



VIT[®]
Vellore Institute of Technology
(Deemed to be University under section 3 of UGC Act, 1956)

Legal Aspects of Business

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Recapitulate

Transfer of Property

- Importance Points to be remembered
- Rules regarding transfer of property
 - Specific/ascertained goods
 - Unascertained/future goods

Sale of Goods Act, 1930

Performance of Contract of Sale

The performance of contract of sale implies **delivery of goods** by the seller and **acceptance of the delivery** of goods and **payment** for them by the buyer, in accordance with the contract.

Sale of Goods Act, 1930

Delivery

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

Modes of delivery

1. Actual Delivery
2. Symbolic Delivery
3. Constructive Delivery

Sale of Goods Act, 1930

Rules as to Delivery of Goods

- Mode of delivery
- Delivery and payment concurrent conditions
- Effect of part delivery
- Buyer to apply for delivery
- Place of delivery
- Time of delivery
- Goods in possession of a third party
- Cost of delivery
- Delivery of wrong quantity (less, excess, mixed)
- Instalment deliveries

Sale of Goods Act, 1930

Rights of the Buyer

- Right to have delivery as per contract
- Right to repudiate
- Right to notice of insurance
- Right to examine
- Right against the seller for breach of contract
 - a. Suit for damages
 - b. Suit for price
 - c. Suit for specific performance
 - d. Suit for breach of warranty
 - e. Repudiation of contract before due date

Sale of Goods Act, 1930

Duties of the Buyer

- Accept the goods and pay for them in exchange for possession
- Apply for delivery
- Demand delivery at a reasonable hour
- Accept instalment delivery and pay for it
- Take risk of deterioration in the course of transit
- Intimate the seller where he rejects the goods
- Take delivery
- Pay damages for non-acceptance

Review Questions

1. A seller delivers goods in excess of the quantity ordered for. The buyer may
 - a. **Accept the whole**
 - b. **Reject the whole**
 - c. **Accept the goods ordered for and return the excess**
 - d. **All of the above**
2. Delivery means voluntary transfer of possession of goods from one to another. **Ture or False**
3. A contracts with B to purchase 30 tons of orange juice. B crushes the orange, puts the juice in tin and keeps it ready for delivery. A delays to take the delivery and the juice goes putrid and has to be thrown away. Is A liable to pay the price?

Answer

1. A seller delivers goods in excess of the quantity ordered for. The buyer may

Answer: d. All of the above

2. Delivery means voluntary transfer of possession of goods from one to another.

Answer: True

3. A contracts with B to purchase 30 tons of orange juice. B crushes the orange, puts the juice in tin and keeps it ready for delivery. A delays to take the delivery and the juice goes putrid and has to be thrown away. Is A liable to pay the price?

Answer: Yes, A is liable to pay the price