

# CA FOUNDATION BUSINESS LAWS

## THE INDIAN CONTRACT ACT , 1872

SECTION NO	SECTION NAME
Section – 2(a)	Offer
Section – 2(b)	Acceptance
Section – 2(c)	Promisor promisee
Section – 2(d)	Consideration
Section – 2(e)	Agreement
Section – 2(h)	Contract
Section – 2(i)	Voidable contract
Section – 2(j)	Void Contract
Section – 2(g)	Void agreement
Section – 4	Communication and revocation
Section – 13	Free consent
Section – 15	Coercion
Section – 16	Undue influence
Section – 17	Fraud
Section – 18	Misrepresentation
Section – 26	Restraint of marriage
Section – 27	Restraint of trade
Section – 28	Restraint of legal proceedings
Section – 30	Wagering agreements
Section – 31	Contingent contract
Section – 56	Impossibility

<u>CASE</u>	<u>CASE CRUX</u>
Balfour v/s. Balfour	Social Agreement between Husband and Wife does not create a Valid Contract
Carlill v/s. Carbolic Smokeball Co.	Reward is a General Offer and can be accepted by any person
Lalman Shukla v/s. Gauri Datt	Acceptance without knowledge of Offer is Invalid (Servant)
Entores Ltd v/s. Miles Far East Corporation	Acceptance over telephone, fax, telex or e-mail is complete when words of Acceptance are heard by Offeror
Chinnayya v/s. Ramayya	Consideration may move from Promisee or any other Person
Kedarnath v/s. Gorie Mohammed	Charity will create a Valid Contract to the extent of liability incurred
Mohiri Bibee v/s. Dharmodas Ghose	Minor's Agreement is absolutely Void

Navkar Book Pg.1

<b>THEORY Q.</b>	<b>KEY WORDS</b>
Q-1	An Agreement Enforceable by Law
Q-2	VOID Ceases to be Enforceable Quasi Contract is not an Actual Contract but it Resemble a contract.
Q-3	VOID does not grant any right to party
Q-4	Agreement collateral to illegal are also VOID
Q-5	Signifies his willingness to do or abstains from doing something
Q-6	Offers made with intention to negotiate are Invitation
Q-7	Absolute and unqualified
Q-8	Acceptance over telephone is complete when it is received by offeror
Q-9	By Subsequent illegality
Q-10	Consideration need not be adequate
Q-11	A Promise made to pay a debt barred by limitaion is valid
Q-12	Stranger to contract cannot Sue
Q-13	No Question of Specific Performance
Q-14	Mere Silence is not Fraud
Q-15	It would defeat the provisions of Law
Q-16	Maintainance – No Interest Champerty – Share the Proceeds
Q-17	Agreement by way of wager is void
Q-18	Legal Representative of Deceased promisor are boud to perform
Q-19	Offer to perform or Tender of performance
Q-20	Liability will be Limited to the extent of property inherited
Q-21	Release of one joint promisor does not discharge others
Q-22	Time is Essential contract becomes voidable
Q-23	Subsequent or Supervening impossibility
Q-24	Application where neither party Appropriate – order of Time (FIFO)
Q-25	Novation may be between same or different parties
Q-26	Discharge by operation of law
Q-27	Anticipatory Breach – party can elect to keep contract Alive
Q-28	Such compensation is not given for Remote or Indirect Loss
Q-29	Sum in excess of damage is penalty
Q-30	Event is collateral to contract
Q-31	Doctrine of mutuality of Loss or Gain
Q-32	Principles of Equity & Justice

Navkar Book Pg.28

<b>THEORY Q.</b>	<b>KEY WORDS</b>
Q-1	All agreements are not enforceable by Law.Eg. Moral, Social Obligation
Q-2	Signifies his Assent Absolute and Unqualified (Unconditional)
Q-3	VOID is not enforceable by law illegal is Forbidden by Law. Collateral transaction to illegal Agreement is illegal.
Q-4	Consideration includes Act On Abstainance At Desire of Promisor
Q-5	Inadequacy of Consideration doesnt make a Contract void
Q-6	Exceptions to Rule

	1. Duty to Speak 2. Silence is equivalent to Speech
Q-7	Minor Incompetent to contract may yet take benefit out of Contract . Eg. Partner for benefit.
Q-8	Meaning of which is Uncertain is void .Eg. Reasonable salary capable of being made certain valid.
Q-9	Minor, Unsound Mind, Alien Enemy, Insolvents, Convicts
Q-10	Obligation of Parties to perform exactly what he has promised to perform, either perform or offer to Perform.
Q-11	Accepting Performance from Third party. Promisor is discharged.
Q-12	Terminate the Contract or Continue the contract promises may claim Damagers
Q-13	Prior to Due date of Performance effect – Rescind the ontract or keep the contract alive
Q-14	Damages No Compensation for Remote or Indirect Loss
Q-15	Penalty – Extravagant amount Liquidated Damages – Genuine Pre- Estimate of Loss
Q-16	Uncertain event is Collateral factor
Q-17	Resembling a contract imposed by Law Based or Principle of Equity & Justice

## THE INDIAN PARTNERSHIP ACT, 1932

SECTION NO	SECTION NAME
Section – 4	Definition of partnership
Section – 5	Agreement needed for partnership
Section -6	True test of partnership
Section – 7	Partnership at will
Section – 14	Partnership property
Section – 17	Rights and duties of partners after change in the firm
Section – 19	Implied authority of a partner
Section – 24	Notice to acting partner
Section – 29	Rights of a transferee
Section – 30	Minor admitted to partnership
Section – 31	Admission of a partner
Section – 32	Retirement of a partner
Section – 33	Expulsion of a partner
Section – 34	Insolvency of a partner
Section – 35	Death of a partner
Section – 69	Consequences of non registration
Section – 44	Dissolution by court
Section – 48	Settlement of partnership accounts
Section – 72	Mode of giving public notice

<u>CASE</u>	<u>CASE CRUX</u>
K D Kamath & Co.	True test of partnership – Mutual agency

THEORY Q.	KEY WORDS
Q-1	Individually ' <b>partners</b> ' and collectively ' <b>a firm</b> ' <b>ASSOCIATION OF TWO OR MORE PERSONS:</b> only persons recognized by law <b>AGREEMENT:</b> partnership is voluntary and contractual. <b>BUSINESS:</b> 'business' includes every trade, occupation and profession, "acquisition of gains" <b>AGREEMENT TO SHARE PROFITS:</b> essential feature of partnership <b>BUSINESS CARRIED ON BY ALL OR ANY OF THEM ACTING FOR ALL :</b> cardinal principle of the partnership Law
Q-2	<b>Agreement:</b> relation of partnership arises from contract and not from status; <b>Sharing of Profit:</b> it is only a <i>prima facie</i> evidence and not conclusive evidence <b>Agency:</b> cardinal principle, Conclusive evidence of partnership
Q-8	<b>Partnership at will:</b> no fixed period has been agreed upon, dissolved by any partner <b>Partnership for a fixed period:</b> comes to an end on the expiry of the fixed period. <b>Particular partnership:</b> particular adventure or undertaking <b>General partnership:</b> business in general
Q-9	Document in writing containing the various terms and conditions be stamped according to the provisions of the Stamp Act, 1899
Q-10	<b>Active or Actual or Ostensible partner:</b> acts as an agent of other partners <b>Sleeping or Dormant Partner:</b> not required to give public notice <b>Nominal Partner:</b> lends his name to the firm, without having any real interest <b>Partner in profits only:</b> entitled to share the profits only <b>Incoming partners:</b> with the consent of all the existing partners <b>Outgoing partner:</b> leaves a firm <b>Partner by holding out:</b> also known as partnership by estoppel, stopped from denying the Character
Q-11	<b>GENERAL DUTIES OF PARTNERS :</b> greatest common advantage, just and faithful, <b>Right to take part in the conduct of the Business :</b> management powers are generally coextensive.

	<p><b>Right to be consulted :</b> every partner shall have the right to express his opinion</p> <p><b>Right of access to books:</b> exercised bona fide.</p> <p><b>Right to remuneration :</b> course of dealings</p> <p><b>Right to share Profits :</b> presumption of equality</p> <p><b>Interest on Capital :</b> trade custom</p> <p><b>Interest on advances :</b> keep running even after dissolution</p> <p><b>Right to be indemnified :</b> ordinary and proper conduct of the business</p> <p><b>Right to indemnify the firm :</b> wilful Neglect</p>
Q-12	<p>‘Partnership property’, ‘partnership assets’, ‘joint stock’, ‘common stock’ or ‘joint estate’, property, rights and interests depends on the real intention or agreement of the partners</p> <p><b>APPLICATION OF THE PROPERTY OF THE FIRM :</b> exclusively for the purposes of the business</p>
Q-13	Any transaction of the firm, or from the use of the property or business connection of the firm business of the same nature as and competing
Q-14	The mutual rights and duties of the partners remain the same as they were before the expiry
Q-15	<p><b>Subject to the provisions of this Act, a partner is the agent of the firm for the purposes of the business of the firm.</b></p> <p><b>IMPLIED AUTHORITY OF PARTNER AS AGENT OF THE FIRM :</b> usual way, arbitration; compromise or relinquish, withdraw a suit, admit any liability, acquire, must relate to the usual business of the firm, done for normal conduct of business, done in the name of the firm,</p> <p><b>EXTENSION AND RESTRICTION OF PARTNERS’ IMPLIED AUTHORITY:</b> extended or restricted by contract</p>
Q-16	Habitually acts, relating to the affairs of the firm, The only exception would lie in the case of fraud, whether active or tacit.
Q-17	<p><b>LIABILITY OF A PARTNER FOR ACTS OF THE FIRM :</b> jointly, also severally,</p> <p><b>LIABILITY OF THE FIRM FOR WRONGFUL ACTS OF A PARTNER :</b> Unauthorized or wrongful would not affect the question</p> <p><b>LIABILITY OF FIRM FOR MISAPPLICATION BY PARTNERS</b> misapplies, the firm is liable to make good the loss.</p>
Q-18	Interfere with the conduct of the business
Q-19	minor’s contract is void and not merely voidable. nonetheless be admitted to the benefits of partnership
Q-20	<p><b>INTRODUCTION OF A PARTNER :</b> no new partners can be introduced into a firm without the consent of all the existing partners. Liability commence from the date when he is admitted as a partner</p> <p><b>EXPULSION OF A PARTNER:</b> existed in a contract, majority of the partners, in good faith</p>

	<b>INSOLVENCY OF A PARTNER:</b> he ceases to be a partner
<b>Q-21</b>	effected at any time, signed by all the partners, or by their agents, Registration of firm is not compulsory but desirable.
<b>Q-22</b>	registered firm can only file a suit against a third party neither the firm nor the partner can claim any set-off precluded from bringing legal action against the firm
<b>Q-26</b>	by publication in the Official Gazette and in at least one vernacular newspaper

Navkar Book pg.94

<b>THEORY Q.</b>	<b>KEY WORDS</b>
Q-1	Estoppel Creation of Partnership by Representation (No. Formal part)
Q-2	Agreement sharing of profit prima facie conclusive, Mutual Agency cardinal Principle of Partnership Law.
Q-3	Legal Entity Firm No Entity Company Separate entity
Q-4	Usual Business, Normal conduct, ordinary prudence
Q-5	Sale & Mortgage
Q-6	Severing – Separation from firm void, Not Merely Voidable
Q-7	Crown Emperess, Empredd Empire, Imperial, King, Queen, Royal, Sanction or Approval or Patronage
Q-8	Discontinuation, Jural Relation, Illegality, Insanity, Embezzlement Deadlock, Substitutum.

## THE LIMITED LIABILITY PARTNERSHIP ACT, 2008

Navkar Book pg.94

<b>SECTION NO</b>	<b>SECTION NAME</b>
Sec 2(1)(m)	Foreign LLP
Section –26	Limited Liability

Navkar Book Pg.97

<b>THEORY Q.</b>	<b>KEY WORDS</b>
Q-1	Elements of both Corporate structure and partnership
Q-2	To Submit incorporation document in prescribed form with Registrar
Q-3	Form of Contribution & interest
Q-4	Annual Filing of Documents
Q-5	Internal Governance Structure

<b>THEORY Q.</b>	<b>KEY WORDS</b>
Q-1	Legal Business Entity Hybrid form of Partnership & Company
Q-2	Separate Legal Entity Limited Liability Protection
Q-3	Formation Documents Alongwith. Filling fees with Registrar.

### THE COMPANIES ACT , 2013

<b>SECTION NO</b>	<b>SECTION NAME</b>
Section – 2(20)	Definition of company
Section – 2(62)	One person company
Section – 2(45)	Government company
Section – 2(71)	Private company subsidiary of holding company
Section – 2(42)	Foreign company
Section – 8	Charitable companies
Section – 455	Dormant company
Section – 406	Nidhi companies
Section – 2(69)	Promoters
Section – 7	Incorporation of company
Section – 9	Effect of registration
Section – 2(8)	Nominal or registered or authorized capital
Section – 2(50)	Issued capital
Section – 2(86)	Subscribed capital
Section – 2(51)	Called up capital
Section – 2(84)	Nature of shares
Section – 44	Share as movable property
Section – 45	Shares shall be numbered
Section – 43	Kinds of capital
Section – 4	MOA
Section – 5	AOA
Section – 399	Doctrine of ultravires

<b><u>CASE</u></b>	<b><u>CASE CRUX</u></b>
A member does not even have an insurable interest in the property of the company.	The leading case on this point is of Macaura v. Northern Assurance Co. Limited (1925)
Salomon v. Salomon and Co. Ltd.	Once a company has been validly constituted under the Companies Act, it becomes a legal person distinct from its members and for this purpose it

	is immaterial whether any member holds a large or small proportion of the shares.
Daimler co. Ltd v/s Continental tyre & Rubber co. Ltd.	It was held that a company will be regarded as having enemy character if the persons having de facto control of company are residents of enemy country or wherever they may be they are acting on instructions of enemy.
Re. Dinshaw Manekjee Petit	The assessee was receiving Huge dividend and interest income and he created three companies to reinvest the income for reducing the tax burden, the companies were having no business other than receiving investment and giving back to assessee as a pretended loan. It was held that company was not more than the assessee himself and the assessee was held liable to pay the tax.
The Workmen Employed in Associated Rubber Industries Limited, Bhavnagar vs. The Associated Rubber Industries Ltd., Bhavnagar and another	Where it was found that the sole purpose for the formation of the company was to use it as a device to reduce the amount to be paid by way of bonus to workmen, the Supreme Court upheld the piercing of the veil to look at the real transaction
Ashbury Railway Carriage and Iron Company Limited v. Riche (1875).	<p>The facts of the case are:</p> <ul style="list-style-type: none"> <li>• The main objects of a company were: <ul style="list-style-type: none"> <li>(a) To make, sell or lend on hire, railway carriages and wagons;</li> <li>(b) To carry on the business of mechanical engineers and general contractors.</li> <li>(c) To purchase, lease, sell and work mines.</li> <li>(d) To purchase and sell as merchants or agents, coal, timber, metals etc.</li> </ul> </li> <li>• The directors of the company entered into a contract with Riche, for financing the construction of a railway line in Belgium, and the company further ratified this act of the directors by passing a special resolution. The company however, repudiated the contract as being ultra-vires. And Riche brought an action for damages for breach of contract. His contention was that the contract was well within the meaning of the word general contractors and hence within its powers. Moreover it had been ratified by a majority of share-holders. However, it was held by the Court that the contract was null and void. It said that the terms general contractors was associated with mechanical engineers, i.e. it had to be read in connection with the company's main business. If, the term general contractor's was not so interpreted, it would authorize the making of contracts of any kind and every description.</li> </ul>
(Kotla Venakataswarny v/s C Rammurthi)	<ul style="list-style-type: none"> <li>• The Articles of a company required that all the documents and deeds of the company shall be signed by MD, the secretary and a working director of a company.</li> <li>• A mortgage deed was signed by secretary and a working director only.</li> <li>• It was held that the mortgage deed was invalid even though the plaintiff had acted in good faith and money was utilised for benefit of the company.</li> </ul>
(Royal British Bank v/s Turquand)	<ul style="list-style-type: none"> <li>• The articles of a company stated that the directors could borrow</li> </ul>



	<p>money on behalf of a company, if they are authorized by a resolution passed by the shareholders in GM.</p> <ul style="list-style-type: none"> <li>• The directors borrowed money from T without being authorized by shareholders.</li> <li>• T lent money assuming that shareholders had authorized the directors.</li> <li>• It was held that borrowing of money without any authorization was internal irregularity and since T had no Knowledge of such irregularity he was not bound .</li> </ul>
--	--

## THE COMPANIES ACT, 2013

Navkar Book Pg.103

THEORY Q.	KEY WORDS
Q-1	Corporate Personality perpetual Succession artificial Legal Person
Q-2	Lifting of Corporate veil, Ignoring Seprate Legal Entity Concept
Q-3	Private Co.- Restrictions Public Co. - Not Private, Subsidiary.
Q-4	50% Management Control 50% voting power Indirect Holding
Q-5	Audit by C & AG
Q-6	Liability limited up to unpaid Value / to the extent of Guarantee
Q-7	License .. From CG
Q-8	Prohibition on voluntary conversion & Mandatory Conversion
Q-9	Beyond their powers
Q-10	Creates presumption in favour of Co. / Outsider
Q-11	Equity and Preference share capital & shares with Differential Rights
Q-12	Liabe under 447.

## THE SALE OF GOODS ACT, 1930

SECTION NO	SECTION NAME
[Section 45(1)]	Definition of Unpaid seller.
[Section 47]	Seller's Right of Lien
[Section 50]	Seller's Right & stoppage in transit
[Section 54]	Seller's Right of Re-sale
[Section 64(A)]	Inclusion of Increased or Decreased Taxes in contract of sale.
[Section 12(2)]	Definition of condition
[Section 12(3)]	Definition of warranty.
[Section 16(1)]	Condition as to quality or fitness
[Section 19]	Property passes when intended to pass.
[Section 19(1)]	property passes of ascertained goods.

[Section 20]	Specific goods in deliverable state
[Section 21]	Specific goods to be put into a deliverable state
[Section 24]	Goods sent on approval
[Section 25]	Reservation of Right of Disposal
[Section 26]	Risk Prima Facis passes with property
[Section 54(3)]	Sale by unpaid seller
[Section 33]	Delivery
[Section 37]	Delivery of wrong quantity
[Section 42]	Rule related to acceptance of delivery of goods.
[Section 2(1)]	Definition of buyer
[Section 2(13)]	Definition of seller
[Section 2(7)]	Definition of goods
[Section 6]	Existing Goods
[Section 2(14)]	Specific goods
[Section 2(6)]	future goods
[Section 6(2)]	Contingent goods
[Section 2(2)]	Definition of delivery
[Section 2(3)]	Definition of deliverable state
[Section 2(4)]	Document of title of goods
[Section 2(9)]	Mercantile agent
[Section 2(11)]	Definition of property
[Section 2(8)]	Definition of Insolvent
[Section 2(10)]	Definition of price
[Section 4(1)]	Definition of contract of sale
[Section 4(3)]	Definition of agreement to sell and sale.
[Section 6]	Goods is a subject matter in contract of sale
[Section 7]	Goods perishing before making contract
[Section 8]	Goods perishing before sale but after agreement to sell
[Section 9]	Ascertainment of price

<b><u>CASE</u></b>	<b><u>CASE CRUX</u></b>
Priest vs. Last [ Exception to Caveat Emptor ]	P, a draper, purchased a hot water bottle from a retail chemist, P asked the chemist if it would stand boiling water. The Chemist told him that the bottle was meant to hold hot water. The bottle burst when water was poured into it and injured his wife. It was held that the chemist shall be liable to pay damages to P, as he knew that the bottle was purchased for the purpose of being used as a hot water bottle.
Bombay Burma Trading Corporation Ltd. vs. Aga Muhammad, [ Exception to Caveat Emptor ]	Timber was purchased for the express purpose of using it as railways sleepers and when it was found to be unfit for the purpose, the Court held that the contract could be avoided.
Mount D. F. Ltd. vs Jay & Jay (Provisions) Co. Ltd [ Unpaid Sellers Right of Lien Lost	A entered into a contract to sell cartons in possession of a wharfinger to B and agreed with B that the price will be paid to A from the sale proceeds recovered from his customers. Now B sold goods to C and C duly paid to B. But anyhow B failed to make the payment to A. A wanted to exercise his right of lien and ordered the wharfinger not to make delivery to C. Held that the seller had assented to the resale of the goods by the buyer to the sub-buyers. As a result A's right to lien is defeated.

THEORY Q.	KEY WORDS
Q-1	Transfer of Property in goods to buyer for a price.
Q-2	Property in goods is immediately transferred
Q-4	Property in goods is to take place at a future time or subject to some condition
Q-5	Sale – Ownership transferred Immediately Age to Sell – Ownership transferred in future.
Q-6	Buys or agrees to buy, sells or agrees to sell
Q-7	<b>Document of Title to goods:</b> may transfer the right to receive goods <b>Document showing title to goods:</b> no right to transfer
Q-8	<b>Transfer of Property in goods to Buyer :</b> general property and not Merely a Special property <b>Price of the goods :</b> must be in terms of Money, may be partly money and partly kind.
Q-9	No Any Particular form,
Q-10	Excludes; Money and Actionable claim <b>Existing Goods :</b> in Existence at the time of formation of contract <b>Specific Goods :</b> identified and agreed at the time of contract of sale. <b>Unascertained Goods :</b> Not specifically identified or agreed the time of contract. <b>Ascertained Goods :</b> identified and agreed after the contract of sale. <b>Future Goods :</b> not in existence at the time of entering into contract of sale. <b>Contingent Goods :</b> depends upon uncertain contingency
Q-11	<b>Goods Perishing ( Destroying ) Before Making Contract of Sale:</b> Contract becomes Void, Physical as well as Commercial perishability <b>Goods Perishing after agreement to sell but before sale is completed:</b> contract becomes Void.
Q-12	<b>If the price is not fixed in any of the above ways:</b> “contract is treated as Void,” if prop not transferred. “recover Reasonable Price” if prop is transferred. “reasonable price is always a Question of Fact”
Q-13	“seller is known as vendor Buyer is known as Hirer” “possession of toHirer” “ Property transfer on payment of last of all instalments.” “Right to cancelcontract
Q-14	Owner = bailor, Possesion with bailee, Bailee return goods completing purpose, take proper care of goods, liable for any loss in goods due to his negligence.
Q-15	<b>Sale:</b> “ Goods against money” <b>Barter:</b> “Goods against another goods” <b>Exchange:</b> “ currency with other currency”
Q-16	Transfer of possession of goods from Pawner to pawnee for security.
Q-17	“Stipulation essential to the main purpose” <b>Condition as to Title [ Sec 14(4)]:</b> “ Seller must have Ownership of goods”

	<p><b>Condition as to Description [ sec 15]:</b> “Goods must correspond with the description”</p> <p><b>Condition as to sample :(sec17(2))</b> “Goods must correspond with quality of sample” “ No any Latentdefect”</p> <p><b>Condition as to sample as well as description [sec15]:</b> “must correspond with sample as well as description.”</p> <p><b>Condition as to Quality or Fitness for Buyer’s purpose [sec16(1)]</b> “condition as to quality or fitness is not applicable” Except, Buyer relied on selection of goods by seller.</p> <p><b>Condition as to Merchantability [sec 16(2)]</b> “immediatelyre-saleablecondition at full market value”</p> <p><b>Condition as to wholesomeness:</b> “applicable only toEatables.”“should be in a consumable quality by human being”</p>
Q-18	<p>Stipulation collateral to the main purpose.</p> <p><b>Warranty as to Quiet possession of goods [sec 14(b)]</b> “Buyer must be able to enjoy 100%possession”</p> <p><b>Warranty as to Non-existence of Encumbrance [sec 14( c)]</b> “goodsshouldbefreefromanykindofcharge”</p> <p><b>Warranty as to Disclosure of Dangerous Nature of Goods:</b> “<b>duty of seller to warn buyer regardingdanger</b>”</p>
Q-19	Express Agreement, course of Dealings, Customs or Usage of Trade
Q-20	<b>Condition – Essnetial</b> <b>Warranty - Collateral</b>
Q-21	Waiver, Accepting the Goods, Impossibility due to law.
Q-22	“ Let the Buyer Beware” ( responsibility of buyer due to bad selection of goods in quality or fitness)
Q-23	<p><b>Transfer of Ownership at Time of Contract (Sec20)</b> “Ownership of specific goods is transferred immediately if goods in deliverable state” Transfer of Ownership at some othertime: “Ownership trf when goods are in deliverable state and buyer is informed with deliverable state of goods.”</p>
Q-24	Goods areascertained: Goods are Appropriated toBuyer:
Q-25	“Ownership is transferred to buyer when he accepts / approves goods.”
Q-26	“Transfer of ownership only on fulfilment of specified condition.”“Conditional Appropriation”.
Q-27	“Risk follows ownership”
Q-28	<p>“<i>NemoDat Quod Non-habet</i>” = No one can transfer what one does not have</p> <p><b>Transfer of title by Non-owner:( Exceptions to “Transfer of Title”)</b></p> <p><b>Sale byEstoppel:</b>“allowing a seller to sell goods on his behalf.”</p> <p><b>Sale by JointOwner:</b>“<b>joint owner who is in possession of goods, can sell it.</b>”</p>
Q-29	<p>“ Voluntary transfer of Possession”</p> <p><b>ActualDelivery:</b> “Physically handed over from”</p> <p><b>SymbolicDelivery:</b> “delivery of goods by giving some symbol of control over goods.”</p>

	<b>Constructive Delivery Or Attornment Delivery:</b> “not physically handed over” “Third person acknowledges”
Q-30	<b>Place for delivery of goods:</b> “delivered at place where they are at time of sale,” <b>Time for delivery of goods:</b> “reasonable time.” <b>Time for demand / tender of delivery:</b> “usual hours of business.” <b>Expenses for delivery of goods:</b> “borne by buyer.” <b>Part delivery of goods:</b> Not a valid delivery <b>Short Delivery of goods :</b> delivery of less than contracted quantity <b>Excess Delivery :</b> delivery of more than contracted quantity <b>Mixed delivery:</b> delivery of mix description goods <b>Delivery of goods in instalments:</b> Not valid <b>Delivery to carrier ( transport company ) :</b> Deemed delivery of goods to buyer <b>Destruction of goods during transit</b> “borne by buyer.”
Q-31	<b>C.I,F Contract:</b> “Cost, Insurance and Freight” “charges are borne by buyer.” <b>F.O.B contract:</b> “Free on Board” “seller has to bear only expense of loading goods on ship.” <b>Ex-ship Contract:</b> “charges are to be borne by seller”
Q-32	“Whole of the price has not been paid” “dishonour of the Negotiable instrument”
Q-33	<b>Unpaid seller’s Right of Lien:</b> “Retain Possession of goods” <b>Unpaid seller’s Right of Stoppage in Transit:</b> “stopping goods while they are in course of transit to” “Regain possession of goods” <b>Duration of Transit:</b> “period between commencement and end of transit.” <b>Effect on Right of Unpaid seller:</b> “remains unaffected even if buyer has resold goods to another buyer” <b>Unpaid seller’s right of Resell:</b> <b>Where goods are of perishable nature:</b> “not required to give any notice” <b>goods are of Non-perishable nature:</b> “ give a prior notice to original buyer” <b>Unpaid seller’s right of With-holding delivery of goods:</b> “Only if ownership of goods is not transferred to buyer”
Q-34	<b>Suit for price, Interest, Damages</b>
Q-35	“Mode of selling goods publicly”
Q-36	<b>Knock-out Agreement</b> “agreement between some of bidders not to bid against each other.” <b>Damping:</b> “unlawful act by which intending purchaser is prevented from bidding.” <b>Puffers</b> “person who is employed by the seller to raise the price by fictitious bids.”
Q-37	“The main value is of skill or talent of a person.”
Q-38	Suit for Non-delivery Suit for Specific Performance Suit for Breach of Warranty
Q-39	“The buyer would have to pay the increased price”

THEORY Q.	KEY WORDS
Q-1	Impossibility of Performance
Q-2	Sale ownership transferred Immediately Hire Purchase – on payment of last Installment
Q-3	Subject matter Goods price in Monetary Terms
Q-4	Let the Buyer, Beware Duty of Buyer to Inspect the Goods
Q-5	Bulk Corresponds with sample, Reasonable Oppurtunity to compare, Merchantable Quality
Q-6	It is not Seller’s duty to give buyer article suitable for particular purpose
Q-7	Essential & Collateral Waiver, Acceptance of Goods, Non-Severable, Excused by Law.
Q-8	No.one can give or transfer what is does not himself have
Q-9	Intimates seller, Retains after Time, Does any act Inconsistent
Q-10	Retain Possession & Regain Possession, goods with seller & carrier
Q-11	Price not paid or tendered, Negotiable Instrument dishonoured Stoppage - goods in transit & Buyer Insolvent.

---0---0---