possession before property in goods vested in him:

→ Where Buyer with consent of seller obtains possession of goods before passing of property. He may sell or pledge such goods to third party giving them valid title.

6) Effect of Estoppel:

→ If owner estopped by conduct by giving authority of sell to seller, then buyer shall get good title for goods.

7) Sale by unpaid seller:

→ Where an unpaid seller who has exercised right of lien or stoppage in transit resells goods, buyer acquires a good title to goods.

8) Sale under Provision of other Acts:

(a) Sale by official Receiver or liquidator of company

(b) Sale by finder of goods

(c) Sale by pawnee can convey good title

# Performance of the contract of sale (Sec. 31-44)

Sundry creditors | 2500

Investment cash etc.

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Capital :  
ld :- Addition  
ld :- NIP  
ss :- Drawings  
Sundry ex-  
or r exper

→ Delivery :

- Voluntary transfer of possession from one person to another.

→ Duties of Seller and Buyer : (sec 31)

- Seller : Deliver goods in reasonable time.
- Buyer : Accept and pay for goods.

→ Payment & Delivery are concurrent condition (sec 32) :

- Seller shall be ready and willing to give possession of goods to buyer when buyer is willing to pay for goods.

→ Rules for Delivery of Goods (33 - 41)

1) Delivery :

→ Delivery shall be completed by doing anything which parties agrees shall be treated as delivery.

2) Effect of Part Delivery :

→ Part Delivery & Goods shall be treated as passing of property of whole goods. But if part delivery is intended to sever good then delivery cannot be operated for remaining goods.

3) Buyer to apply for delivery :

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→ Seller is not bound to deliver until Buyer applies for delivery.

4) Place of Delivery:

→ Generally contain in agreement, if not then at the place where agreement is done or where goods are manufactured or produced.

5) Time of Delivery:

→ Generally fixed in agreement, if not that seller is bound to send within reasonable time.

6) Goods in Possession of third Party:

→ Where goods at the time of sale were in possession of third party, there is no delivery until such third party acknowledge buyer that he holds goods.

7) Time for Tender of Delivery:

→ Demand of delivery may be treated as ineffectual unless made in reasonable hours.

8) Expenses of Delivery:

→ To be borne by Seller

9) Delivery of wrong quantity:

→ a) If less quantity is delivered than contracted:

a) Buyer may reject all or

b) Accept and pay for less quantity as

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delivered.

- If more quantity is delivered then contacted:
- ) Buyer may reject all or
  - ) Buyer may accept all & pay accordingly or
  - ) Accept only the ordered quantity & reject extra.

10) Installment Deliveries:

- Buyer may reject goods if delivered in installments and not determined in contract about installments.

11) Delivery to carrier:

- If goods are carrier to transmit to buyer, it is assumed to be delivery to buyer.

12) Deterioration during transit:

- Loss will fall on buyer if contract is silent.

13) Buyer's right to examine the goods:

- If goods are delivered to buyer who has not reasonably examined goods than he is entitled to reasonable opportunity of examining of goods to confirm goods are as per order.

# Rules related to acceptance of Delivery  
Under (Section 42)

→ Acceptance is deemed to take place  
when:

- (i) Buyer intimates seller that he accepts goods.
- (ii) Does anything which is inconsistent to ownership.
- (iii) Retains goods even after lapse of reasonable time.

# Buyer not bound to return rejected goods: (Sec 43)

→ Buyer is not bound to return goods which are rejected, He must only inform seller about rejection.

# Liability of buyer for neglecting or refusing delivery of goods (sec 44):

→ When Seller is willing to deliver goods and buyer does not take delivery within reasonable time than He (Buyer) is liable for any loss due to delay or charge for keeping custody.

Sundry creditors | 2500 | Investment

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Capital :-  
Addl. :- Additional  
Addl. :- NIP.  
Less :- Drawings  
Sundry credit  
or, expenses

SOGA, 1930

## UNIT - 4

### Unpaid Seller

#### # Unpaid Seller

→ Under section 45(1) of Sale of goods Act, 1930,

A seller is deemed to be unpaid seller when:

- The whole or the price has not been paid or tendered and seller had ~~not~~ an immediate right of action for price.
- When a Bill of Exchange or other negotiable instrument has been received as conditional payment and condition on which it was received has not been fulfilled by reason of dishonour of instrument.

#### # Rights of unpaid seller against goods.

##### (1) Seller's lien (Section 47):

→ The unpaid seller of goods who has possession of goods is entitled to retain possession until payment of price, if sold as per following cases:

(a) Where goods have been sold without any stipulation as to credit.

(b) Where goods have been sold on credit but term of credit expired.

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(c) Where buyer becomes insolvent.

→ In case of Part Delivery (Under section 48):

• If part of the goods are delivered from unpaid seller to buyer, he may exercise right of lien on remainder.

→ Termination of lien (sec. 49)

(a) If goods are delivered to carrier or bailee without reserving right of disposal.

(b) Where buyer or ~~lien~~ his agent lawfully obtains possession.

(c) Seller waived off right of lien

(d) By estoppel ~~coll~~, i.e. seller himself leads third parties to believe that right of lien does not exist.)

2) Right of Stoppage in Transit (sec 50):

→ It means right of stopping goods while they are in transit to regain possession until price is not paid.

→ Right of stoppage in transit can be exercised when:

a) Seller is unpaid.

b) He parted with possession of goods.

c) Goods are in transit.

Sundry欠款 | 2000

Investment  
退款单 | 1000

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tel  
Addition  
NIP  
Draw  
Buy or  
expe

- a) Buyer is insolvent
- b) Right is given as per act.

→ Duration of transit :

- Goods are deemed to be in transit from the time they are delivered to carrier till it reaches buyer or his agent.

→ When does transit ends :

- a) Buyer or other Bailee obtains delivery.
- b) If carrier acknowledges Buyer that he hold goods on these behalf.
- c) Buyer obtains delivery before arrival at destination.
- d) If carrier refuses to deliver goods.
- e) ~~If~~ Goods are delivered to carrier hired by buyer, transit comes to an end.
- f) If part delivery is done to buyer and remaining goods are in transmission & are not severable.
- g) Goods are delivered to ship chartered by buyer

→ How stoppage in Transit is effected

There are 2 modes :

- By taking actual possession of goods.
- By giving notice to carrier not to deliver goods.

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→ Effect of Sub-sale :

- If Buyer pledges or sells goods before getting possession or property in goods with assent of seller then it is a valid sale.

③ Right of Re-sale (sec. 54)

→ Unpaid seller can exercise this right in following condition :

① When Goods are of Perishable Nature :

- Buyer need not be informed for such resale.

② Where he gives Notice of intention of Resale :

- If Buyer fails to pay within reasonable time to pay price, seller may resell goods, on which Seller is entitled to :

- a) Recover loss on resale, if any or
- b) Retain Profit.

③ Where unpaid seller has exercised his right of lien or stoppage in transit and resale goods :

→ Subsequent Buyer shall acquire valid title.

④ Resale by seller where right of re-sale is expressly reserved in contract of sale :

⑤ Where Property in goods has not passed to Buyer :

→ Seller has additional right, i.e. Right of withholding also called as "Quasi-lien".

## # Right of unpaid seller against buyer (SBC 55-61)

### ① Suit for price :

→ An unpaid seller may sue buyer if property in goods have passed as per contract & buyer neglect or refuses to pay.

### ② Suit for Damages for Non acceptance :

→ Where buyer wrongfully neglect or refuses to accept or pay for goods, seller may sue him.

### ③ Repudiation of Contract Before due date :

→ Where buyer repudiates contact before date of delivery, seller may treat contact as rescinded & sue for damages for breach.

### ④ Suit for interest :

→ Where there is a specific agreement between seller and buyer on interest on price of payment, seller may recover interest from buyer.

## # Right of Buyer against Seller :

### ① Damages for non delivery :

→ Where seller wrongfully neglects or refuses to deliver goods, buyer may sue him for damages.

② Suit for specific performance:  
→ Buyer may sue seller for specific performance if seller commits breach of contract.

③ Suit for Breach of warranty:  
→ Buyer may sue seller if there is any breach of warranty.

④ Repudiation of contract before due date:  
→ Where either party repudiates contact before due date, then aggrieved party may sue for damages.

⑤ Suit for interest:  
→ If contract permits, Buyer may sue seller for payment of interest.

### # Auction Sale

→ Public Bidding of Goods, Sole once announced in customary manner.

a) Legal Rules of Auction Sale:

a) Where goods are sold in lots:

→ Each lot is deemed to have separate contract of sale.

b) Completion of contract of sale:

→ When auctioneer announces its completion in customary manner by fall of Hammer

12830	Inventory (1200-120)	1080	<b>2</b>
18100	Gudry Recktors (13600-800)	5700	
12400	Amortization	"	
2500			

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Balance

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36380

12400

330

49

c) Right to bid may be reserved  
→ Right is Bid may be expressly reserved on behalf of seller.

d) Where sale is not notified by seller:  
→ It is not lawful for seller or his agent to bid himself or allow any other person.

e) Reserved Price:  
→ Sale may have ~~be~~ upset or reserved price.

f) Pretended Bidding:  
→ May be declared void at option of Buyer.