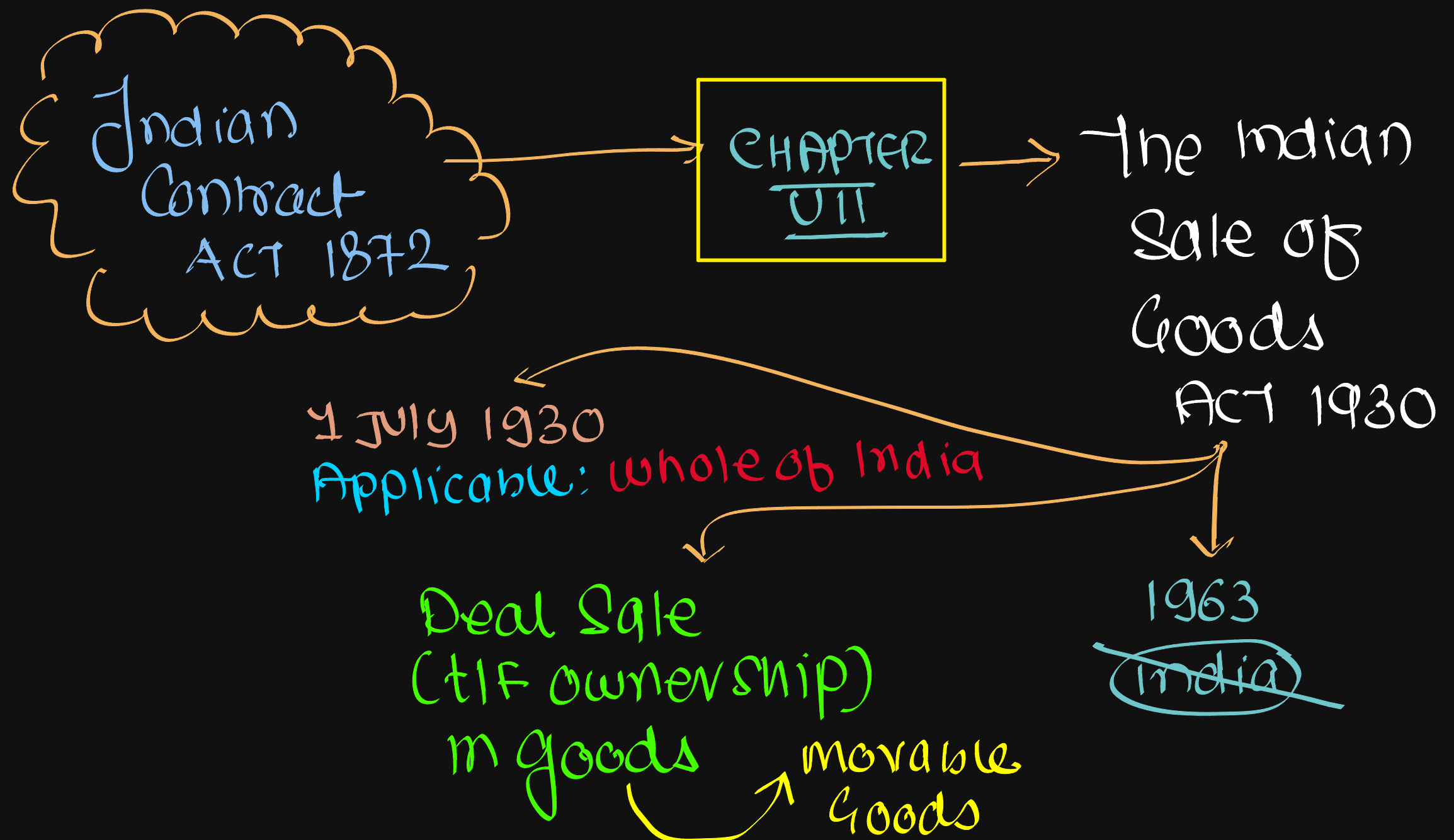
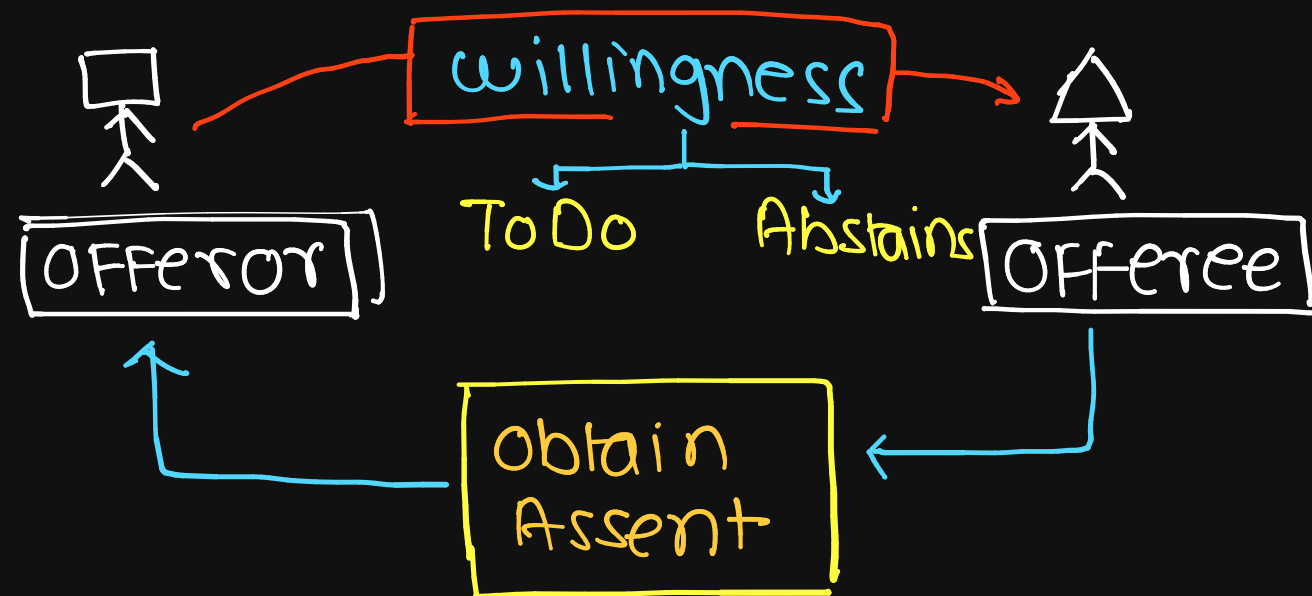


The Sales of Goods Act 1930



Contract

proposal



Acceptance

↙ The person to whom proposal made



signify Her Assents thereto



proposal said to be Accepted

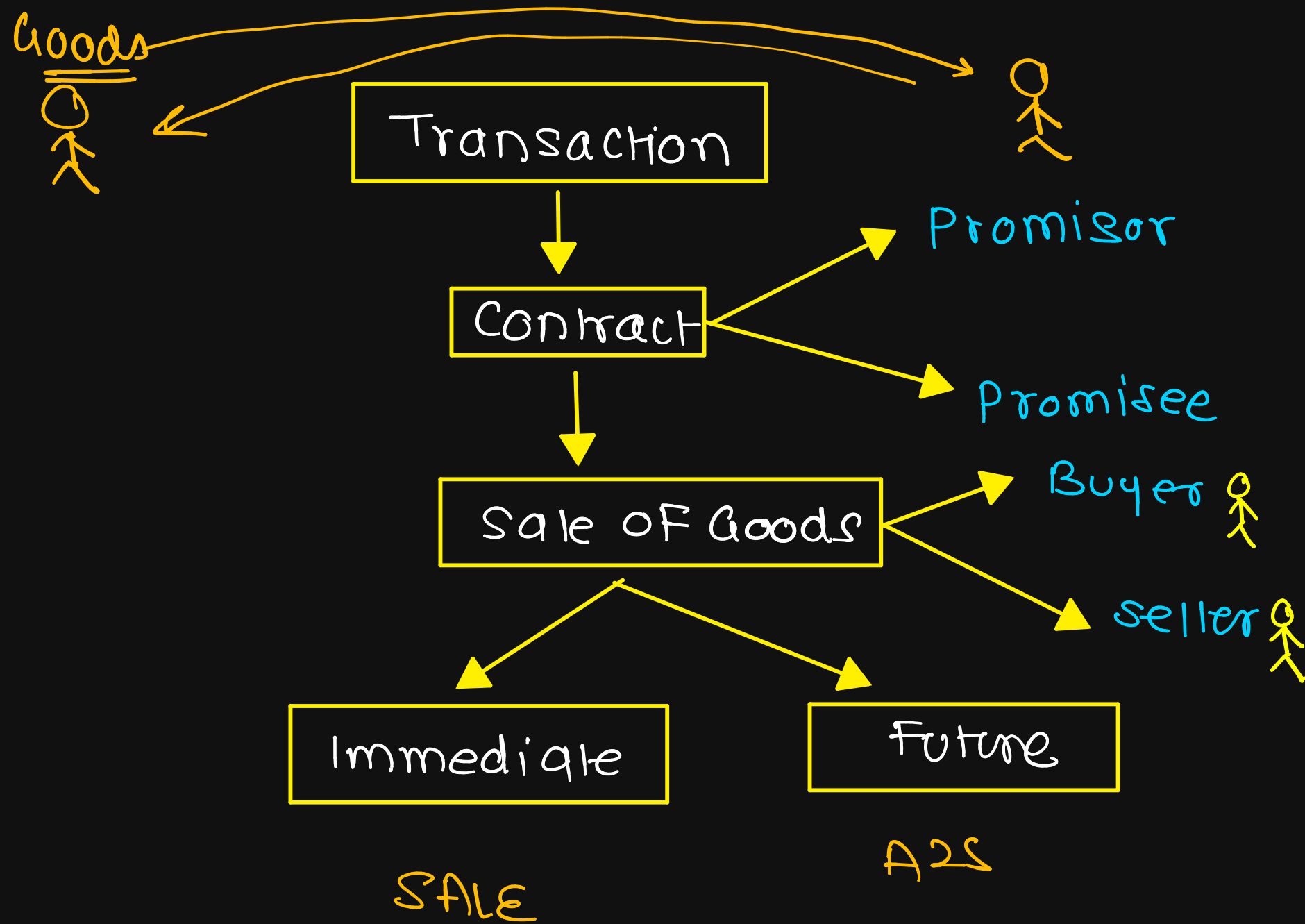


once the proposal Accepted



It became promise.

SALE OF GOODS ACT 1930



Contract of Sale 4(1)

2(1S)

Word = use old SOGA 1930
but not defined in
SOGA 1930

It defined old SOGA 1872
same meaning shall
be assigned for purpose
the SOGA

is a contract $\Rightarrow$ 2(h)

#crazy,

where a seller   sells
Agrees to sales

SALE

Transfer or Agrees to TIF  A2S

General
property
(ownership)

← property in goods

To a Buyer 

Buy
Agrees to Buy

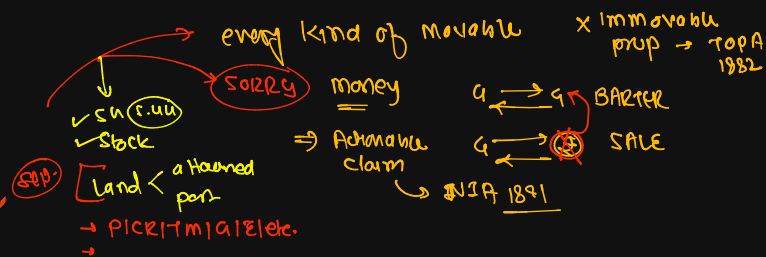
for price-

$\rightarrow$ $\mathcal{L}$

Money
worth

$\mathcal{L}$ + money's
worth

2(7) Goods



Subject matter of the COS is goods.

Includes

- movable property
- shares/stock
- Growing crops/ grass
- Things attached to land
- Things forming part of land
- patent / copy right / goodwill / TM
- ship
- water / gas / electricity
- FDR

only when its severed / agreed to severed either before sale ~~or~~ old COS

excludes

- Immovable property
- Money
- Actionable claims
- Services.

Classification of Goods

existing goods

- in existence @ COS
- owned / possessed by seller @ COS
- Sale / A.T.S.

Future Goods

- To be manufactured, produced, Acquired by seller after COS
- either not in existence / in existence but yet Acquired by seller
- Always A.T.S.

Contingent goods

- Type of Future Goods
- Acquisition of which by seller depend upon uncertain event
- Always A.T.S.

existing goods

Specific Goods

- identified & Agreed upon @ COS

Ascertained Goods

- identified & Agreed in accordance with Agreement after COS.

From lot (or) out of
larger qty. of
unascertained goods,
the number / qty.
contracted for is
identified



indicate but not
identified.



Unascertained Goods

- specifically
- Not identified & Agreed upon @ COS



Indicated /
Identified only
by description /
sample

Delivery

Doing anything which has effect of putting the goods in possession of Buyer, or any person authorized to hold them on his behalf.

Voluntary transferred possession of goods

From one person → To Another

∴ Finder / stolen / Theft (X)

ACTUAL DELIVERY



SYMBOLIC DELIVERY

Delivery of things in token of a title of something else.

e.g. handover DGT, key of car etc.

CONSTRUCTIVE DELIVERY

effected w/o change in custody.

Q person in possession of Goods of Seller acknowledges, in accordance with seller order that he hold goods on behalf of Buyer & Buyer has assented

Delivery by acknowledgement & agreement

Price of Goods 2(10)

- ⇒ means money consideration for sale of Goods.
- ⇒ If goods are sold/exchanged for other goods ⇒ ~~BARTER~~ XSale
- ⇒ Gift of goods will not be considered as SALE
↳ governed by TOPA
⊗
- ⇒ But IF goods sold partly for goods & partly for price/money will be considered as Sale.

Transfer of property in goods.

- property ⇒ ownership
- to constitute COS ⇒  (property in goods to Buyer)
- mere t/f of possession ≠ COS
- 2(11) property means { General property (ownership)
⊗ Special property (interest)

Essential elements of COS

① There must be
Two parties

② There must be
Some goods as
a subject matter

③ Property in
Goods must
be tIF

④ There must
be some
price

⑤ COS may
be
Absolute/
conditional

⑥ Other
essential
of COS

SALE & AGREEMENT TO SALE

Sec. 4(1) Contract → seller → ^{to} Agree → property in goods → Buyer → price.

Sec. 4(2) COS can be
 ↗ Absolute
 ↘ Conditional

Sec. 4(3)



Sec. 4(4)

A2S ^{becomes} SALE

(IF)

1. when the time elapsed

2. condition are fulfilled (sub. to which the prop. in goods is to be transferred)

How contract of sale is made (Sec. 2)

Offer $\begin{cases} \text{To Buy} \\ \text{To Sell} \end{cases}$
for price.

AND

Acceptance
of
Such offer

$\Rightarrow$ Contract
of Sale

express

Implied
 $\downarrow$
conduct

written

word of
mouth

party
 $\begin{cases} \text{as} \\ \text{merch.} \end{cases}$

It may provide for

Payment $\neq$ Delivery

immediate

$\textcircled{\text{or}}$

installment

$\textcircled{\text{or}}$

postponed

Effect of Perishing of Goods. (sec. 742)

perishing not only physical destruction of goods
But Also damage to goods → so that
goods ceased to exist in commercial
sense

perishing of

- ① specific goods
- ② ascertained goods

affected COS

perishing of

unascertained goods
does not affect COS



Seller are bound to
supply goods.

Sec. 7

perishing of
specific goods
at / before making
contract sec. 7



contract is void

Cond.

- ① specific goods
- ② perished at the
time when contract
was made
- ③ w/o knowledge of
seller

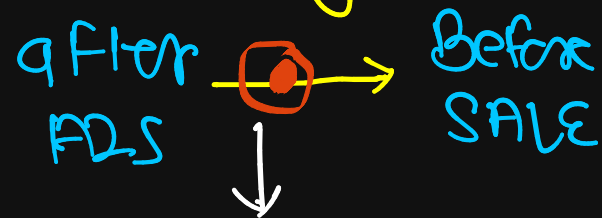


⇒ No longer to ans.
to their description

⇒ Mutual mistake of fact / impossible to perf

sec. 28

perishing of
specific goods



without any fault
on the part of
Buyer / seller



perished before risk
passes to buyer



Agreement is thereby
avoided



both parties are excused
from performance
of contract.

Void Agreement
↑

perishing after
contract of
sale.



contract is
already
executed



Risk with
Buyer.

Mode of fixation of price

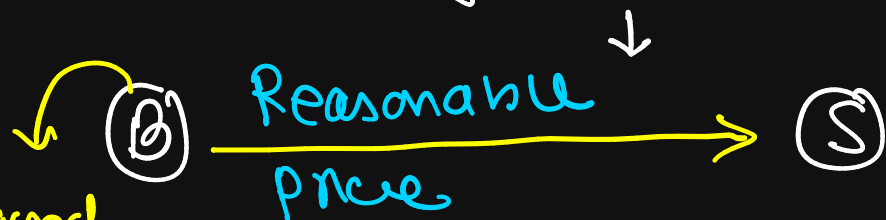
price $\Rightarrow$ money consideration for COS.

$\Rightarrow$ No price = No COS

price may be fixed in
any of following ways



1. expressly fixed by COS itself.
2. in manner specified in COS
3. It may be determined by course of dealings b/w parties
4. If price not capable of determined in accordance with any above mode



Bound to pay

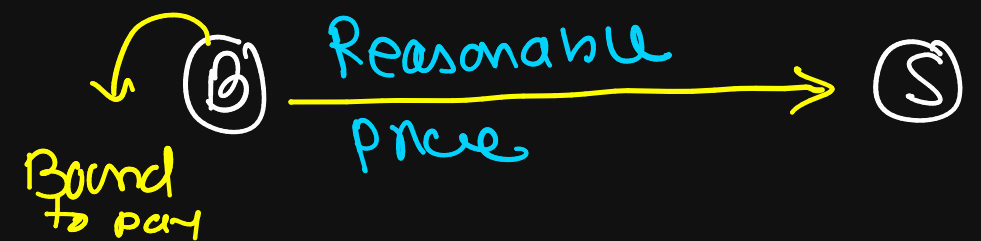
Agreement to sell at Valuation
(i.e. fixation of price by 3P)



* parties agree to sell goods on terms that price shall be fixed by valuation of 3P.

* IF (3P) failed to make valuation
 $\downarrow$
does not / can't
Agreement will be void.

But if Buyer has recd. the goods & appropriated them.



(NOTE) Some time 3P influenced / prevented by (B) (S) from fixing price

innocent party may recover damages from defaulting party.

Document of Title

use in ordinary course
of business



as a proof of the
possession / control of goods



which authorised possessor
of DOT < to TIF
to Rec. > goods

- its proof of ownership
- It contain unconditional undertaking on part of issuing authority to delivered goods to Holder of Doc.

Document showing title.

It show person named in
is owner & entitle for
all rights associated
with it.



but not allowed
person to TIF by
mere endorsement

e.g. SC

The end unit 1

question & Answer. $\Rightarrow$ Q+A



How Homework

SALE	A2S
SALE	HP
SA	Sale w/L

Basic → Indian Contract Act Ch III

→ Commence: 1 July 1930

→ Applicable : whole of the India

→ (✓) → 2(15) → word ✓ use ICA 1872
→ (2) → x Define

→ ② ICA $\xrightarrow{\text{define}}$ applicable $\rightarrow$ SOGA
 $\downarrow$
 SOGA $\neq$ ICA.

400 cos $\angle$ 4(2) $\cos \angle$ ^A_{cond.}

4(3) SALE A25
immediate - F.Dole
- and.
elapse
full.

SS How contract

$\left[\begin{array}{c} \text{O} + \text{price} \\ \text{Sale Buy} \end{array} \right] + \text{Acceptance} \Rightarrow \text{Pay} \neq \text{Delivery}$

```

graph LR
    SG((S.G.)) --> enact((enact))
    SG --> Acq((Acq.))
    enact --> OCIP1((O/CIP))
    OCIP1 --> S1[S]
    OCIP1 --> A2S1[A2S]
    OCIP1 --> Seller1[Seller.]
    Acq --> tobe((to be))
    tobe --> mbq[mbq]
    tobe --> paid[paid.]
    tobe --> Acq2[Acq.]
    tobe --> OCIP2((O/CIP))
    OCIP2 --> A2S2[A2S]
    Acq --> Seller2((Seller))
    Seller2 --> uncertain[uncertain event]
    Seller2 --> A2S3[A2S]
  
```

Diagram illustrating the evaluation of the expression $\cos(x) + \text{cond.}$ in the context of the `void` function:

- The expression is $\cos(x) + \text{cond.}$.
- The `void` function is shown with a return type of `void`.
- The `cond.` (condition) is evaluated first, resulting in a value (likely `0` or `1`).
- The `cos` function is then evaluated, taking `x` as input.
- The results of `cos(x)` and `cond.` are combined using the `+` operator.
- The final result is assigned to the `Sp` variable.

$\text{SP} \leftarrow \text{W} \leftarrow \text{S}$
 $\text{A2S} \xrightarrow{\text{P}} \text{S}$
 void.

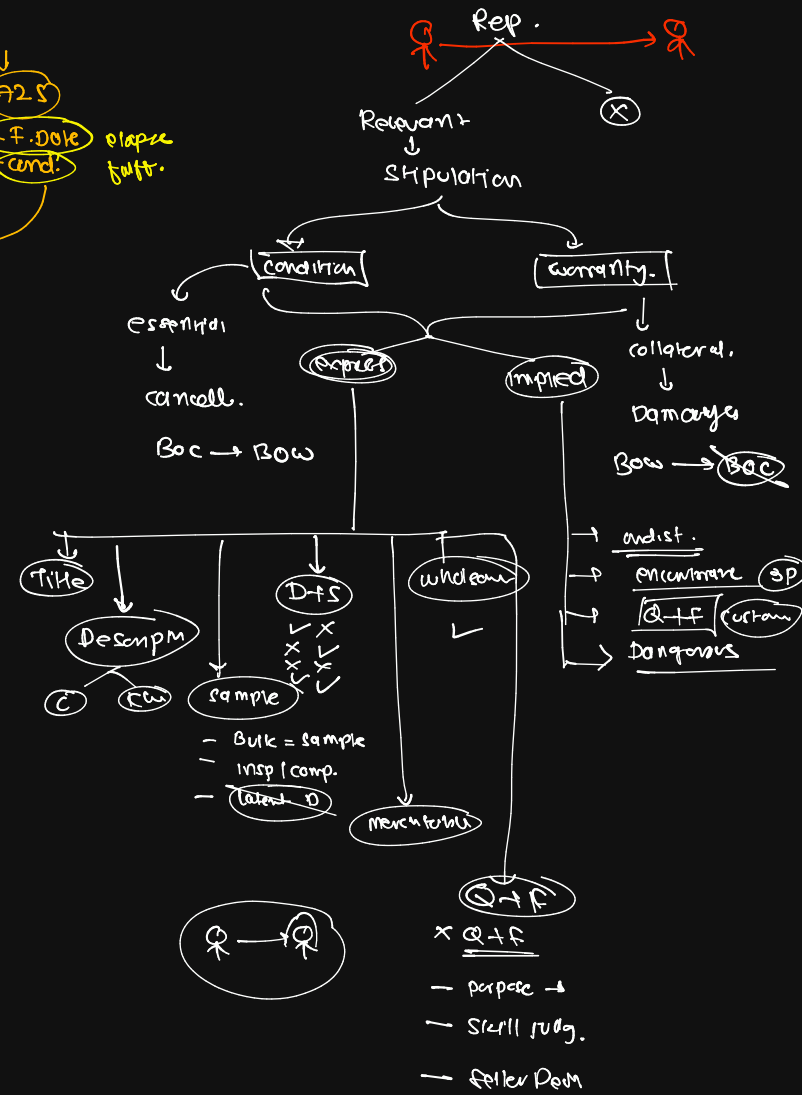
```

graph TD
    Q9((9)) --> Price((price))
    Price --> Car[car]
    Price --> IO((10))
    Price --> RP1((RP))
    Price --> Parent[Parent]
    Car --> Manner[manner]
    Manner --> Previous[previous]
    Previous --> R_P((R.P))
    IO --> Retire((Retire))
    Retire --> Void[Void]
    RP1 --> Goods[If goods]
    Goods --> Directly[directly]
    Directly --> App[app.]
    App --> RP2((RP))
    Parent --> BIS[BIS]
    BIS --> Recent[In recent]
    Recent --> Parag[Paragaph]
    Parag --> Refer[Refer]
  
```

Unit 2

condition $\rightarrow$ Buyer demand

warranty $\rightarrow$ cellon ki fukot



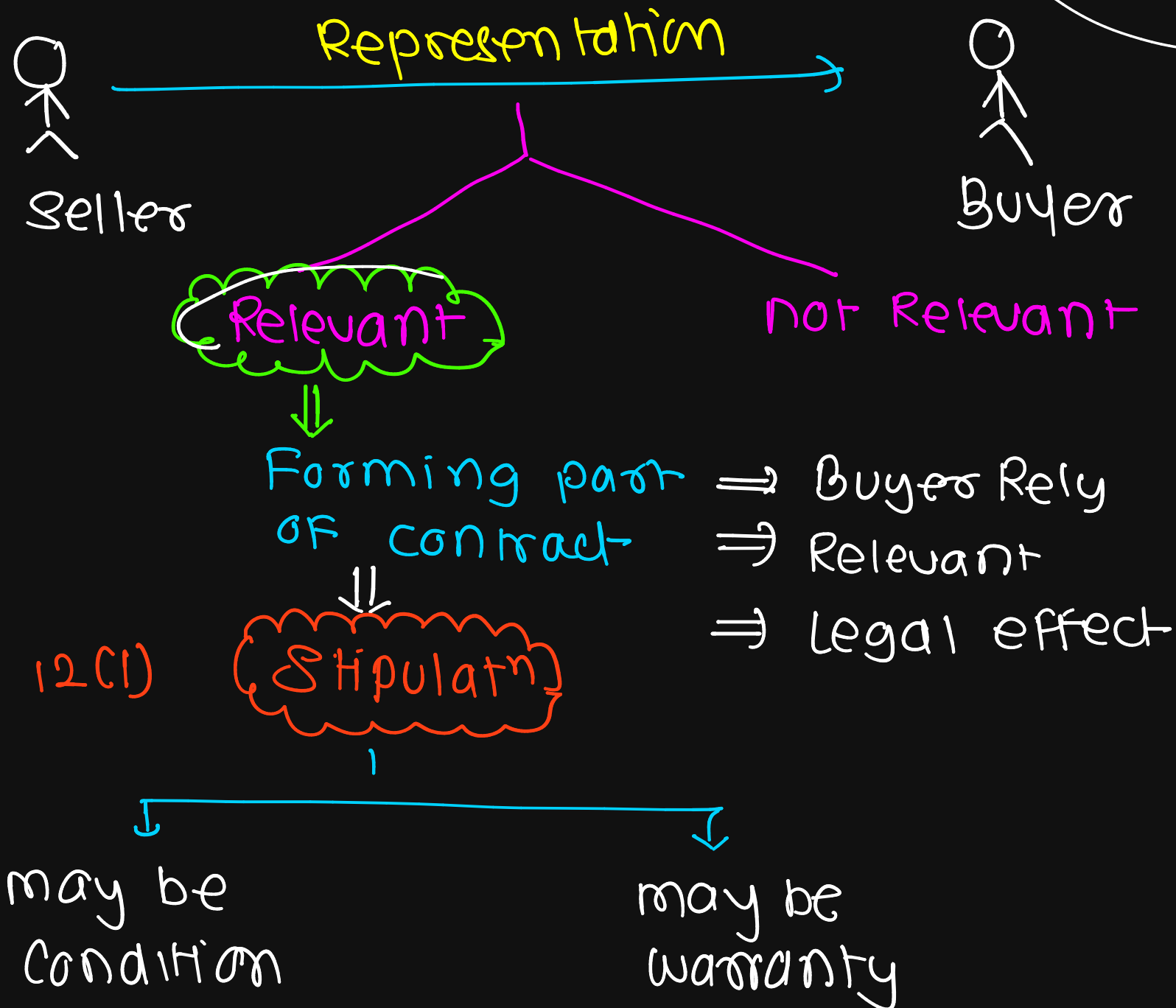
Unit 2

Condition

→ Buyer की Demand

warranties

→ Seller की फलकती बातें



Conditioned 12(2)



essential to main
purpose of contract



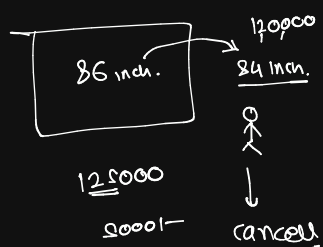
Breach: Aggrieved party

- ① Right to Repudiate the contract
- ② sue for damages



Breach
of Cond.

cancel
+
damages



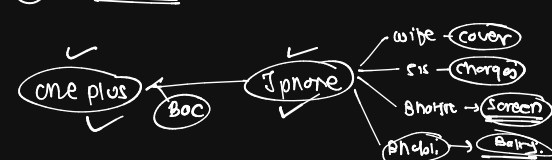
Treat



Breach
of warranty

cancel
+
damages

- ① waiver the performance.
- ② 800 → 1300
Damages
- ③ goods are not sep. but
Accepted partly/wholly.
- ④ Exclude



warranty 12(3)



collateral to
main proposed of
contract



Breach

- × Repudiate
- ✓ Damages only



Breach
of warranty

×
Treat

Breach
of Cond.

Q stipulation - condition / warranty

↓
No hard Rule: which stipulation is $\begin{matrix} C \\ W \end{matrix}$

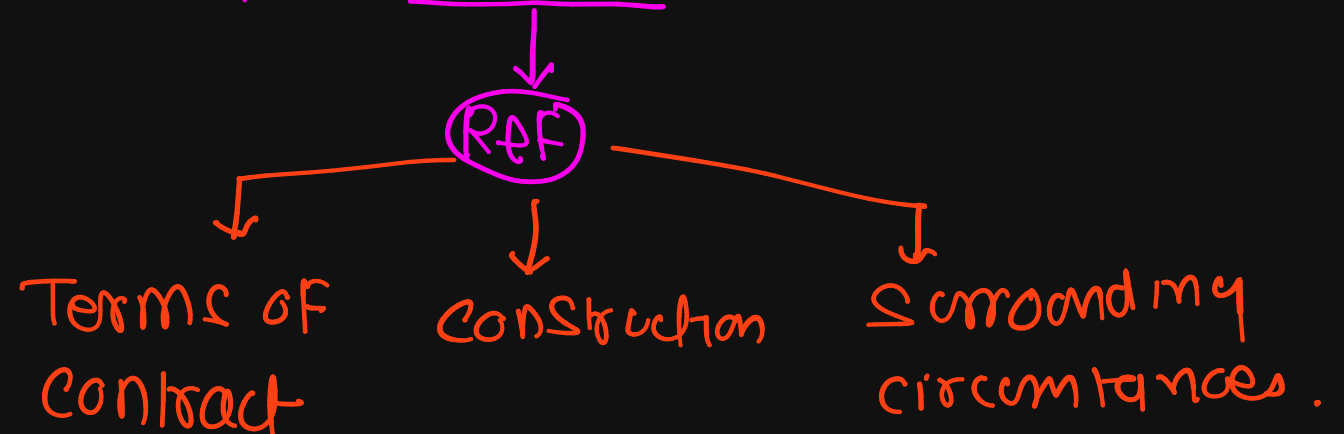
12(4) whether a stipulation in cos is a condition / warranty depend in each case

↓
on construction of contract.

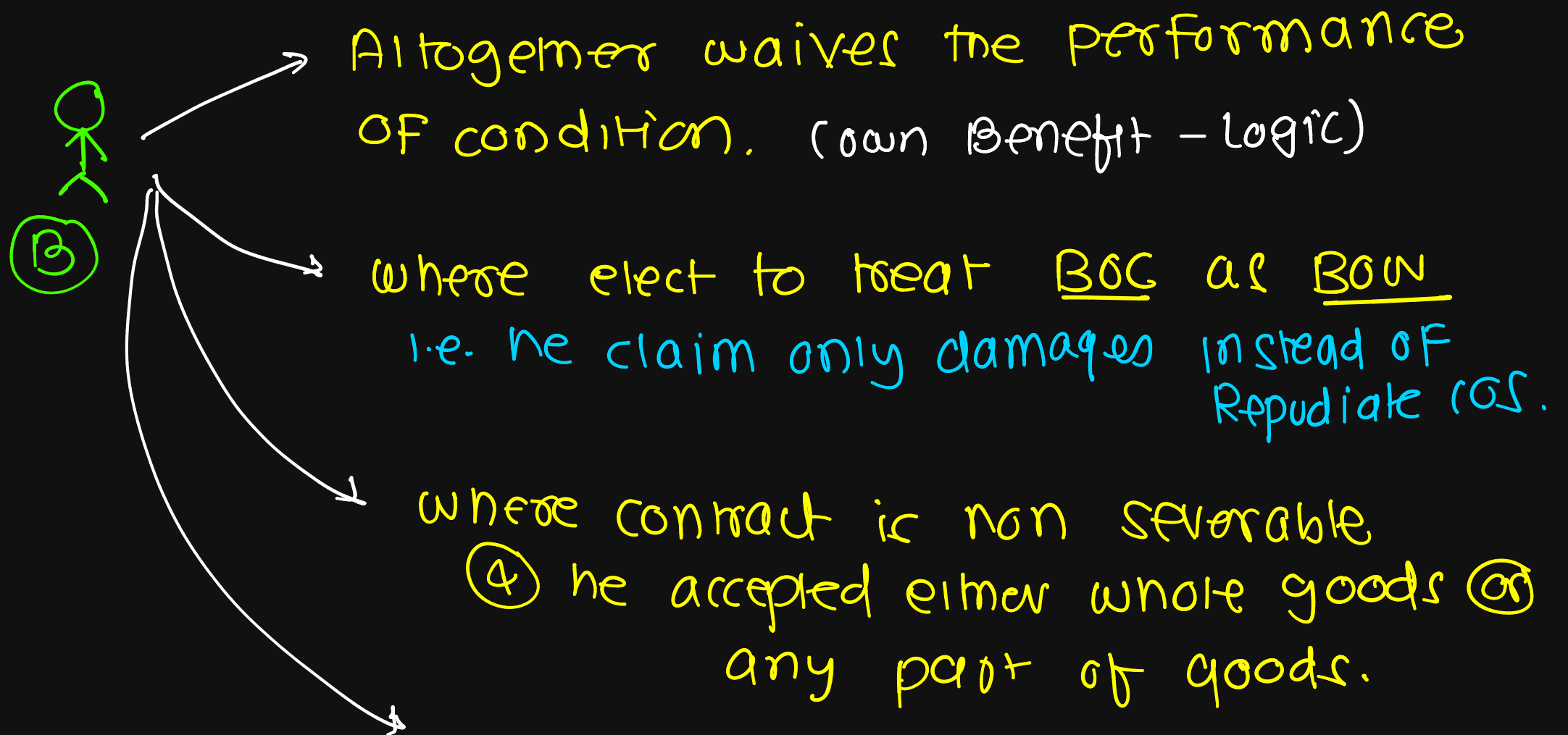
↓
stipulation may be condition though its called as warranty in cos.



court not guided by terminology of the parties but has to look at ① intention of the parties



when condition to be treated as warranty. (s.13)



where fulfillment of any condition
warranty is excused by laws.
↓
by reason of impossibility
otherwise.

Condition / warranty

Express

which are Agreed
upon b/w the parties
at the time of contract.

&
expressly provided in
contract

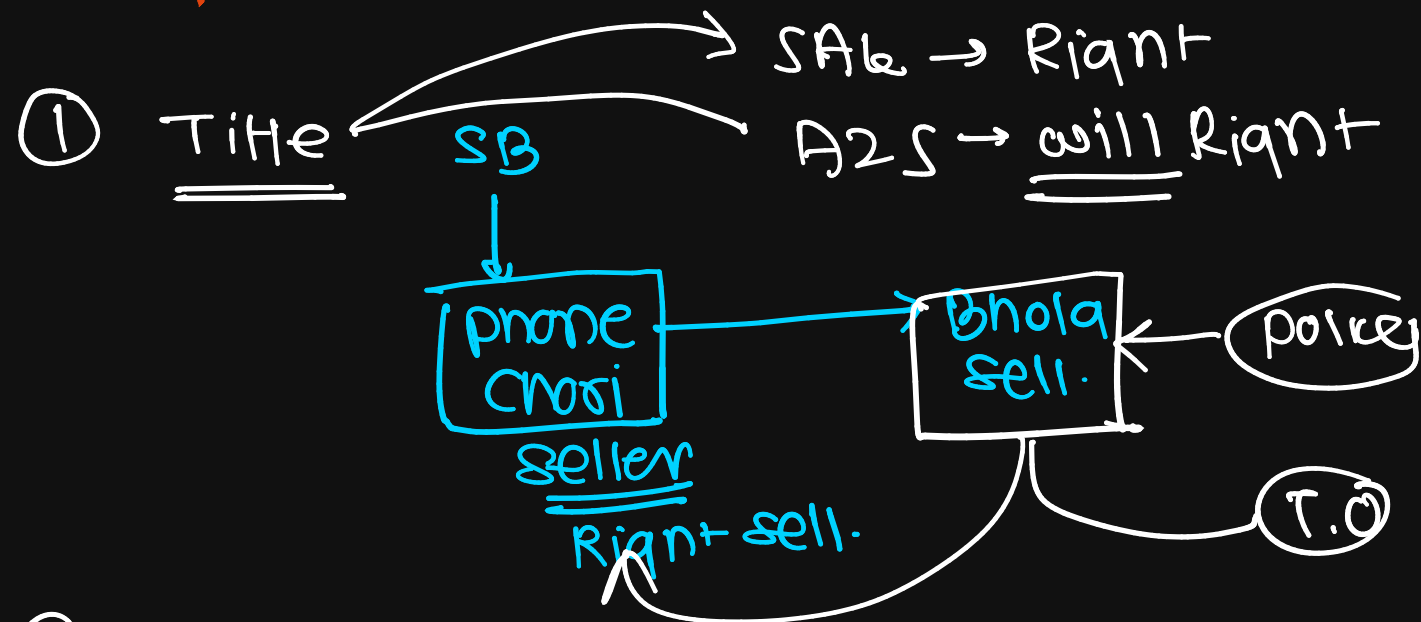
Implied.

which are presumed
by Law

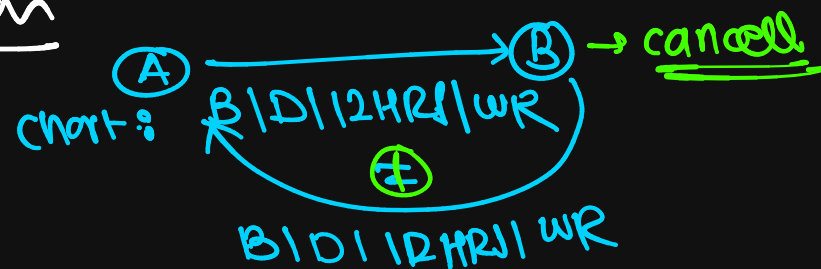


To be present in
the contract.

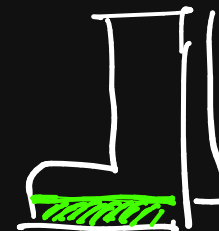
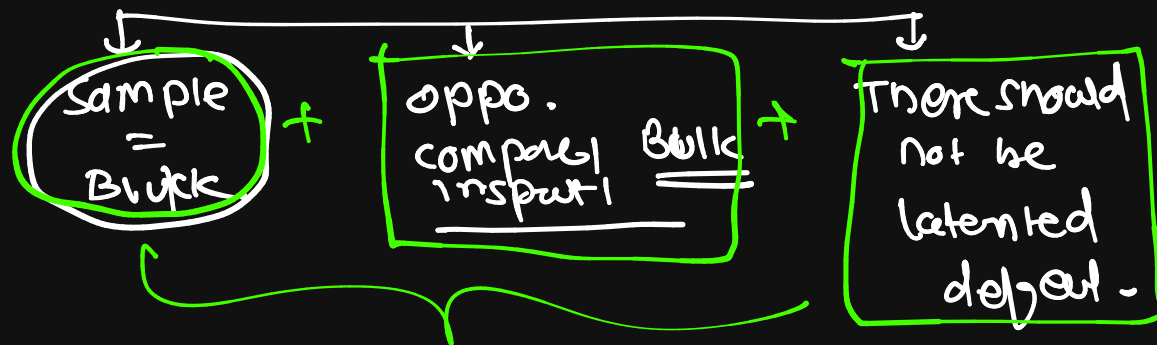
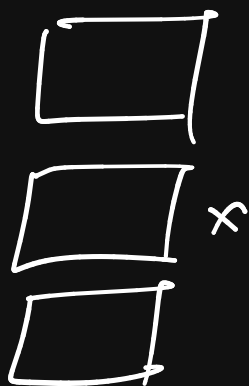
Implied condition (7)



② Description



③ SAk By sample



Implied warranty (4)

① condition.

④ cond: Sample + Description

Implied condition

① condition as to title (14(a))

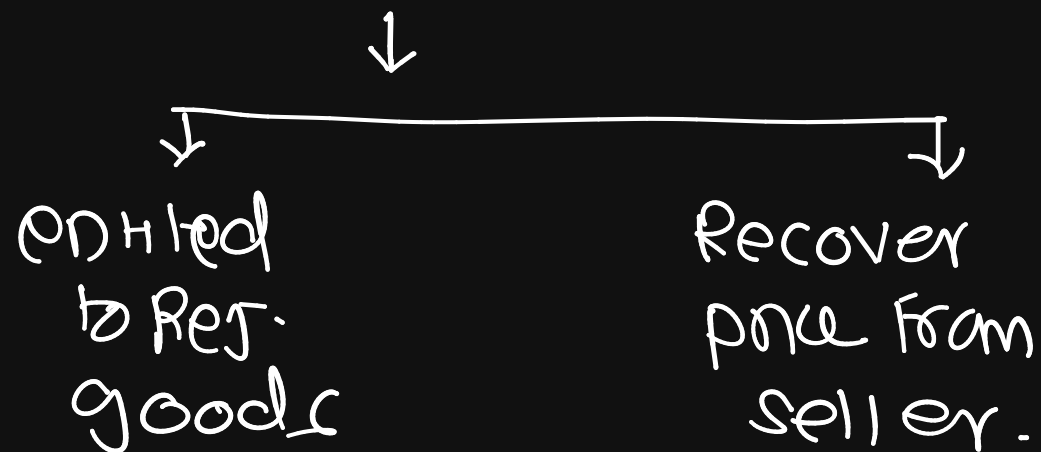
⇒ in every case

a) SALE → has right to sell

b) A/S → will have Right

⇒ i.e. when property is to be passed
seller must have right...

⇒ (if) Seller title Turn out defective



Sec. 15

Condition in Sale by Description

— goods shall correspond
to description

— else  $\left\{ \begin{array}{l} \text{not bound to accept} \\ \text{not bound to pay} \end{array} \right.$

— Descriptⁿ 2
1

↓
class kind to which
the goods belong
has been specified
e.g. Basmati Rice.

↓
Described by
characteristics
essential to their
identification
e.g. water.

condition as to sale by sample

⑤ → must supply goods according to its sample Agreed upon.

Bulk shall correspond with sample in quality

Buyer shall have Reasonable oppo. to compare Bulk with the sample

goods shall be free from any defect
↓
Rejecting them unmerchantable
↓
which would not appear on Reasonable examination.

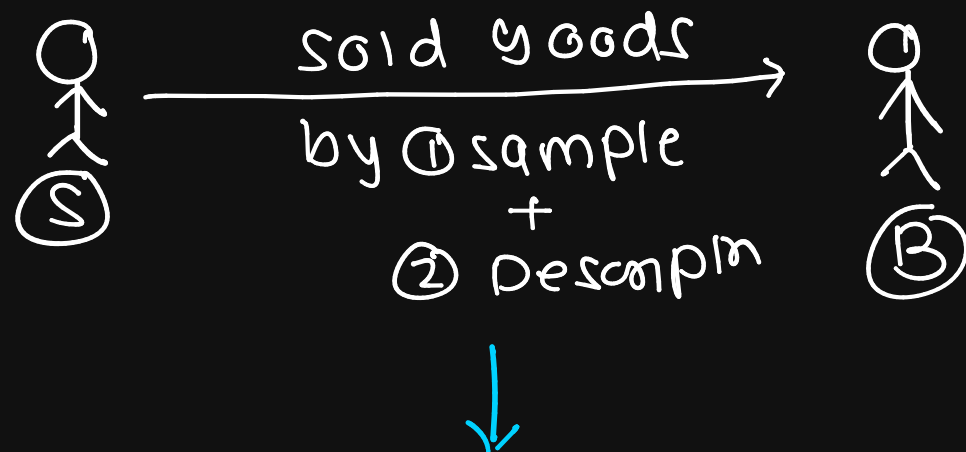
If Defect is patent - easily discoverable by exercising reasonable care - Buyer takes Delivery after inspection

There is no BOC

Latent Defect.

S. 15

condition in Sale by sample + Description



condition

Bulk of goods
shall correspond both
sample + description

✓

✗

✗

✓

✓

✓

BOC

BOC

COS ①

}

If goods supplied
correspond only with sample
not with description ②

Vice versa

↓

②

Reject goods.

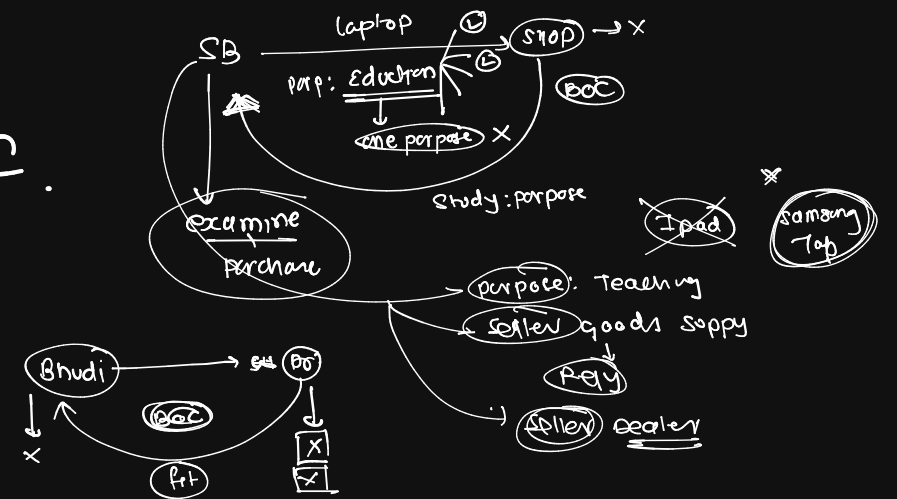
Sec 16(1)

→ Buyer propose.

condition as to quality @ fitness.

$QR \Rightarrow$ No implied cond of $Q+F$.

↓
except



1. Buyer (expressly) implied) make known to seller the particular purpose for which goods are req.
2. Buyer should rely on skill & judgement of (S)
3. Goods must be of such description
↓
which seller deals in ordinary course.

(S.P.) $\Rightarrow$ no need to told purpose $\Rightarrow$ if goods fit for one purpose only
(logic - nature of goods itself tells purpose)
 $\Rightarrow$ Sale w/d patent / Trade name.
no implied cond. as to Q+F

sec. 16(2)

condition as to merchantability

⇒ goods of merchantable quality

⇒ it implies only where
the sale is by description

↓
Satisfied

① seller Deal in goods of that description
 → whether mfg or not

Merchantability

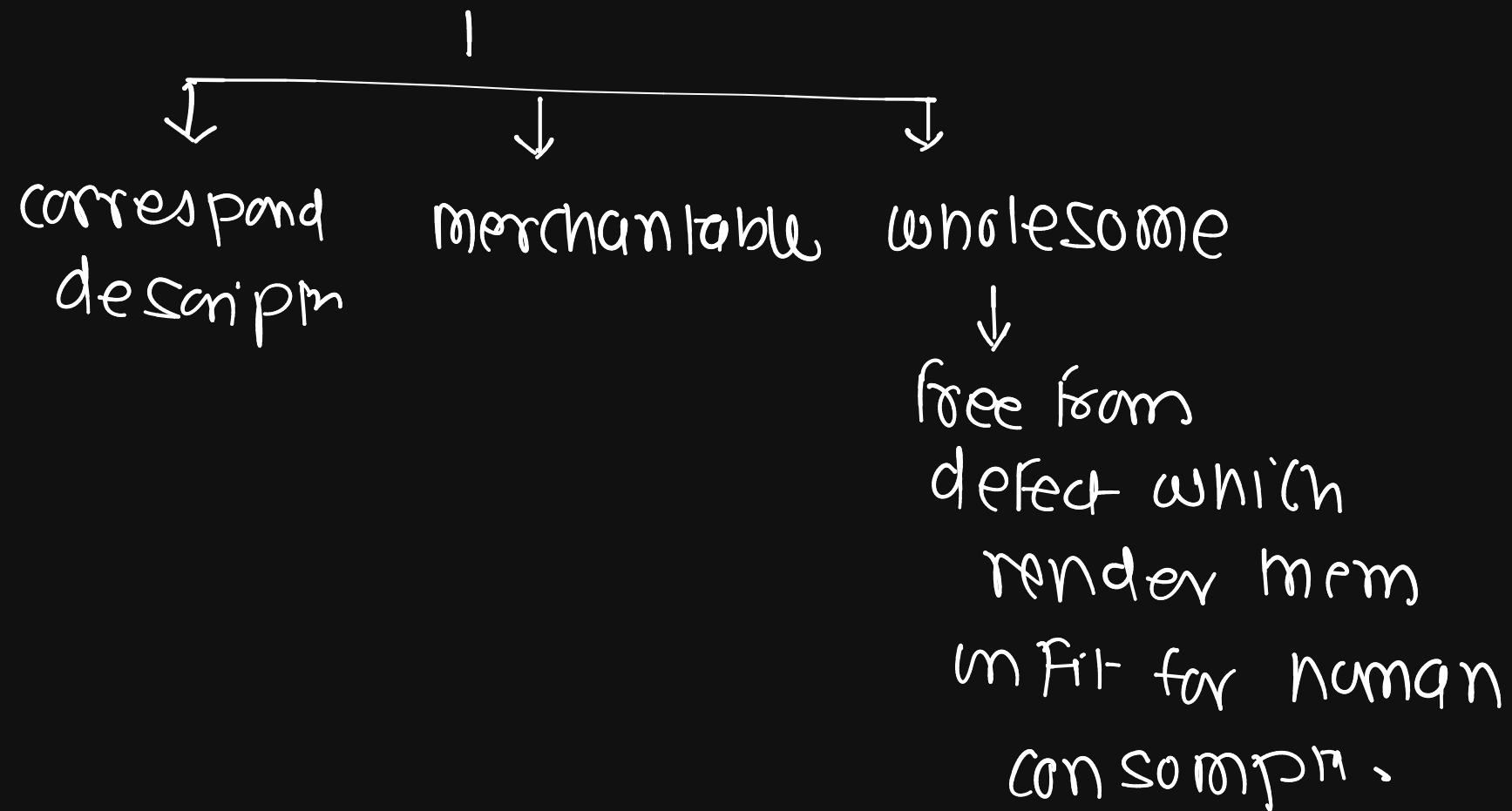
! such quality + cond.
man acting reasonably
would accept

if goods buy
for sell again
↓

Reasonable resalable
uld description known to mk.

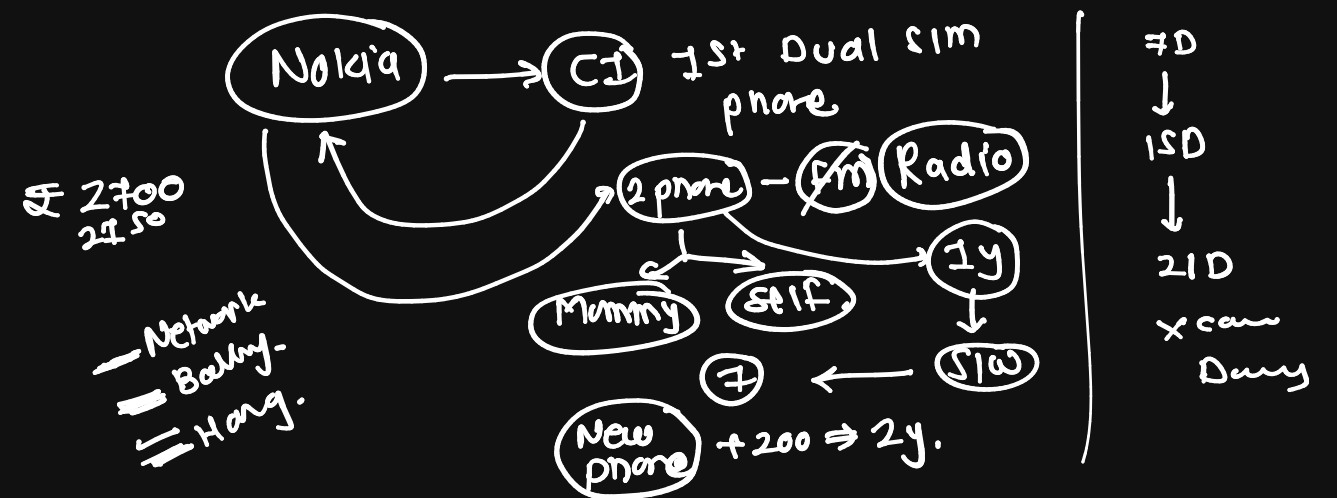
condition as to wholesomeness

established provisions



Me

Implied warranty



Sec. 14(b) warranty As to undisturbed possession



shall enjoy quiet possession of Goods

It means

Step 1

Buyer got possession

Step 2

later it got disturbed
in his possession

Step 3



entitled to sue
for
Damages.



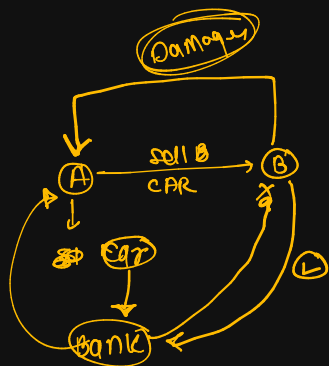
S. 14(C)

2 warranty as to non existence of encumbrances

⇒ goods shall be free from any charge or
encumbrance in favour of any 3rd party

⇒
↓
not declared / known to Buyer
Before / at time (COS)

⇒ If goods afterward found subject to
charge



has to discharge the same
entire for Damages as its share.

⇒ If Buyer know
abt. charge before (X)

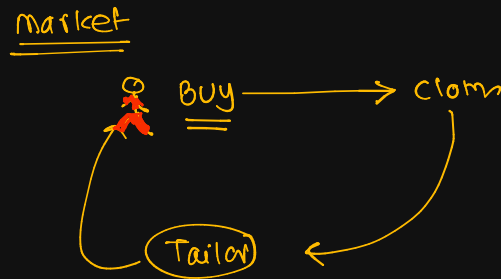
16(3)

3. warranty as quality & fitness by uses of Trade.

For particular purpose may be

annexed | attached

by uses of Trade.

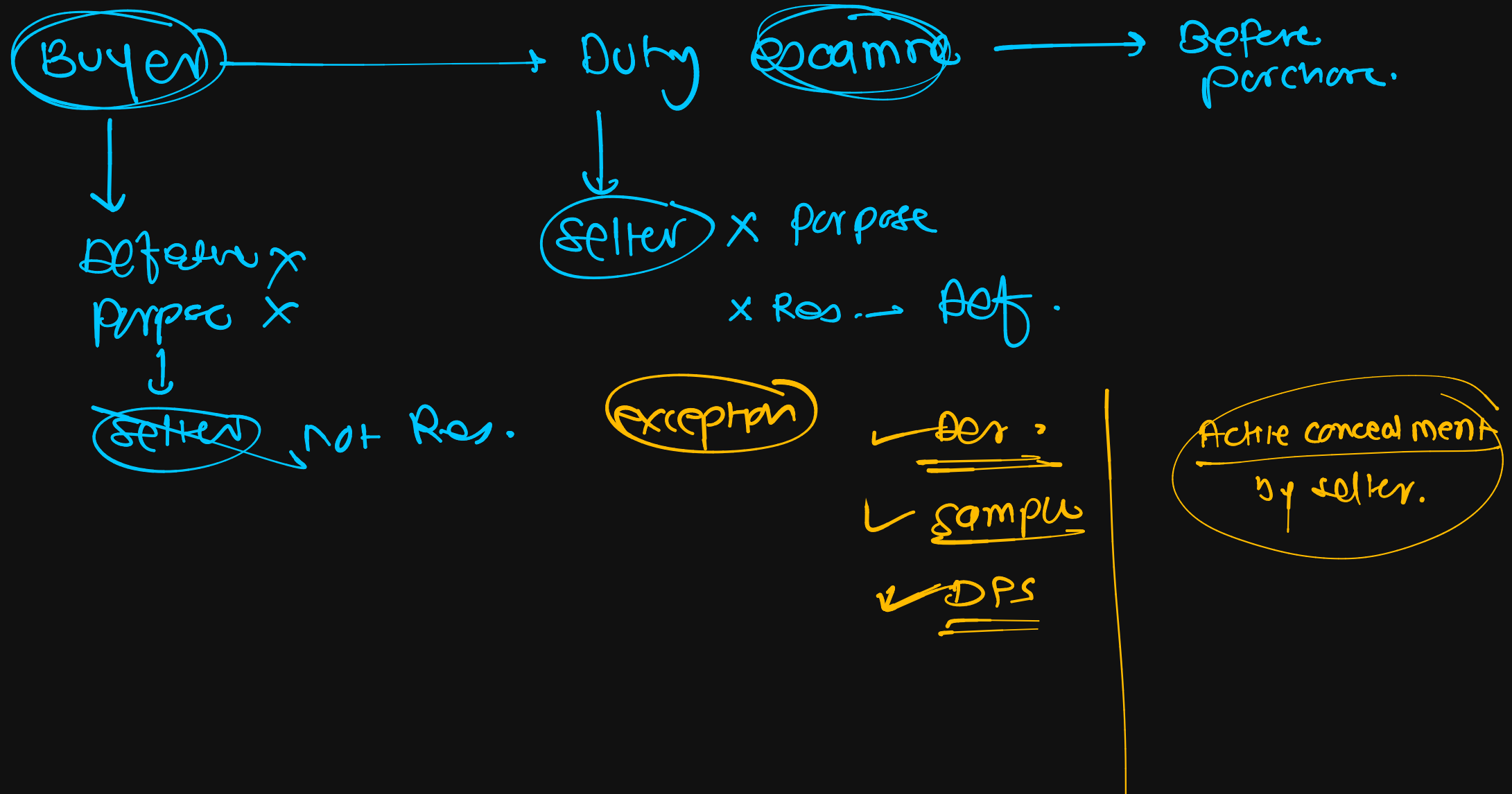


4. warranty to Disclosed Dangerous nature of goods to Ignorant Buyer.



else Buyer
↓
claim comp.
for
injury cause to
him

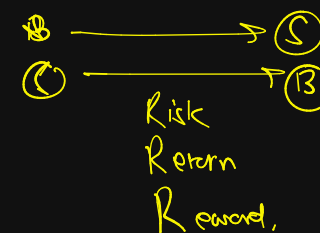
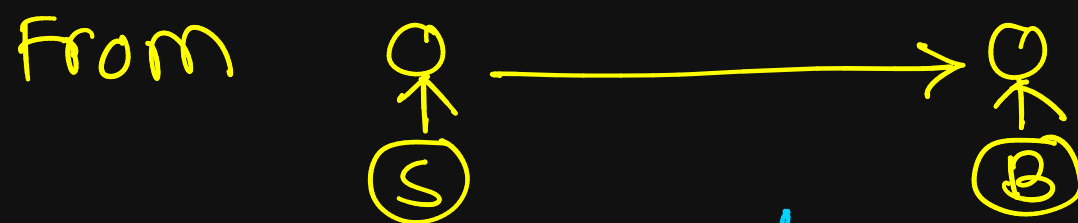
CANET EMPLOY



Unit 3

1) Transfer of property

Two factors to determine tlf of property



S. 18 identification of goods

goods must be specified & Ascertained.

S. 19 intention of parties

property tlf only when party Intend to tlf

Intention of parties determined

- by
- ① Terms of contract
 - ② Conduct of parties
 - ③ circumstances of the case.

Specific ⇒ (S)] Ownership (B)
Ascertain ⇒ (B)
[Maximum] cases → Ascertain

Following are Rules for Determining Intention of the parties.

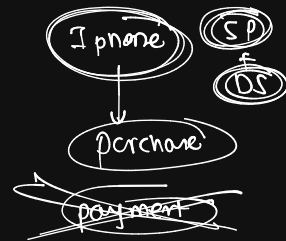
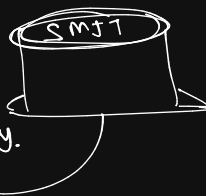
Sec 20

specific goods
+
Deliverable state

⇒ as soon as cos is made.
⇒ its immaterial whether time of payment / time of delivery or both are postponed.

Situation

Goods → Buyer is bound to take Delivery.

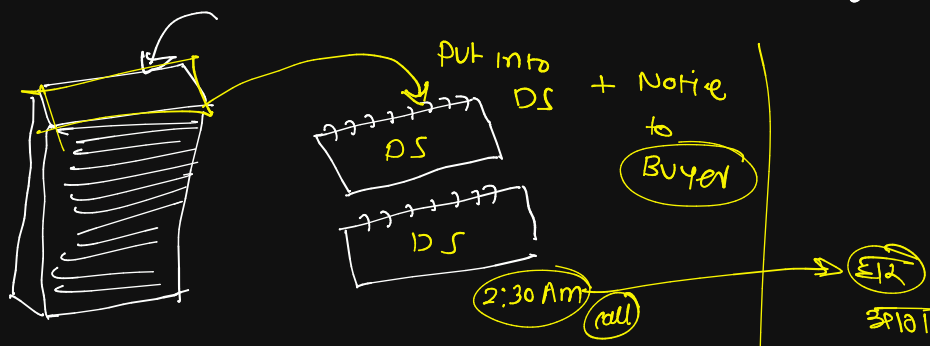


Sec.21

Specific goods
to be put into
Deliverable state

⇒ specific goods ⊕ seller bound to do something for purpose of putting them in DS

⇒ cond.1: when goods are brought into DS
④
cond2: notice is given to buyer.



Sec. 22

Specific goods in
a deliverance state
when seller has to do
something

Jewellery shop

Diamond



⇒ Specific goods in DS + Seller bound to weight, measures, Test @ do some other act / things

↓
w.r.t. goods @
To ascertaining the price

- C1: when such act / thing is done
C2: Notice is given to buyer.

Sec. 23

Unascertained / future goods

1. Confirm to description / quality
2. Brought into Deliverance state
3. unconditional appropriation

by
Seller
Buyer

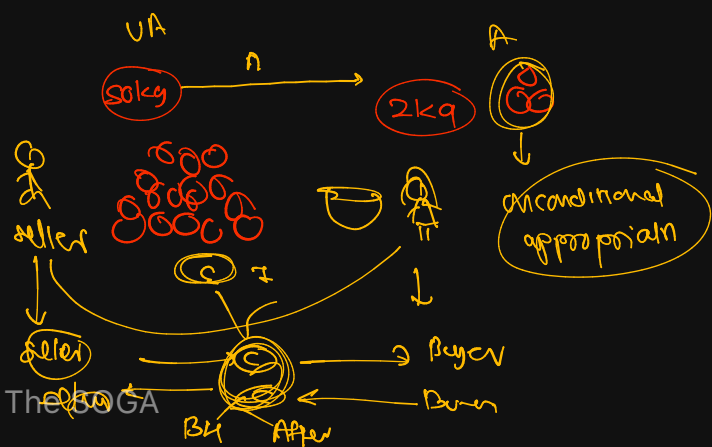
with consent of
Buyer
Seller

4. consent

may be

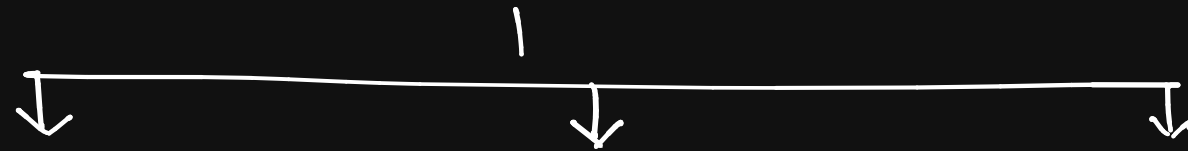
express / implied

taken before / after



Sec. 24 ⇒ goods sent on Approval (or) "on sale/return basis"

property t/f when



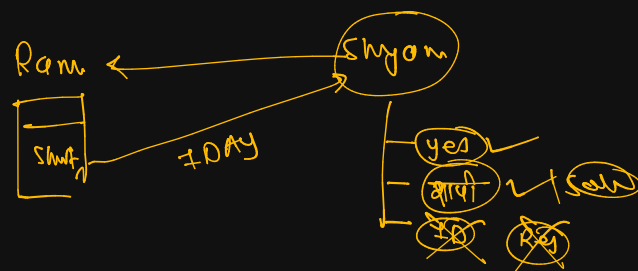
Buyer give his
Approval (or)
Acceptance

Does any
other act
Adopting the
goods

Retains the
goods till
expiry of time
w/o notice of
Return



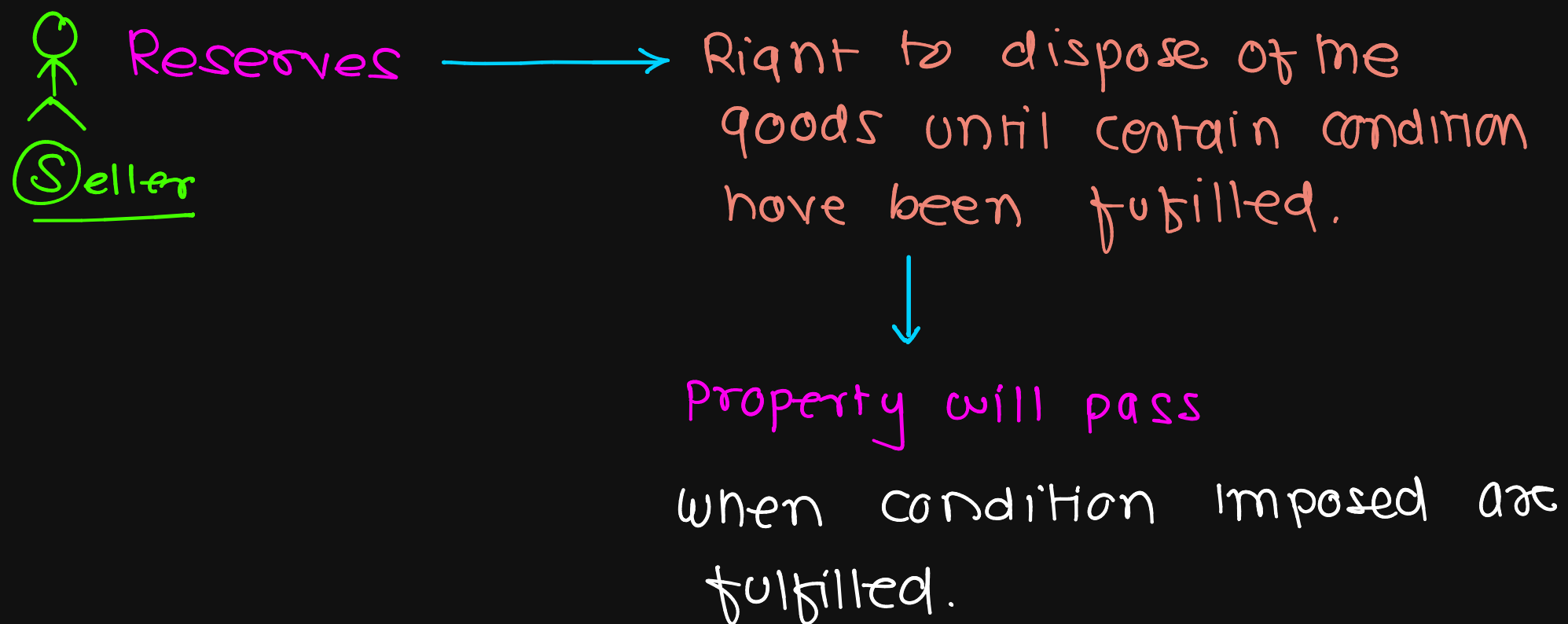
Something equivalent
to Accepting the goods.



SALE FOR CASH ONLY OR RETURN

property can't t/f → unless payment is
made.

Sec 25 ⇒ Reservation of Right of Disposal
Conditional Appropriation.

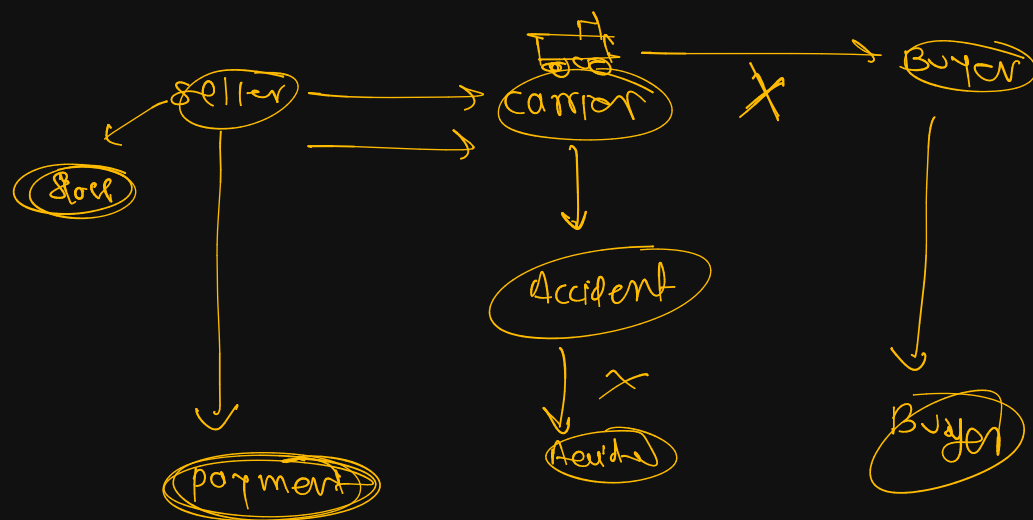
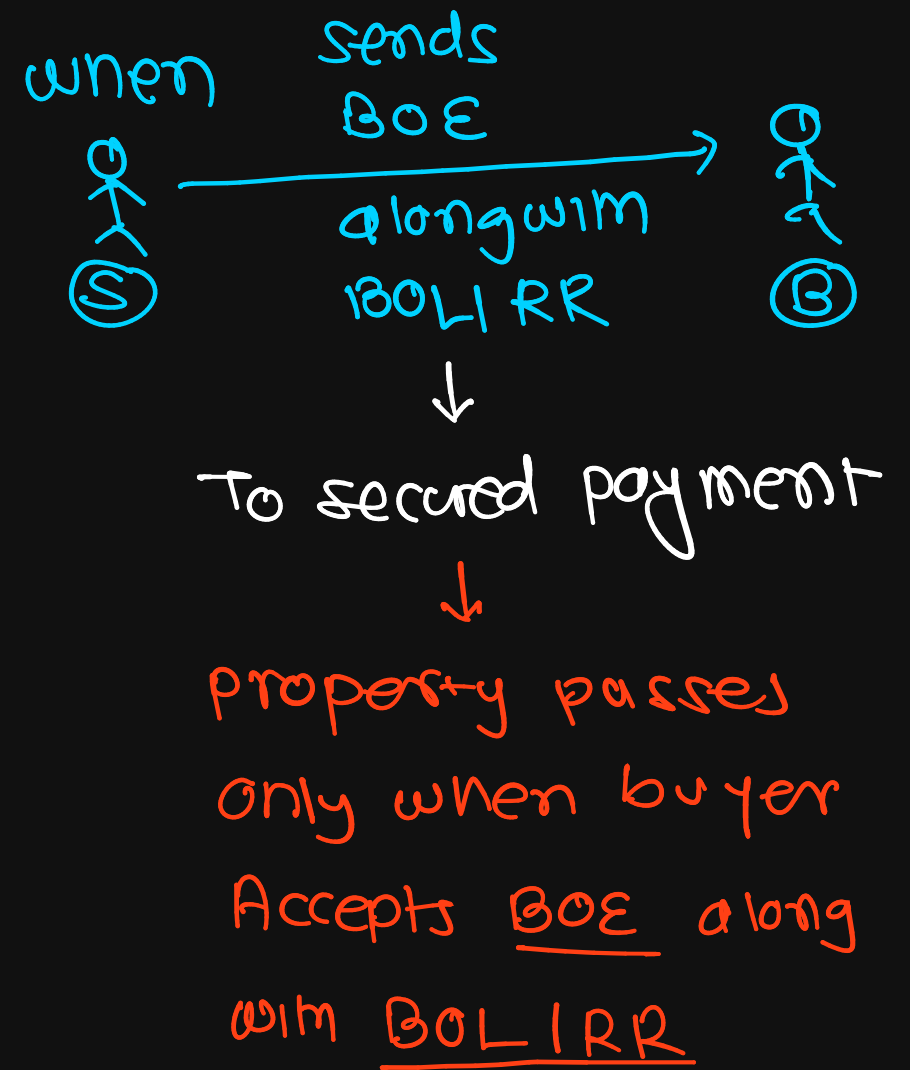


Circumstances under which Right of Disposal may be Reserved.

Goods are

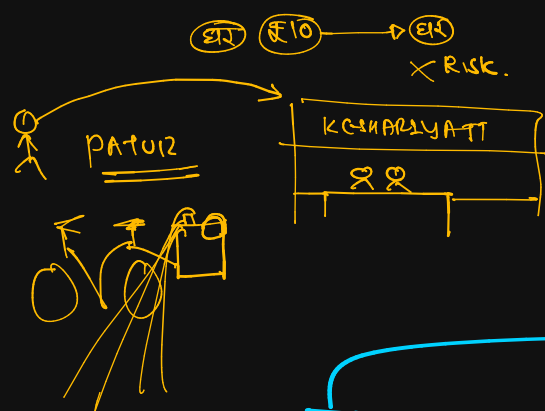
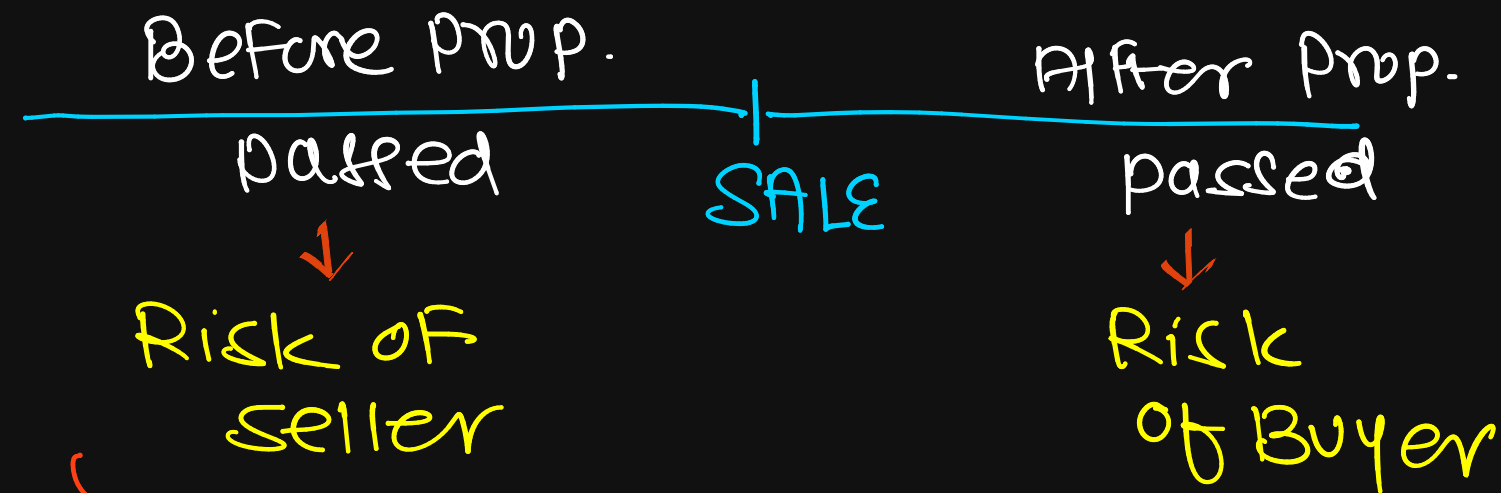
- ship by BOL
- OR
- Delivered to a Railway Administration by Railway Receipt

goods are deliverable to order of seller / his Agent

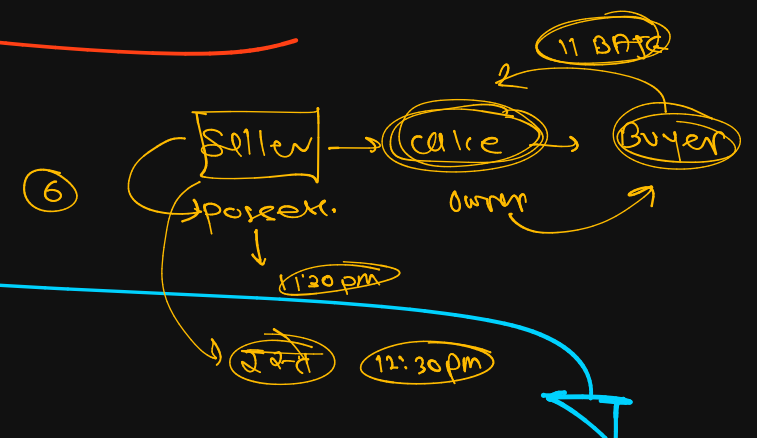


Risk prima facie passes with property

Risk — Follow —> Ownership



3 exception

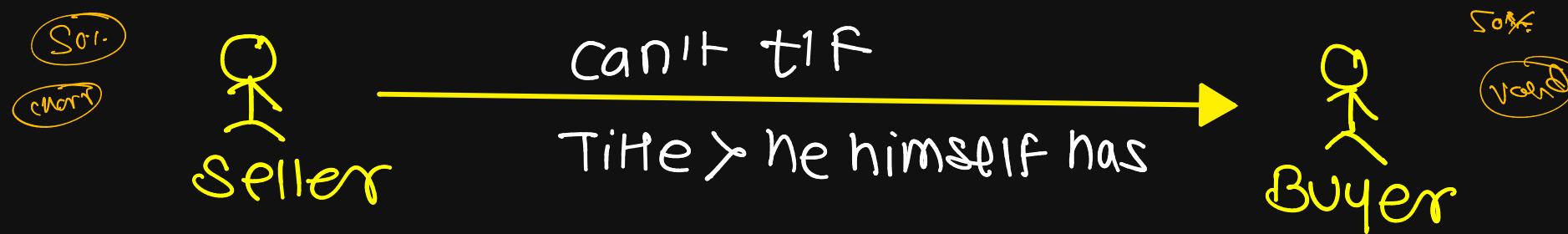


parties may decide otherwise
(any other stipulation regarding Risk)

IF delay in Delivery Due to Fault of a party
The party at fault may bear the Risk

Buyer/Seller who's in possession of goods will be liable as a Bailee → irrespective of ownership.

Sec. 27 Role of title of thing



e.g.
valid title
Defective title
limited int.

valid.
Defective
limited

→ only True/Absolute owner can pass valid title to the Buyer.

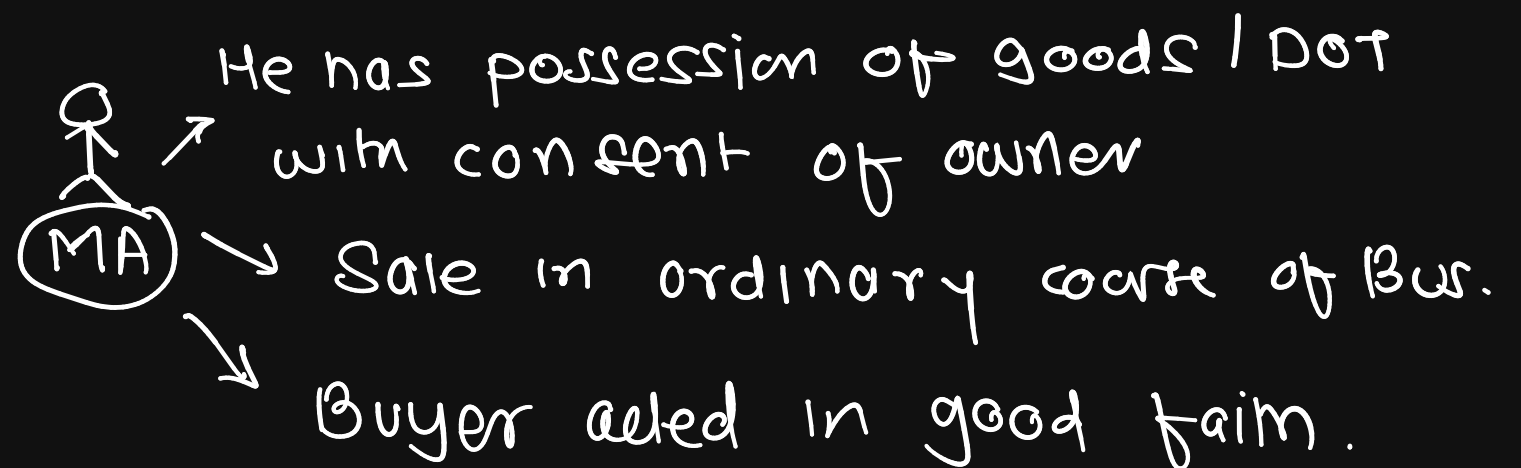
→ Seller can't title better than he himself has.

Namō Dat Quā ^{non} habet

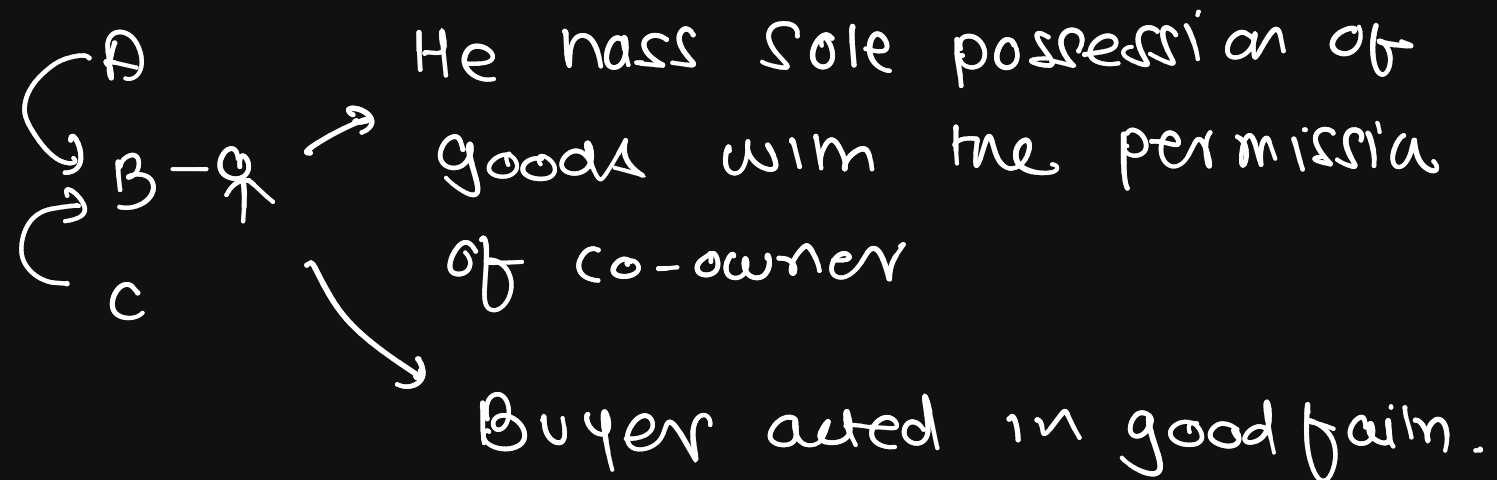
"No one can give what he has not got"

exception: sale by non owner are valid in following case.

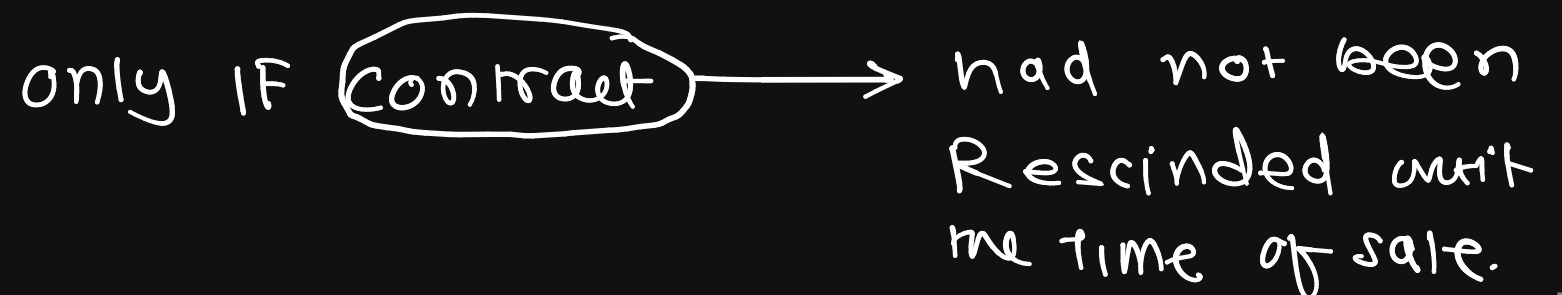
1. SALE BY MERCANTILE AGENT



2. SALE BY JOINT OWNER



3. SALE BY PERSON IN POSSESSION VIA A VOIDABLE CONTRACT



4. SALE BY ONE
WHO HAS ALREADY
SOLD THE GOODS
BUT CONTINUOUS
IN POSSESSION THEREOF

⇒ Seller cont. to be in possession
of them / DOT.

⇒ Buyer acted in good faith.

5. SALE BY BUYER
OBTAIN POSSESSION
BEFORE PROP IN GOODS
VESTED IN HIM.

⇒ Buyer obtain possession
with a consent of seller

⇒ property has not yet passed.

⇒ Buyer acted in good faith.

6. EFFECT OF
ESTOPPEL

⇒ when True owner by his conduct
word
any authentication

↓
lead buyer to believe that

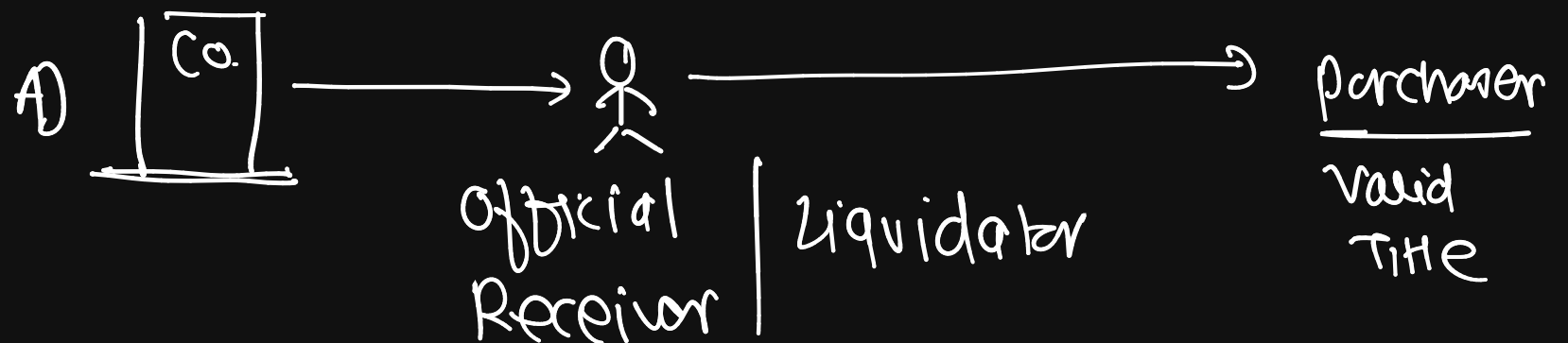
↓
Seller has auth to sell

↓
then can't afterwards deny seller's auth. to sell.

7. SALE BY UNPAID SELLER

⇒ IF seller exercise
↓ lien stoppage in transit
He can sell the goods
↓
Subsequent buyer Acquire good title
Against Original buyer.

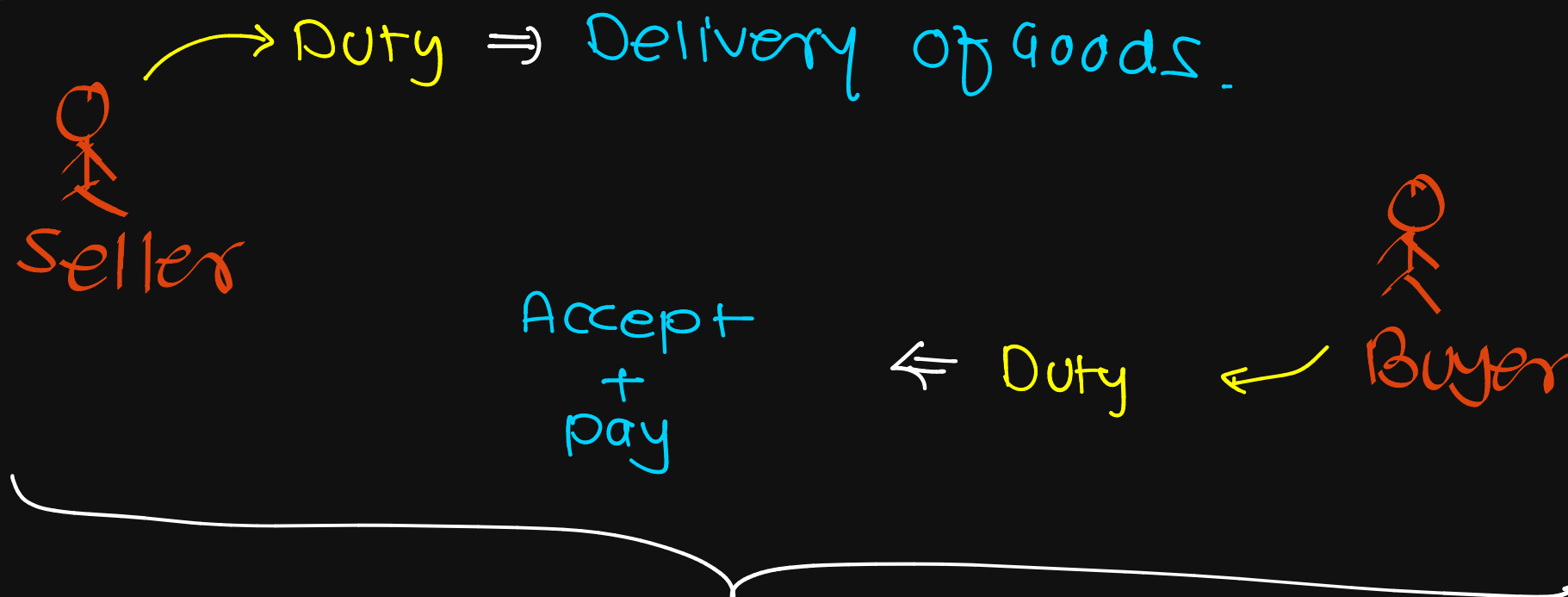
8. SALE VIO THE PROVISIONS OF OTHER LAWS



B)  Finder of Goods

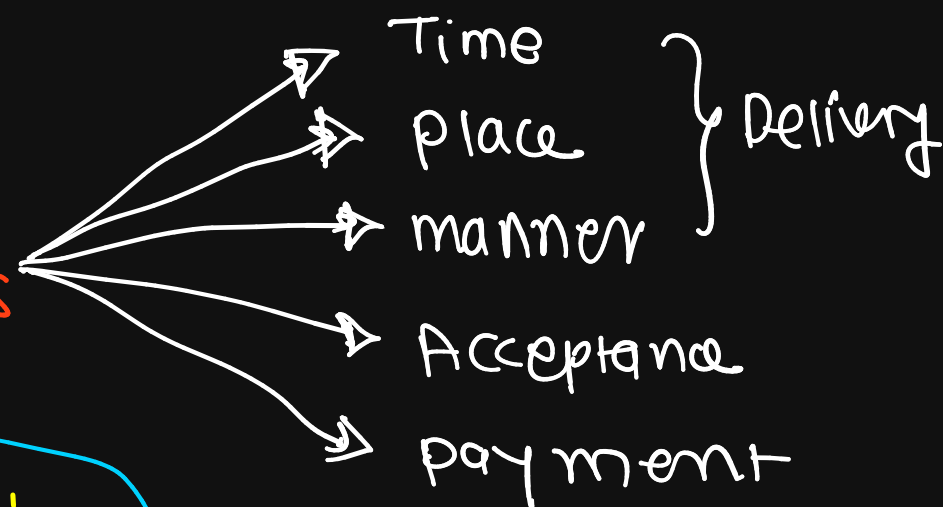
C)  pawnee

Sec. 31



PERFORMANCE OF COS

parties are free
to decide any terms



But if parties = silent

The Rules contain
in SOGA are applicable.

sec 33 Delivery may be

- ACTUAL
- SYMBOLIC
- CONSTRUCTIVE

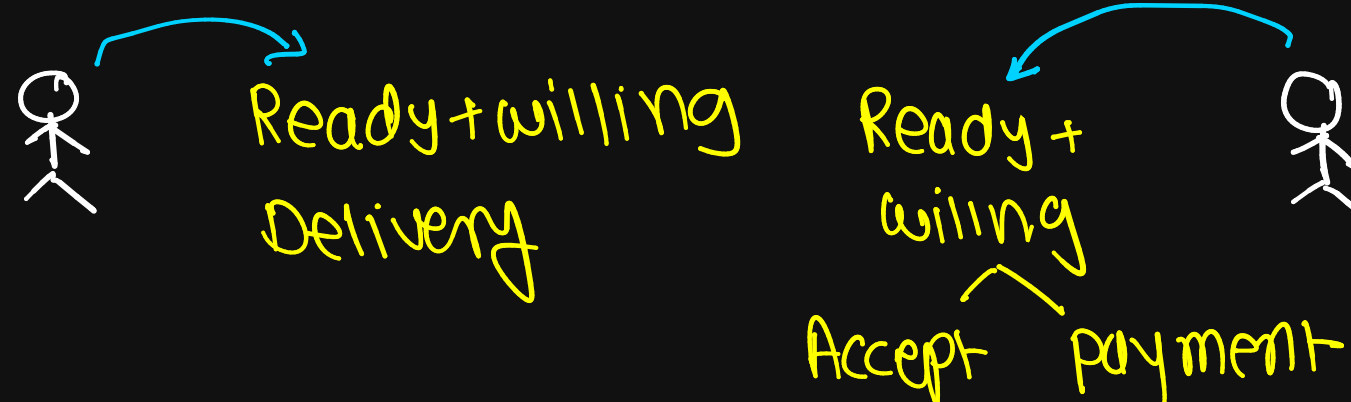
Doing anything → which has the effect of putting the goods in possession of buyer / any person authorized to hold on his behalf.

Sec. 32 Delivery + payment are concurrent conditions

unless otherwise agreed.

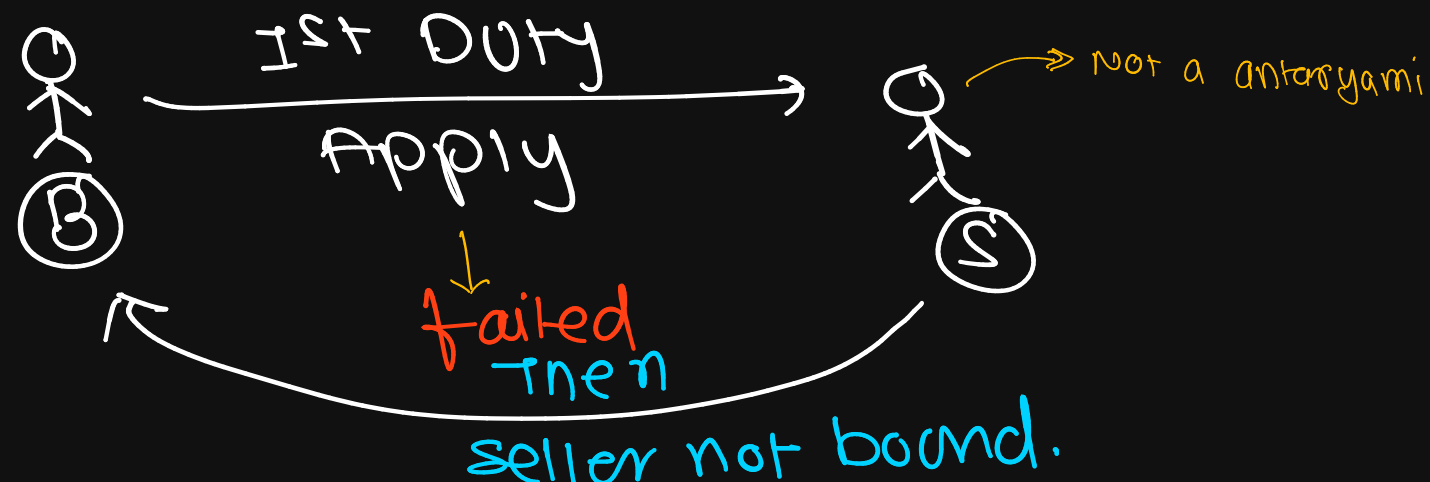
• Delivery

- ACTUAL
- SYMBOLIC
- CONSTRUCTIVE



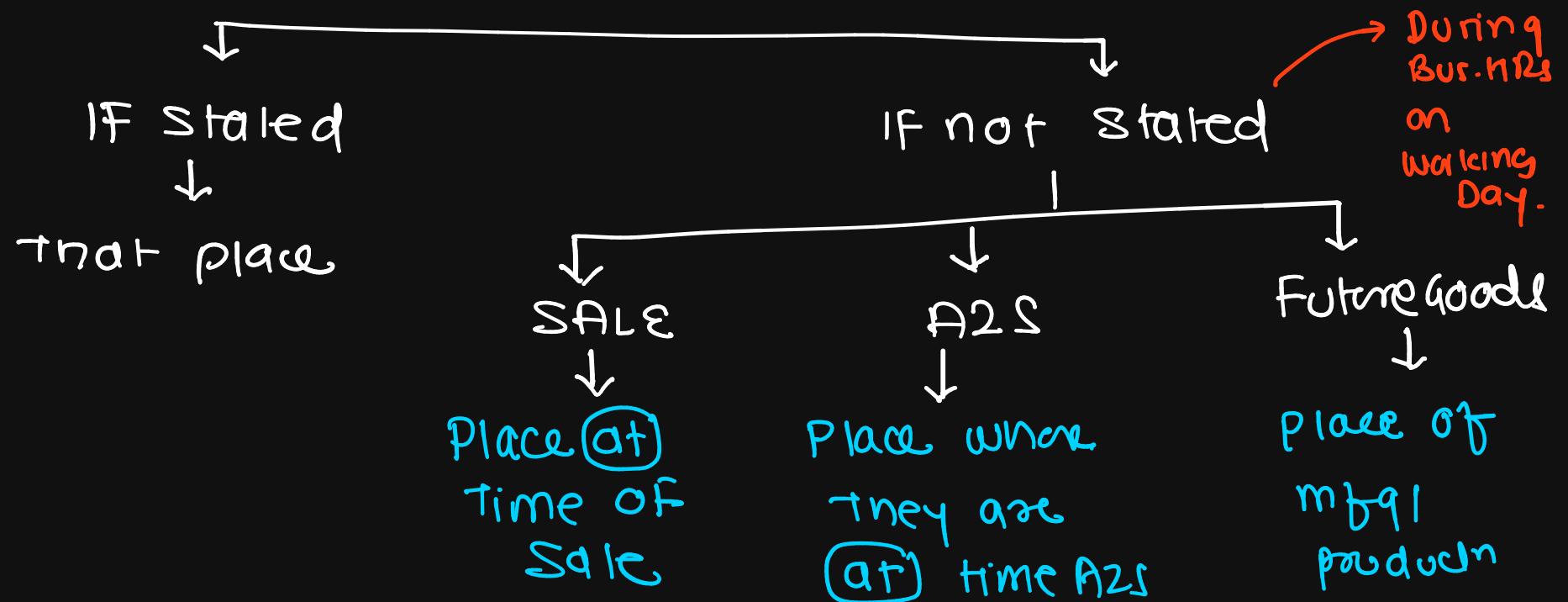
Sec 35 ⇒ Buyer to Apply for Delivery

mangoe seet
at milega seet



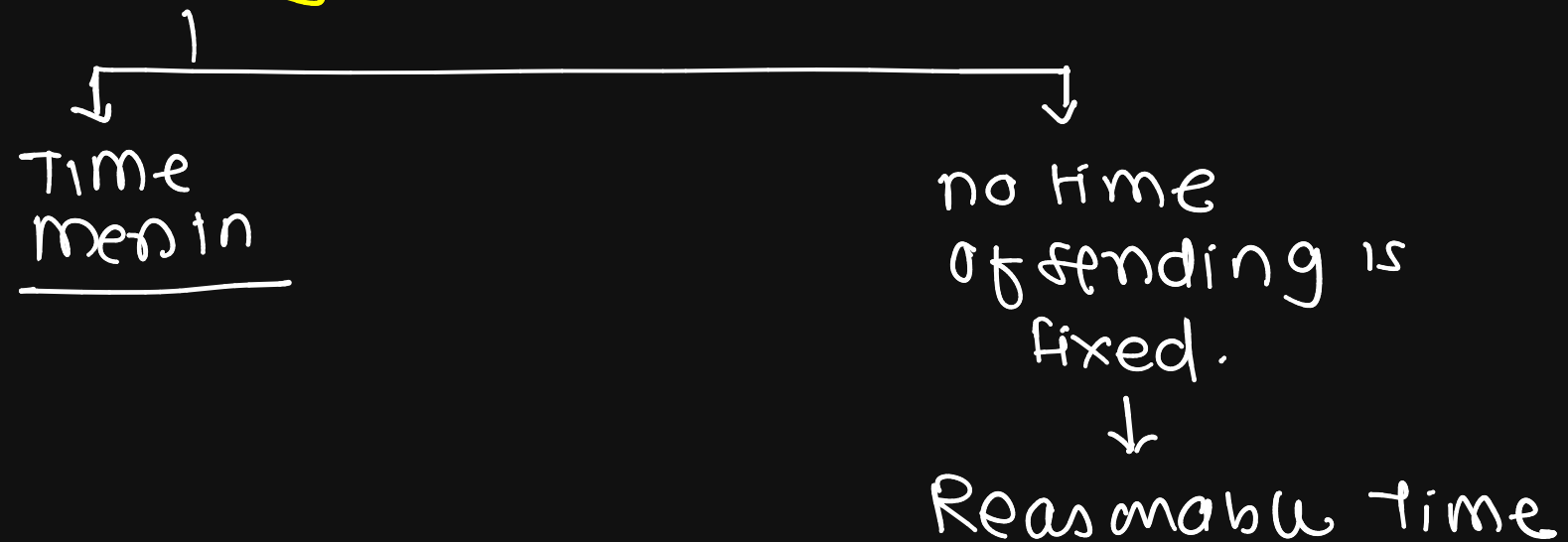
later Buyer can't Blame
Seller for non Delivery

Sec. 36 place of Delivery → PLACE must be stated in COS

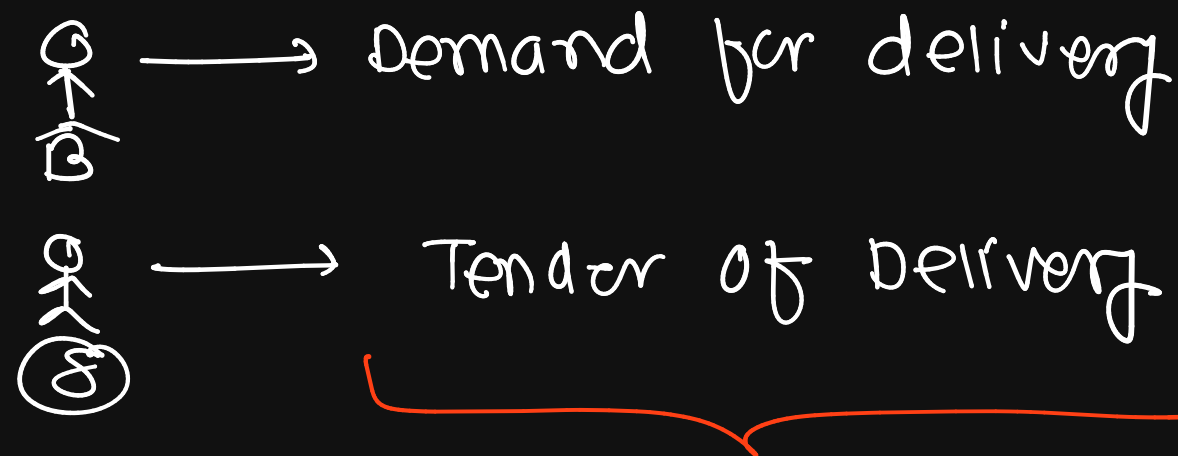


During
Bus. hrs
on
Working
Day.

Time of Delivery



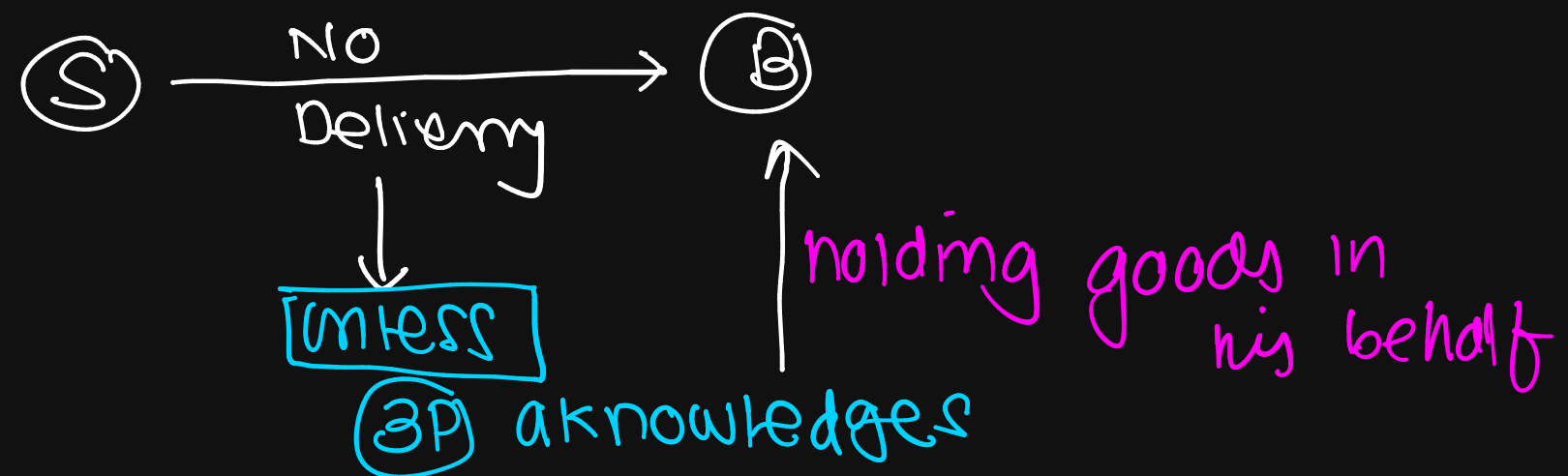
Tender of Delivery



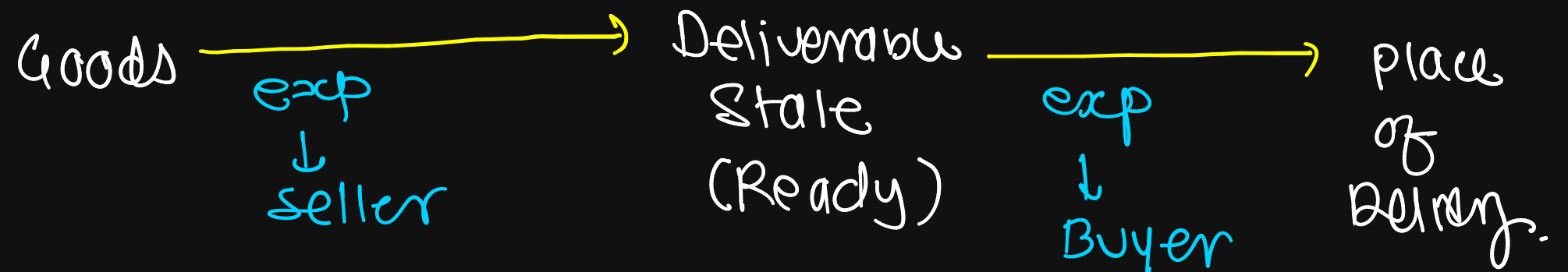
ineffectual

If not made at
Reasonable time.

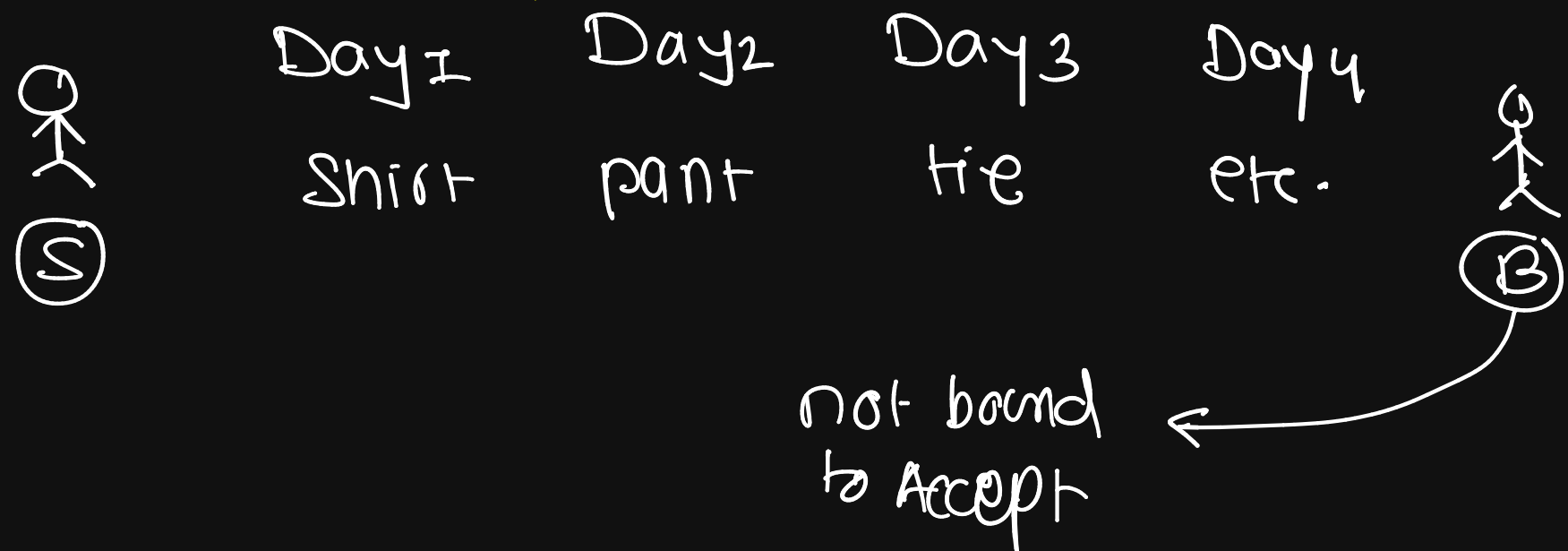
Delivery of goods where they are in possession of Third party.



Expenses of Delivery



Installment Delivery



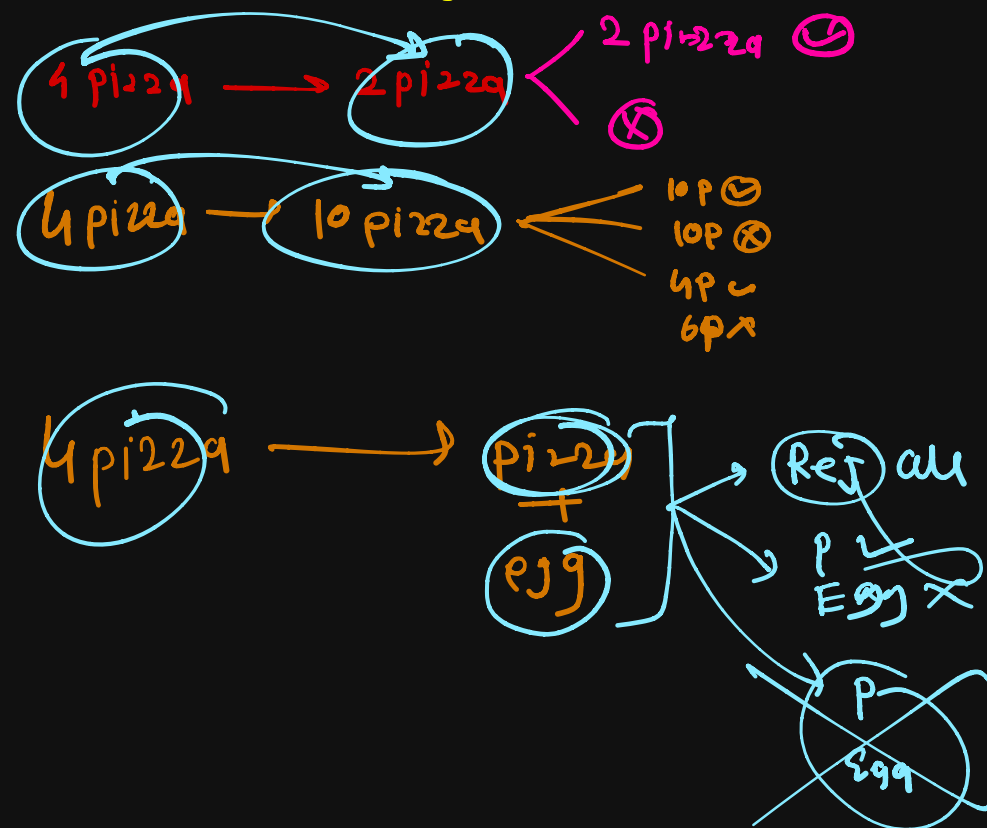
Delivery to carrier

prima faue - Deemed Delivery to Buyer

Buyer Rights to examine goods

Buyer not bound to Return the Rejected goods.

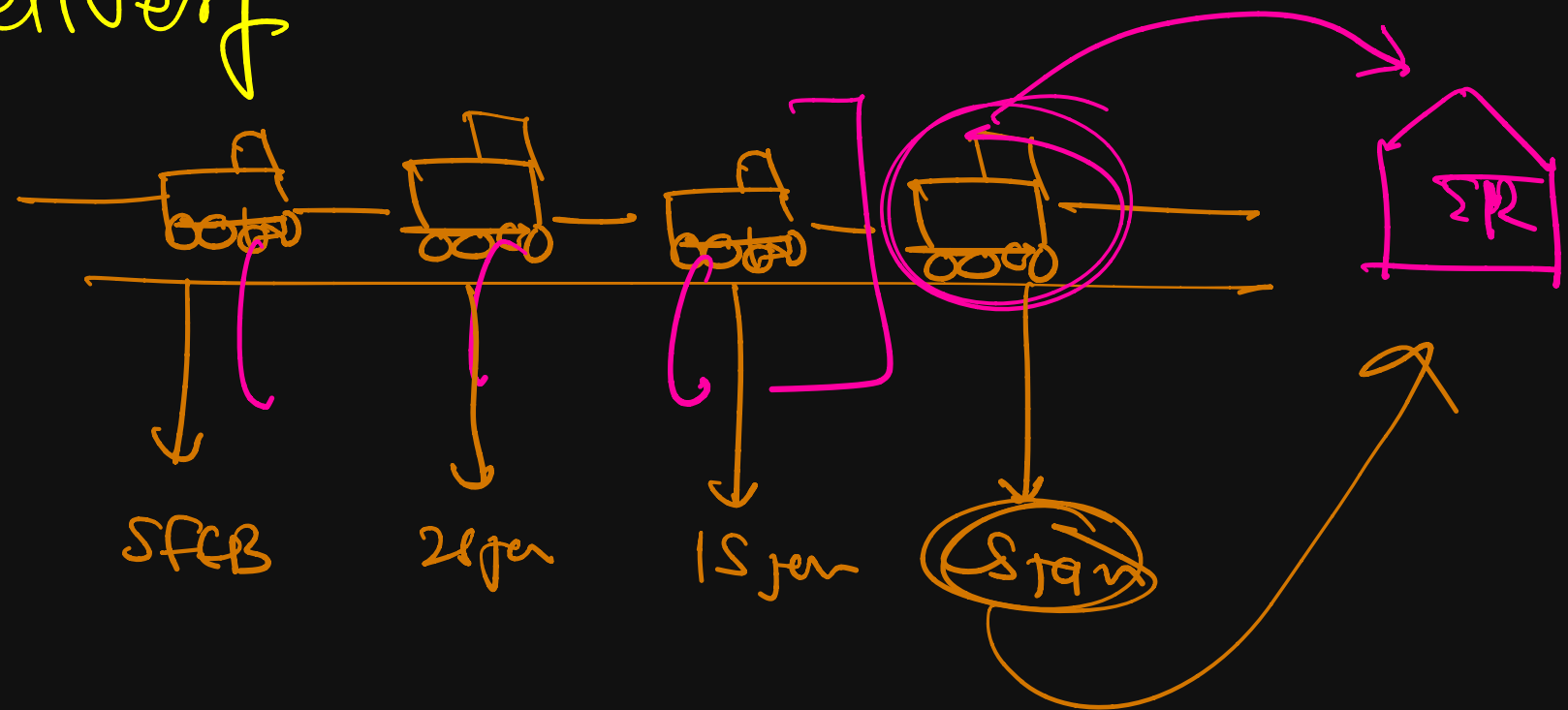
Delivery of wrong quantity



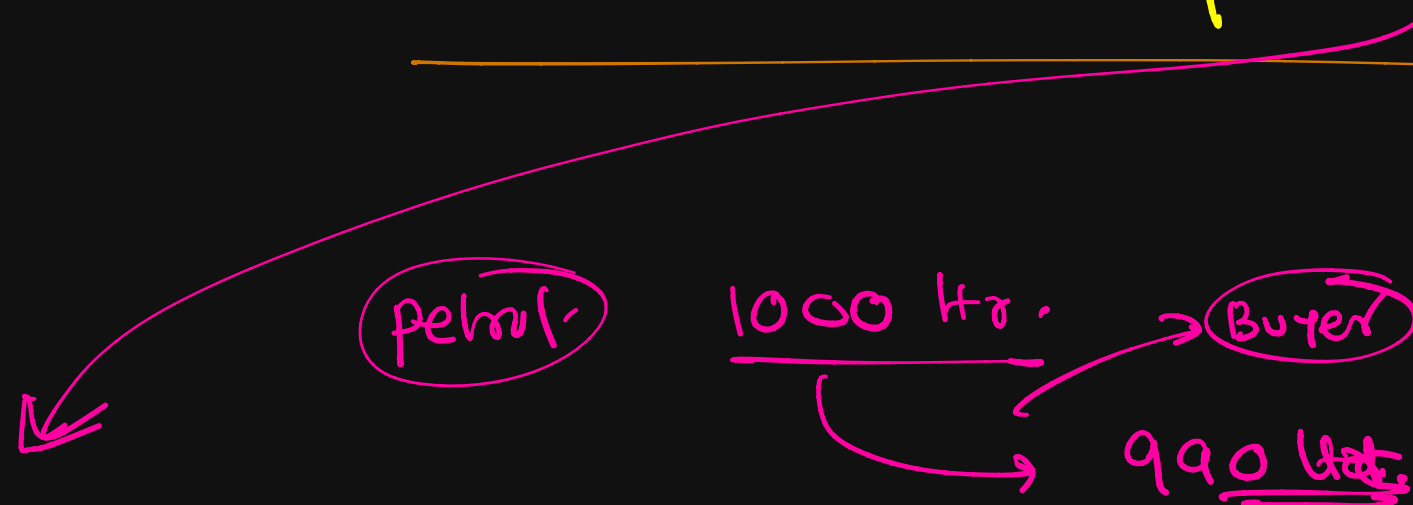
Effect of party Delivery - when prop. in goods
pass on Delivery

In process
of whole #1

not - #2



Deterioration cause During transit



Liability of Buyer for Neglecting / Refusing to take Delivery of goods.

