

SALE OF GOODS ACT,1930

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INTRODUCTION

CONTRACTS OR AGREEMENTS RELATED TO THE SALE OF GOODS ARE GOVERNED UNDER THE SALE OF GOODS ACT,1930.

- **THIS ACT CAME INTO EFFECT ON THE 1ST OF JULY,1930. IN THE WHOLE OF INDIA, EXCEPT THE STATE OF JAMMU AND KASHMIR.**
- **THE SALE OF GOODS ACT, APPLIES ONLY TO MOVABLES OTHER THAN ACTIONABLE CLAIM AND MONEY.**
- **THE PROVISION OF THE SALE OF GOODS ACTS ARE APPLICABLE ONLY TO THESE THINGS WHICH CAN BE CALLED GOODS.**
- **THE SALE OF GOODS WAS EMBODIED IN THE INDIAN CONTRACT ACT,1872 UNDER SECTION 73-76.**

❖ **DEFINATIONS AND IMPORTANT TERMS-**

1.GOODS – ACCORDING TO SECTION 2(7) “GOODS” MEANING EVERY KIND OF MOVABLE PROPERTY OTHER THAN AN ACTIONABLE CLAIM AND MONEY WHICH INCLUDES STOCK AND SHARES, GROWING CROPS FARMING PARTS OF LAND WHICH ARE AGREED TO BESEPARATED BEFORE SALE OR UNDER THE CONTRACT OF THE SALE.

2.BUYER – A PERSON WHO BUY OR AGREE TO BUY GOODS.

3.DELIVERY OF GOODS- A PERSON WHO IS VOLUNTARY TRANSFER OF POSSESSION FROM PERSON TO ANOTHER.

4. FAULT- MEANS WRONGFUL ACT OR DEFAULT.

5.FUTURE GOODS – MEANS GOODS WHICH ARE MANUFACTURED OR PRODUCED BY THE SELLER AFTER THE MAKING OF THE CONTRACT OF SALE.

6.INSOLVENT- A PERSON IS SAID TO BE INSOLVENT, WHO HAS STOP TO PAY DEBTS IN THE ORDINARY COURSE OF BUSINESS OR CANNOT PAY AS THEY BECOME DUE WITH PENALTY CHARGES.

7.MERCANTILE AGENT- A BUSINESS IN WHICH AGENT AUTHORITY IS TO SELL GOODS POR TO CONCISE GOODS FOR THE PURPOSE OF SALE OR BUY GOODS.RAISE MONEY ON THE SECURITY OF GOODS.

8.PRICE – PRICE MEANS THE MONEY CONSIDERATION FOR A SALE OF GOODS.

9. PROPERTY – MEANS THE GROUND PROPERTY IN GOODS.

10.QUALITY OF GOODS- MEANS STATE OR CONDITION OF THE GOODS. GOODS WHEN DELIVERD SHOULD BE OF GOOD QUALITY AND IN GOOD CONDITION AS PER NORMS.

CLASSIFICATION OF GOODS

- 1. EXISTING GOODS**
- 2. FUTURE GOODS**
- 3. CONTINGENT GOODS**

EXISTING GOODS ARE OF THREE TYPES-

- 1. SPECIFIC GOODS**

2. ASCERTAINED GOODS

3. UNCERTAINED GOODS

1. EXISTING GOODS COMES UNDER SECTION 1 OF GOODS OWNED AND POSSESSED BY THE SELLER AT THE TIME OF MAKING CONTRACT OF SALE CALLED AS EXISTING GOODS.

2. FUTURE GOODS MEANS GOODS TO BE MANUFACTURED OR PRODUCED BY THE SELLER AFTER MAKING THE CONTRACT OF SALE.

THESE GOODS ARE NOT IN EXISTENCE AT THE TIME OF CONTRACT OF SALE NOR IN POSITION OF THE SELLER AT THE TIME OF SALE.

3. CONTINGENT GOODS – ACCORDING TO SECTION 6(2) CONTRACT OF SALE OF GOODS TOTALLY DEPENDS UPON THE

CONTINGENCY WHICH MAY OR MAY NOT HAPPEN.

CONTINGENT GOODS ARE SAME AS FUTURE GOODS THE ACTUAL SALE IS TO BE DONE IN THE FUTURE.

EXISTING GOODS ARE OF THREE TYPES-

1. SPECIFIC GOODS – GOODS WHICH ARE IDENTIFIED AND AGREED UPON AT THE TIME OF MAKING OF THE CONTRACT OF SALE ARE CALLED SPECIFIC GOODS.
2. ASCERTAIN GOODS – WHICH CANNOT BE DEFINED IN THE ACT AND AND IDENTIFIED IN ACCORDANCE WITH THE AGREEMENT AFTER THE CONTRACT OF SALE IS MADE.
3. UNCERTAINED GOODS – THESE GOODS ARE GENERIC GOODS, DEFINE BY

DESCRIPTION OR EVEN BY SAMPLE.

GOODS ARE NOT DEFINITE AND SPECIFIC.

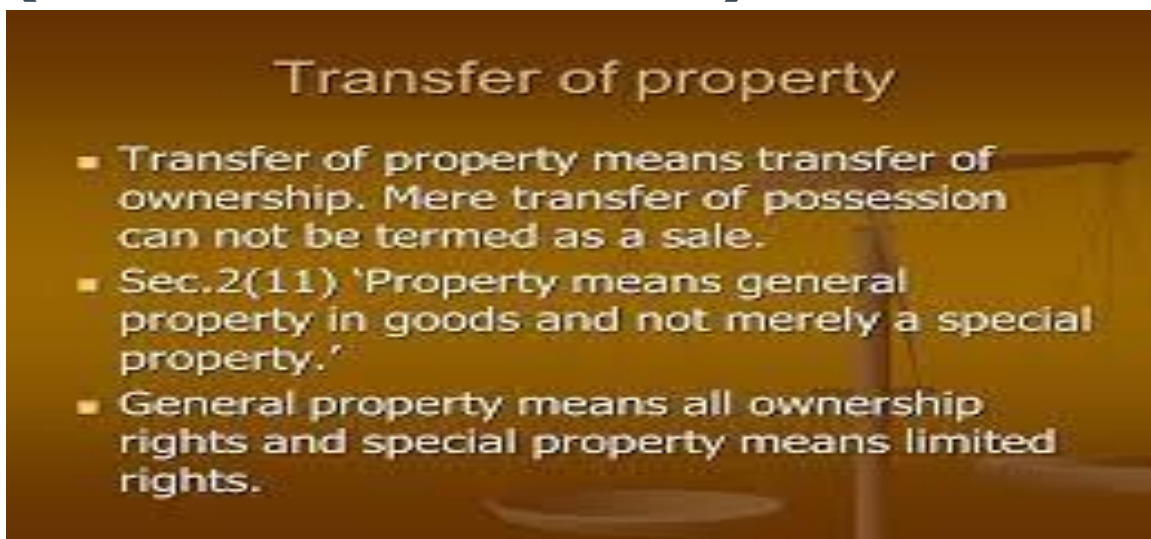
CONDITIONS AND WARRANTIES

SECTION(11 TO 17)

- A condition is an essential part of a contract that, if breached, allows the affected party to terminate the contract.
- Warranty is a secondary promise that guarantees the quality, performance, or fitness of a product or service.
- The breach occurs that deprives the wronged party of the entire benefit of the contract, the term is considered a condition and would allow the party to end the contract. If that isn't the case, the term would be considered a warranty, and the wronged party would be eligible to claim damages.
- ❖ What is the main difference between condition and warranty in a contract?
- The key distinction lies in the fact that conditions are crucial terms affecting the core of the contract, while warranties provide assurances of performance or quality.

- ❖ An example illustrating the difference between condition and warranty? Certainly, let's consider a scenario where a car's engine condition is guaranteed (condition), whereas the car's paint quality is assured (warranty).

TRANSFER OF PROPERTY (SECTION 18-30)



The property in the goods is said to be transferred from the seller to the buyer when the latter acquires the proprietary rights over the goods and the obligations linked thereto.

- The transfer of Property in goods means transfer of OWNERSHIP BY GOODS...!!
- GOODS TO BE ASCERTAINED (SECTION 18)
- PARTIES INTENSION (SECTION 19(1))

➤ WHEN NO INTENSION IS EXPRESSED SECTION 19 (33).



➤ How is ownership transferred in goods?

The ownership/property in goods is said to be transferred from the seller to the buyer once the goods are in deliverable state and the notice for the same is given by seller to the buyer. Till the time it's in non-deliverable state, then the ownership lies with the seller only.

➤ Which property Cannot be transferred?

Unlawful object or consideration-as stated under section 23 of the Indian contract act, 1872 anything which has an unlawful object or consideration cannot be transferred. Thus any transfer of property which is against the public policy or is fraudulent is prohibited by law or immoral is invalid.

- **Transfer of ownership:** One of the most essential ingredients of sale is the transfer of ownership from the buyer to the seller. Without this ingredient, the sale agreement would be incomplete. For example, A agreed to buy a new two-wheeler from B, an agent for Rs. 25,000. A paid the price, got the two-wheeler registered in his name and the registration book was delivered by B to A. This is a valid contract of sale because the ownership of the two-wheeler has been transferred to A.

TRANSFER OF TITLE BY NON-OWNERS . (SECTION 29)

The real owner of the goods (seller) can transfer the title to a new owner (buyer). The transfer of title includes the maxim 'Nemo dat quod non habet.' This means if somebody is not the legit owner of goods, he cannot dispatch the same to somebody else.

The general principle of sale of goods by a non-owner

The sale of goods by a non-owner, without the consent of the owner, doesn't lead to the passage of good title; only the owner has the liberty to sell his/her own property. The goods sold to the buyer,

without the consent of the owner, by the third party who is not the owner of goods, doesn't have the authority to sell and can't pass a better title. The main purpose behind this is that there should be a rightful transfer of ownership and possession from the seller to the buyer. This is based on a Latin principle *Nemo dat quod non-habet* which means that no one can transfer a better title than what he already has. Only the owner of goods can transfer a better title to the buyer.

- According to [Section 27 of the Sale of Goods Act, 1930](#), the person who doesn't have the authority to sell a good, sells it, and if the buyer purchases that product, then there would be a passage of defective title from the seller to the buyer.
- Illustration: If A finds B's ring in the park and without informing B, A sells the ring to C. In this scenario, the principle of *Nemo dat quod non-habet* would apply and there will be a passage of defective title from A to C.

Sale of goods by a seller who has the possession of goods even after the sale

This is an exception to the original rule. Under this exception, if a person who has sold goods continues to be in possession of them or the documents of title, even after the goods are sold, sell the goods to another buyer and the buyer acts in good faith, then the buyer will have a good title of the goods, even though the property in goods were passed to the new buyer.

Conditions to be fulfilled:

- 1.The seller must be in possession of goods.
- 2.The goods must be delivered to the buyer.
- 3.The second buyer should purchase them in good faith.

Illustration: If A sold his horse to B and it is not delivered to him because B was not in town. Then, A sells the same horse to C because he was offering a better price. In this case, a good title would pass to C as he purchased goods from A and was unaware of the prior sale.

Sale by a buyer who continues to have the possession of goods, even after their sale

A person who buys the goods with the consent of the seller but before the actual sale, the buyer resells the goods to another buyer and if that buyer purchases the goods in good faith, then he would have a good title of the goods.

Conditions to be fulfilled:

- 1.The buyer must be in the possession of the goods.
- 2.The goods purchased by the second buyer must be done in a good faith.
- 3.The goods must have been delivered to the buyer.

RULES REGARDING DELIVERY OF GOODS (SECTION 33-39)

Rules as to delivery

(1) Whether it is for the buyer to take possession of the goods or for the seller to send them to the buyer is a question depending in each case on the contract, express or implied, between the parties. Apart from any such contract, goods sold are to be delivered at the place at which they are at the time of the sale, and goods agreed to be sold are to be delivered at the place at which they are at the time of the agreement to sell, or, if not then

in existence, at the place at which they are manufactured or produced.

(2) Where under the contract of sale the seller is bound to send the goods to the buyer, but no time for sending them is fixed, the seller is bound to send them within a reasonable time.

(3) Where the goods at the time of sale are in the possession of a third person, there is no delivery by seller to buyer unless and until such third person acknowledges to the buyer that he holds the goods on his behalf:

Provided that nothing in this section shall affect the operation of the issue or transfer of any document of title to goods.

(4) Demand or tender of delivery may be treated as ineffectual unless made at a reasonable hour. What is a reasonable hour is a question of fact.

(5) Unless otherwise agreed, the expenses of and incidental to putting the goods into a deliverable state shall be borne by the seller.

UNPAID SELLER AND ITS RIGHTS

As per the sales of goods act of 1930, Unpaid Sellers means when somebody is in the position of selling goods or an agent of a seller of goods has not been paid in full the price of the goods they sold or when the conditions of a conditional payment, received as a bill of exchange, have not been fulfilled by the reason.

These rights include the right of lien, stoppage in transit, resale of goods, claim for damages, right to retain the goods and right to rescind the contract. The rights of an unpaid seller play a crucial role in balancing the interests of buyers and sellers in commercial transactions.

➤ **What is the example of unpaid seller?**

- A seller who has not received the full price of the goods sold is termed as unpaid seller. **EXAMPLES:** X sells goods of Rs. 5,00,000 to Y on a credit of one month, but after expiry of one month he did not pay the price, here X is said to be unpaid seller.

RIGHTS OF UNPAID SELLER

- **Right to sue for compensation** When an agreement to sell is breached, the seller can sue only for compensation for the breach of Contract. Under such circumstances he cannot sue for price.

- **Right to Sue for anticipatory contract** When an agreement to sell is breached by buyer before date of performance. It is called anticipatory breach. Then also seller can sue for compensation.
- **Right to sue for price** It is fundamental right of buyer to file a suit for recovery of unpaid price. In the case of sale. Suit will be made for price balance, but not for compensation.
- **Right to sue to interest** If the buyer makes unreasonable delay for making payment, the seller has right to claim interest also.
- **Right to re-sale** • The unpaid seller can re-sell the goods for non-payment of price by buyer. He can exercise this right when the goods are of perishable nature while doing so it is beneficiary to the seller to give a notice to buyer with regard to resale. If such notice is given seller can claim loss. If any on resale from the buyer. On the other hand if there is profit on resale the former buyer cannot claim that profit. If notice is not given the seller has to face adverse consequence. If there is any loss on re-sale, that loss cannot be recovered from buyer. But in case of profit, seller has responsibility to pay that amount of profit to buyer.
- **Right of stoppage in transit**

- • Unpaid Seller has right to stop the goods in the transit itself. To exercise this right the following conditions are to be fulfilled.
- • He must be unpaid seller.
- • Buyer must be insolvent.
- • There should be no credit terms in the Contract of Sale. After expiry of Credit period, this right can be exercised.
- • Amount must be due on those goods only against which this right is desired.

AUCTION SALES (SECTION 64)

Section 64. Auction sale

- In a case of a sale by auction
- 1. Where goods are put up for sale in lots, each lot is prima facie deemed to be the subject of a separate contract of sale ;
- 2. the sale is complete when the auctioneer announces its completion by the fall of the hammer or in other customary manner; and, until such announcement is made, any bidder may retract his bid;
- 3. a right to bid may be reserved expressly by or on behalf of the seller and, where such right is expressly so reserved, but not otherwise, the seller or any one person on his behalf may, subject to the provisions hereinafter contained, bid at the auction;

Section 64 of the Sale of Goods Act states the rules applicable in case of an auction sale. When the auction involves the sale of goods in different lots, each lot of goods are covered under a separate contract

of sale. An auction sale is deemed to be complete when the auctioneer says so.

➤ What is auction sale under Sale of Goods Act?

An auction sale is a **public sale**. The goods are sold to all members of the public at large who are assembled in one place for the auction. Such interested buyers are the bidders. The price they are offering for the goods is the bid. And the goods will be sold to the bidder with the highest bid.

The four main types of auctions are:

- (1) Ascending Bid Auction (i.e., English auction);
- (2) Descending Bid Auction (i.e., Dutch auction);
- (3) First Price Sealed Bid Auction; and
- (4) Second Price Sealed Bid Auction

For example- If someone owns a rare item, they can display the item through an online auction platform. Interested parties may place bids, with the highest bidder winning the opportunity to purchase the item.

- In a **buyer-bid auction**, the highest bidder buys the item and pays the amount of the second highest bid. In a **seller-bid auction**, the lowest bidder sells the item and is paid the amount of the second lowest bid.

MCQ

1.Which of the following contracts falls under the Sale of Goods Act 1930?

- A) Contract for services**
- B) Contract for lease**
- C) Contract for sale of goods**
- D) Contract for partnership**

Answer: C) Contract for sale of goods

2.According to the Sale of Goods Act 1930, goods are defined as:

- A) Movable property**
- B) Immovable property**
- C) Both movable and immovable property**
- D) Property with specific dimensions**

Answer: A) Movable property

3. The sale of goods becomes complete when:

- A) The buyer pays the price**
- B) The seller delivers the goods**
- C) Both parties agree to the sale**
- D) Goods are identified and agreed upon**

Answer: D) Goods are identified and agreed upon

4. Implied condition as to title is provided under:

- A) Section 12 of the Sale of Goods Act**
- B) Section 13 of the Sale of Goods Act**
- C) Section 14 of the Sale of Goods Act**
- D) Section 15 of the Sale of Goods Act**

Answer: A) Section 12 of the Sale of Goods Act

5. Which of the following is NOT an implied condition as to quality or fitness for purpose under the Sale of Goods Act 1930?

- A) Condition as to merchantability**
- B) Condition as to fitness for a particular purpose**

C) Condition as to satisfactory quality

D) Condition as to timely delivery

Answer: D) Condition as to timely delivery

6.The Sale of Goods Act 1930 applies to contracts for sale of goods worth:

A) Any amount

B) Over ₹10,000

C) Over ₹15,000

D) Over ₹25,000

Answer: A) Any amount

7. The warranty against encumbrances is provided under:

A) Section 12 of the Sale of Goods Act

B) Section 13 of the Sale of Goods Act

C) Section 14 of the Sale of Goods Act

D) Section 15 of the Sale of Goods Act

Answer: B) Section 13 of the Sale of Goods Act

8. When goods are sold by description, they must correspond to:

- A) The actual goods**
- B) The goods in the seller's possession**
- C) The description given in the contract**
- D) The buyer's expectations**

Answer: C) The description given in the contract

9. Which of the following is NOT a method of termination of the contract of sale?

- A) Revocation**
- B) Rescission**
- C) Renunciation**
- D) Recognition**

Answer: D) Recognition

10.The buyer's right to claim damages for breach of warranty starts from:

- A) The date of delivery**

- B) The date of payment**
- C) The date of breach**
- D) The date of identification of goods**

Answer: C) The date of breach

11. Goods must be of merchantable quality. What does this mean?

- A) Goods must be perfect**
- B) Goods must be suitable for the purpose they are intended for**
- C) Goods must be reasonably fit for the purpose**
- D) Goods must meet the buyer's exact specifications**

Answer: C) Goods must be reasonably fit for the purpose

12. In the sale of goods, risk generally passes when:

- A) The contract is signed**
- B) The goods are paid for**
- C) The goods are delivered**
- D) The goods are manufactured**

Answer: C) The goods are delivered

13. Who among the following cannot sell under the Sale of Goods Act 1930?

- A) A minor**
- B) An insolvent**
- C) A person of unsound mind**
- D) A corporation**

Answer: C) A person of unsound mind

14. The Sale of Goods Act 1930 does NOT apply to:

- A) Sales by auction**
- B) Sales of immovable property**
- C) Sales of specific goods**
- D) Sales by non-traders**

Answer: B) Sales of immovable property

15.What is meant by 'transfer of property' in the Sale of Goods Act 1930?

- A) Physical delivery of goods**
- B) Transfer of ownership rights**
- C) Transfer of legal title**
- D) Transfer of possession**

Answer: B) Transfer of ownership rights

16.Which of the following is NOT an implied condition in a contract of sale of goods?

- A) Condition as to merchantability**
- B) Condition as to fitness for a particular purpose**
- C) Condition as to timely payment**
- D) Condition as to sale by description**

Answer: C) Condition as to timely payment

17.In a contract of sale of goods, the price:

- A) Must always be in cash**
- B) Must be fixed**

C) Can be fixed by the parties or determined by the course of dealing between them

D) Must be determined by the seller alone

Answer: C) Can be fixed by the parties or determined by the course of dealing between them

18.Which of the following is an implied warranty under the Sale of Goods Act 1930?

A) Warranty against defects

B) Warranty of title

C) Warranty of fitness

D) Warranty of durability

Answer: B) Warranty of title

19.When can a buyer reject the goods under the Sale of Goods Act 1930?

A) If the goods do not meet the buyer's exact specifications

B) If the goods are damaged after delivery

C) If the goods do not conform to the contract

D) If the seller refuses to deliver the goods

Answer: C) If the goods do not conform to the contract

20.In a contract of sale, goods are said to be "unascertained" when:

A) They are lost before the sale is completed

B) They are not identified at the time of the contract

C) They are not delivered within the agreed time frame

D) They do not conform to the description given in the contract

Answer: B) They are not identified at the time of the contract

21.A contract of sale is voidable at the option of the buyer in case of:

A) Minor defects in the goods

B) Breach of warranty

C) Fundamental breach of contract

D) Change of mind by the buyer

Answer: C) Fundamental breach of contract

22. Which of the following is NOT a condition under the Sale of Goods Act 1930?

- A) Condition as to title**
- B) Condition as to fitness for a particular purpose**
- C) Condition as to quality or merchantability**
- D) Condition as to timely delivery**

Answer: D) Condition as to timely delivery

23. Which section of the Sale of Goods Act 1930 deals with the rights of an unpaid seller against the goods?

- A) Section 46**
- B) Section 47**
- C) Section 48**
- D) Section 49**

Answer: B) Section 47

24. According to the Sale of Goods Act 1930, who is considered a seller?

- A) Only a retailer**
- B) Only a wholesaler**
- C) Any person who sells or agrees to sell goods**
- D) Only manufacturers**

Answer: C) Any person who sells or agrees to sell goods

25. The implied condition that goods shall be free from any charge or encumbrance in favor of any third party is mentioned under which section?

- A) Section 12**
- B) Section 13**
- C) Section 14**
- D) Section 15**

Answer: B) Section 13

26.Under the Sale of Goods Act 1930, who is entitled to the right of stoppage in transitu?

- A) Only the buyer**
- B) Only the seller**
- C) Both buyer and seller**
- D) Only the carrier**

Answer: B) Only the seller

27. The implied condition as to quality or fitness for a particular purpose is provided under which section?

- A) Section 12**
- B) Section 13**
- C) Section 14**
- D) Section 15**

Answer: C) Section 14

28.What is the implied warranty provided under the Sale of Goods Act 1930, which ensures the buyer's right to enjoy quiet possession of the goods?

- A) Warranty of title**
- B) Warranty of merchantability**
- C) Warranty of fitness for a particular purpose**
- D) Warranty of satisfaction**

Answer: A) Warranty of title

29.Which section of the Sale of Goods Act 1930 deals with the conditions and warranties implied by law?

- A) Section 12**
- B) Section 13**
- C) Section 14**
- D) Section 15**

Answer: C) Section 14

30.In the event of a breach of contract, the innocent party has the right to:

- A) Terminate the contract**
- B) Continue with the contract**
- C) Modify the contract**
- D) None of the above**

Answer: A) Terminate the contract

31. When does a breach of contract occur?

- A) When the contract is signed**
- B) When one party fails to perform its obligations under the contract**
- C) When both parties agree to cancel the contract**
- D) When the goods are delivered**

Answer: B) When one party fails to perform its obligations under the contract

32.The right of the buyer to claim damages for nondelivery of goods is provided under which section?

- A) Section 52**
- B) Section 53**
- C) Section 54**
- D) Section 55**

Answer: B) Section 53

33.Which section of the Sale of Goods Act 1930 defines a contract of sale?

- A) Section 5**
- B) Section 6**
- C) Section 7**
- D) Section 8**

Answer: A) Section 5

34. According to the Sale of Goods Act 1930, the unpaid seller's right of lien is provided under which section?

A) Section 40

B) Section 41

C) Section 42

D) Section 43

Answer: B) Section 41

35. In a contract of sale of goods, the seller is bound to deliver the goods and the buyer is bound to:

A) Pay the price

B) Insure the goods

C) Accept the goods

D) Transport the goods

Answer: A) Pay the price

36.Which section of the Sale of Goods Act 1930 deals with the transfer of property in the goods to the buyer?

- A) Section 16**
- B) Section 17**
- C) Section 18**
- D) Section 19**

Answer: B) Section 17

37.When does the property in the goods pass to the buyer in a contract of sale?

- A) At the time of payment**
- B) At the time of delivery**
- C) At the time of agreement**
- D) At the time of negotiation**

Answer: B) At the time of delivery

38.If the buyer neglects or refuses to pay for the goods, the seller may sue him for:

- A) Specific performance**
- B) Liquidated damages**
- C) Unliquidated damages**
- D) Rescission of contract**

Answer: C) Unliquidated damages

39. Which section of the Sale of Goods Act 1930 deals with the delivery of goods sold by description?

- A) Section 19**
- B) Section 20**
- C) Section 21**
- D) Section 22**

Answer: B) Section 20

40. According to the Sale of Goods Act 1930, when can the seller rescind the contract of sale?

- A) If the buyer fails to pay the price**
- B) If the goods are destroyed before the sale is completed**
- C) If the buyer refuses to accept the goods**
- D) If the goods are damaged during transit**

Answer: A) If the buyer fails to pay the price

41. Under the Sale of Goods Act 1930, what does 'reasonable time' for delivery of goods mean?

- A) Time fixed by the seller**
- B) Time fixed by the buyer**
- C) Time fixed by the court**
- D) Time necessary for delivery under the circumstances**

Answer: D) Time necessary for delivery under the circumstances

42.The right to claim damages for breach of warranty arises:

- A) At the time of payment**
- B) At the time of delivery**
- C) At the time of breach**
- D) At the time of negotiation**

Answer: C) At the time of breach

43.Under which section of the Sale of Goods Act 1930 does the right to specific performance arise?

- A) Section 10**
- B) Section 11**
- C) Section 12**
- D) Section 13**

Answer: B) Section 11

44.When can a buyer terminate the contract of sale of goods under the Sale of Goods Act 1930?

- A) If the goods are delivered late**
- B) If the goods do not conform to the contract**
- C) If the seller refuses to negotiate the price**

D) If the buyer changes their mind

Answer: B) If the goods do not conform to the contract

45.Which of the following is NOT a warranty under the Sale of Goods Act 1930?

A) Warranty of title

B) Warranty of merchantability

C) Warranty of fitness for a particular purpose

D) Warranty of quiet enjoyment

Answer: D) Warranty of quiet enjoyment

46.Rescission of a contract of sale is provided under which section of the Sale of Goods Act 1930?

A) Section 11

B) Section 12

C) Section 13

D) Section 14

Answer: C) Section 13

47.Under the Sale of Goods Act 1930, when can a buyer revoke his acceptance of goods?

- A) If the goods are delivered late**
- B) If the goods do not conform to the contract**
- C) If the seller refuses to negotiate the price**
- D) If the buyer changes their mind**

Answer: B) If the goods do not conform to the contract

48.Alteration of the terms of a contract of sale is governed by which section of the Sale of Goods Act 1930?

- A) Section 62**
- B) Section 63**
- C) Section 64**
- D) Section 65**

Answer: B) Section 63

49.Which section of the Sale of Goods Act 1930 deals with the consequences of breach of warranty?

- A) Section 58**
- B) Section 59**
- C) Section 60**
- D) Section 61**

Answer: C) Section 60

50.What is the remedy available to the seller if the buyer wrongfully neglects or refuses to pay for the goods?

- A) Specific performance**
- B) Rescission**
- C) Revocation**
- D) Suit for damages**

Answer: D) Suit for damages

51.Under the Sale of Goods Act 1930, when can a buyer revoke his offer to buy goods?

- A) Before the seller accepts the offer**
- B) After the seller accepts the offer**
- C) Within a reasonable time after acceptance**
- D) Once the goods are delivered**

Answer: A) Before the seller accepts the offer

52.Which section of the Sale of Goods Act 1930 provides for the consequences of the seller's failure to deliver goods?

- A) Section 52**
- B) Section 53**
- C) Section 54**
- D) Section 55**

Answer: B) Section 53

53.Under the Sale of Goods Act 1930, what remedy is available to the buyer if the seller wrongfully neglects or refuses to deliver the goods?

A) Specific performance

B) Rescission

C) Revocation

D) Suit for damages

Answer: A) Specific performance

54.When can a buyer terminate a contract of sale under the Sale of Goods Act 1930?

A) Anytime before delivery

B) Anytime after delivery

C) Within a reasonable time after delivery

D) Within a reasonable time before delivery

Answer: C) Within a reasonable time after delivery

55.If the buyer refuses to accept the goods, the seller may:

A) Sue the buyer for specific performance

B) Sue the buyer for damages

C) Sue the buyer for revocation

D) Sue the buyer for rescission

Answer: B) Sue the buyer for damages

56.What is the consequence of the seller's failure to deliver the goods under the Sale of Goods Act 1930?

A) The contract becomes void

B) The buyer may terminate the contract

C) The seller may revoke the contract

D) The buyer must accept substitute goods

Answer: B) The buyer may terminate the contract

57.Under the Sale of Goods Act 1930, what happens if the seller delivers goods of inferior quality?

A) The buyer must accept the goods

B) The buyer may terminate the contract

C) The seller may sue the buyer for specific performance

D) The seller may revoke the contract

Answer: B) The buyer may terminate the contract

58.Which section of the Sale of Goods Act 1930 deals with the rights of an unpaid seller?

A) Section 44

B) Section 45

C) Section 46

D) Section 47

Answer: D) Section 47

59.In a contract of sale, what remedy is available to the buyer if the goods are found to be defective?

A) Revocation

B) Rescission

C) Specific performance

D) Damages

Answer: D) Damages

60.Under the Sale of Goods Act 1930, what is the consequence of the buyer's refusal to accept the goods?

- A) The contract becomes void**
- B) The seller may terminate the contract**
- C) The seller may sue the buyer for specific performance**
- D) The seller may sue the buyer for damages**

Answer: D) The seller may sue the buyer for damages

61.Which section of the Sale of Goods Act 1930 deals with the right of the seller to stop goods in transit?

- A) Section 45**
- B) Section 46**
- C) Section 47**
- D) Section 48**

Answer: C) Section 47

62.If the seller delivers the wrong quantity of goods, the buyer may:

- A) Reject the goods**
- B) Accept the goods and pay for them**
- C) Terminate the contract**
- D) Sue the seller for specific performance**

Answer: A) Reject the goods

63.Which section of the Sale of Goods Act defines what constitutes a contract of sale?

- A) Section 2**
- B) Section 3**
- C) Section 4**
- D) Section 5**

Answer: D) Section 5

64.Under which section of the Sale of Goods Act does the definition of "goods" appear?

- A) Section 2**
- B) Section 3**
- C) Section 4**
- D) Section 5**

Answer: A) Section 2

65.Section 12 of the Sale of Goods Act deals with:

- A) Condition as to title**
- B) Condition as to quality or fitness**
- C) Condition as to description**
- D) Condition as to sample**

Answer: A) Condition as to title

66. According to Section 13 of the Sale of Goods Act, goods must be free from:

- A) Encumbrances**
- B) Defects**
- C) Disputes**
- D) All of the above**

Answer: A) Encumbrances

67. Section 14 of the Sale of Goods Act deals with:

- A) Implied conditions as to quality or fitness**
- B) Sale by description**
- C) Conditions as to merchantability**
- D) Warranty of quiet possession**

Answer: A) Implied conditions as to quality or fitness

68.Under which section of the Sale of Goods Act, the price must be paid when the buyer is bound to accept and pay for the goods?

A) Section 30

B) Section 31

C) Section 32

D) Section 33

Answer: C) Section 32

69.Section 39 of the Sale of Goods Act deals with the risk of loss where the goods are:

A) Destroyed before the sale is completed

B) Perishable goods

C) Buyer's possession is delayed

D) Seller's possession is delayed

Answer: D) Seller's possession is delayed

70. According to Section 41 of the Sale of Goods Act, the seller can retain the goods until the:

- A) Buyer pays the price**
- B) Buyer inspects the goods**
- C) Buyer takes delivery**
- D) Buyer issues a receipt**

Answer: A) Buyer pays the price

71. Under which section of the Sale of Goods Act, the property passes to the buyer when the contract is for specific goods in a deliverable state?

- A) Section 18**
- B) Section 19**
- C) Section 20**
- D) Section 21**

Answer: A) Section 18

72.Section 24 of the Sale of Goods Act deals with:

A) Delivery of goods by buyer to the seller

B) Delivery of goods to the carrier

C) Delivery of wrong quantity of goods

D) Delivery of goods to the buyer

Answer: D) Delivery of goods to the buyer

73.Section 30 of the Sale of Goods Act deals with the duties of:

A) Buyer

B) Seller

C) Carrier

D) Auctioneer

Answer: A) Buyer

74.Under which section of the Sale of Goods Act, the buyer can claim damages for non-delivery of goods?

A) Section 52

B) Section 53

C) Section 54

D) Section 55

Answer: B) Section 53

75.Section 56 of the Sale of Goods Act deals with the rights of:

A) Buyer

B) Seller

C) Both buyer and seller

D) Auctioneer

Answer: A) Buyer

76.According to Section 61 of the Sale of Goods Act, the buyer has the right to:

A) Reject the goods

B) Rescind the contract

C) Sue for specific performance

D) All of the above

Answer: D) All of the above

77.Under which section of the Sale of Goods Act, the seller can sue the buyer for the price of goods?

A) Section 54

B) Section 55

C) Section 56

D) Section 57

Answer: D) Section 57

78.An unpaid seller has the right to stop the goods in transit under which section of the Sale of Goods Act 1930?

A) Section 45

B) Section 46

C) Section 47

D) Section 48

Answer: B) Section 46

79. According to the Sale of Goods Act, if a buyer wrongfully neglects or refuses to accept and pay for the goods, the seller can:

- A) Revoke the contract**
- B) Terminate the contract**
- C) Sue for specific performance**
- D) Sue for damages**

Answer: D) Sue for damages

80. Which section of the Sale of Goods Act deals with the measure of damages for non-acceptance or repudiation by the buyer?

- A) Section 54**
- B) Section 55**
- C) Section 56**
- D) Section 57**

Answer: B) Section 55

81. A minor's contract for the sale of goods is:

- A) Void**
- B) Voidable at the minor's option**
- C) Valid if approved by the guardian**
- D) Enforceable only after the minor turns 18**

Answer: A) Void

82. Under the Sale of Goods Act, an insolvent person:

- A) Can enter into a valid contract for sale of goods**
- B) Cannot enter into any contract for sale of goods**
- C) Can enter into a contract for sale of goods, but it becomes void upon insolvency**
- D) Can enter into a contract for sale of goods, but the seller cannot claim payment**

Answer: B) Cannot enter into any contract for sale of goods

83. A person who is of sound mind and is not disqualified from contracting by any law is considered:

- A) Incompetent to contract**
- B) Competent to contract**
- C) Minor**
- D) Insolvent**

Answer: B) Competent to contract

84. Under the Sale of Goods Act, a pledge is governed by:

- A) Section 170**
- B) Section 171**
- C) Section 172**
- D) Section 173**

Answer: C) Section 172

85.If a buyer wrongfully neglects or refuses to accept and pay for the goods, the seller may:

- A) Terminate the contract**
- B) Sue for damages**
- C) Sue for specific performance**
- D) All of the above**

Answer: D) All of the above

86. When does the right of stoppage in transit arise for an unpaid seller?

- A) When the goods are in the possession of the buyer**
- B) When the goods are in the possession of a carrier**
- C) When the goods are in transit after the seller has received payment**
- D) When the goods are in transit after the buyer has become insolvent**

Answer: D) When the goods are in transit after the buyer has become insolvent

87.Under the Sale of Goods Act, if the buyer refuses to accept the goods, the seller may:

- A) Sue for specific performance**
- B) Terminate the contract**
- C) Sue for damages**
- D) All of the above**

Answer: C) Sue for damages

88.An agreement with a person who is of unsound mind is:

- A) Voidable**
- B) Void**
- C) Valid**
- D) Enforceable**

Answer: A) Voidable

89. In case of breach of contract, the innocent party has the right to:

- A) Terminate the contract**
- B) Continue with the contract**

C) Modify the contract

D) All of the above

Answer: A) Terminate the contract

90. According to the Sale of Goods Act, a pledge is a bailment of goods as security for:

A) Payment of a debt

B) Return of goods

C) Performance of a contract

D) All of the above

Answer: D) All of the above

91. An insolvent person is one who:

A) Is unable to pay his debts as they fall due

B) Is bankrupt

C) Has declared insolvency

D) None of the above

Answer: A) Is unable to pay his debts as they fall due

92.Under the Sale of Goods Act, what remedy is available to the seller if the buyer wrongfully neglects or refuses to pay for the goods?

A) Specific performance

B) Rescission

C) Revocation

D) Suit for damages

Answer: D) Suit for damages

93. Which section of the Sale of Goods Act deals with the right of stoppage in transit?

A) Section 45

B) Section 46

C) Section 47

D) Section 48

Answer: B) Section 46

94. If a person enters into a contract while being of unsound mind, the contract is:

- A) Valid**
- B) Voidable**
- C) Void**
- D) Unenforceable**

Answer: B) Voidable

95. Under the Sale of Goods Act, what remedy is available to the buyer if the seller fails to deliver the goods?

- A) Specific performance**
- B) Rescission**
- C) Revocation**
- D) Damages**

Answer: D) Damages

96. A pledgee is a person to whom:

- A) Goods are pledged as security**
- B) Goods are sold**

C) Goods are delivered

D) Goods are exchanged

Answer: A) Goods are pledged as security

97.If a minor enters into a contract for the sale of goods, the contract is:

A) Valid

B) Voidable at the minor's option

C) Void

D) Enforceable against the minor's estate

Answer: C) Void

98. Under the Sale of Goods Act 1930, when can a buyer revoke his offer to buy goods?

A) Before the seller accepts the offer

B) After the seller accepts the offer

C) Within a reasonable time after acceptance

D) Once the goods are delivered

Answer: A) Before the seller accepts the offer

99. Which section of the Sale of Goods Act 1930 provides for the consequences of the seller's failure to deliver goods?

A) Section 52

B) Section 53

C) Section 54

D) Section 55

Answer: B) Section 53

100. Under the Sale of Goods Act 1930, what remedy is available to the buyer if the seller wrongfully neglects or refuses to deliver the goods?

A) Specific performance

B) Rescission

C) Revocation

D) Suit for damages

Answer: A) Specific performance

