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BBA | Semester III | UK3DSCMGT203

Business Laws

Course Code: UK3DSCMGT203 • Module 5 Notes

Module 5: The Sale of Goods Act 1930

Course: Business Laws (UK3DSCMGT203) • Semester III • BBA FYUGP Kerala University

1. The Sale of Goods Act 1930: Scope and Formation of Contract of Sale

The **Sale of Goods Act 1930** governs the law relating to the sale of movable goods in India. Historically, commercial sale of goods was codified within Chapter VII (Sections 76 to 123) of the Indian Contract Act 1872. Recognizing that expanding modern commerce demanded a comprehensive, specialized statutory code, Chapter VII was repealed, and the independent Sale of Goods Act 1930 was enacted, coming into force on July 1, 1930, closely modeled upon the English Sale of Goods Act 1893.

Statutory Definition: Contract of Sale

Section 4(1) of the Sale of Goods Act 1930 defines a contract of sale as follows:

"A contract of sale of goods is a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price."

Essential Elements of a Contract of Sale

1. **Two Parties:** There must be at least two distinct legal persons—a Buyer (a person who buys or agrees to buy goods) and a Seller (a person who sells or agrees to sell goods). A person cannot buy their own goods (State of Gujarat v. Ramanlal S & Co.).
2. **Movable Goods as Subject Matter:** Subject matter must strictly be "Goods" as defined under Section 2(7). Contracts relating to immovable property (land, buildings) or actionable claims are excluded.
3. **Transfer of General Property:** "Property" in this Act signifies **general ownership**, not mere special property (such as the custody of a bailee or lienholder). A contract of sale involves transferring ownership rights from seller to buyer.
4. **Money Consideration (Price):** Under Section 2(10), the consideration for a sale must be **Price**, meaning money consideration. If goods are exchanged strictly for other goods without money valuation, it constitutes a *Barter / Exchange*, not a sale under the Act.

Sale Versus Agreement to Sell (Section 4)

Section 4 distinguishes between two fundamental stages of commercial transactions:

Comparative Parameter	Sale (Absolute Sale)	Agreement to Sell (Conditional / Executory)
Transfer of Ownership	Property (ownership) in goods passes immediately from seller to buyer at the time of contract.	Property passes at a future time or subject to fulfillment of conditions precedent.
Nature of Contract	Executed Contract.	Executory Contract.

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Comparative Parameter	Sale (Absolute Sale)	Agreement to Sell (Conditional / Executory)
Type of Legal Rights	Creates **Jus in Re** (right against the entire world; buyer can claim goods from third parties).	Creates **Jus in Personam** (personal right strictly against the defaulting seller for damages).
Risk of Destruction / Loss	**Risk follows ownership:** If goods are destroyed accidentally, the buyer bears the financial loss even if goods are in seller's physical possession.	If goods are destroyed, the seller bears the loss because ownership has not transferred.
Consequences of Buyer's Insolvency	Official Assignee can seize goods from seller; seller can only claim ratable dividend.	Seller can refuse delivery and retain goods.

2. Classification of Goods: Section 2(7)

Section 2(7) defines goods as: *"every kind of movable property other than actionable claims and money; and includes stock and shares, growing crops, grass, and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale."*

Statutory Classification of Goods

- **1. Existing Goods (Section 6):** Goods physically owned or possessed by the seller at the time of making the contract of sale. Subdivided into:
  - *Specific Goods (Section 2(14)):* Goods identified and agreed upon at the time a contract of sale is made (e.g., buying a specific car identified by chassis number).
  - *Ascertained Goods:* Goods identified in accordance with the agreement after the contract of sale is made (e.g., selecting and tagging 5 specific sacks of wheat out of a warehouse of 100 sacks).
  - *Unascertained / Generic Goods:* Goods defined only by description and not specifically identified (e.g., ordering 100 liters of brand motor oil).
- **2. Future Goods (Section 2(6)):** Goods to be manufactured, produced, or acquired by the seller after making the contract of sale (e.g., buying next season's apple crop). A contract for future goods always operates strictly as an *Agreement to Sell*.
- **3. Contingent Goods (Section 6(2)):** A sub-class of future goods whose acquisition by the seller depends upon an uncertain contingency (e.g., agreeing to sell imported silk arriving on a specific ship, if the ship docks safely).

3. Conditions and Warranties: Section 12

Parties to a commercial sale enter into stipulations regarding quality, delivery, and performance. Section 12 classifies stipulations into Conditions and Warranties:

Dimension	Condition (Section 12(2))	Warranty (Section 12(3))
Statutory Definition	A stipulation essential to the main purpose of the contract, the breach of which gives rise to a right to treat the contract as repudiated.	A stipulation collateral to the main purpose of the contract, the breach of which gives rise to a claim for damages, but not a right to reject goods.
Legal Significance	Goes directly to the root of the contract; vital foundation.	Subsidiary or secondary term; non-vital to core existence.
Remedy for Breach	Buyer can **repudiate the contract, reject goods, and claim damages**.	Buyer can **sue strictly for damages**; cannot reject goods or cancel contract.
Conversion of Breach	A breach of condition can be waived or treated as a breach of warranty by the buyer.	A breach of warranty can never be treated as a breach of condition.

Implied Conditions and Warranties

Unless expressly excluded by contractual agreement, the law incorporates statutory implied terms:

- **Implied Condition as to Title (Section 14(a)):** The seller has a legal right to sell the goods. (Rowland v. Divall: buyer recovered full purchase price when car turned out to be stolen property).
- **Implied Condition in Sale by Description (Section 15):** Goods must correspond exactly with the description.
- **Implied Condition as to Quality or Fitness (Section 16(1)):** Where buyer makes known the particular purpose and relies on seller's skill/judgment, goods must be reasonably fit for that purpose.
- **Implied Condition as to Merchantable Quality (Section 16(2)):** Goods bought by description must be commercially saleable under that description without hidden defects.
- **Implied Condition in Sale by Sample (Section 17):** Bulk must correspond with sample in quality, buyer must have reasonable opportunity to compare bulk with sample, and goods must be free from latent unmerchantable defects.

The Doctrine of Caveat Emptor and Statutory Exceptions

Caveat Emptor is an ancient common law maxim meaning **"Let the Buyer Beware."** Under Section 16, the general rule is that the seller is not bound to disclose flaws; it is the buyer's duty to inspect the goods and satisfy himself that they are suitable for his purpose. However, modern consumer law establishes comprehensive **Statutory Exceptions to Caveat Emptor**:

1. Where the buyer informs the seller of the specific purpose, relying on the seller's professional skill or judgment.
2. Where goods are bought by description from a dealer, mandating merchantable quality.
3. Where the seller commits fraud or actively conceals a latent defect that could not be discovered by reasonable inspection.

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4. Where custom or usage of trade attaches an implied warranty of fitness.

4. Transfer of Property in Goods: Passing of Ownership and Risk

Determining the exact moment when **Property (Ownership)** passes from seller to buyer is critical: the primary rule is that **Risk Follows Ownership (Section 26)**—unless otherwise agreed, goods remain at the seller's risk until property is transferred; once property is transferred, goods are at the buyer's risk whether delivery has been made or not.

Rules Governing Passing of Property

- **Specific Goods in a Deliverable State (Section 20):** Property passes to the buyer unconditionally **at the moment the contract is made**, irrespective of whether the time of payment or delivery is postponed.
- **Specific Goods to be Put into a Deliverable State (Section 21):** Property does not pass until the seller performs the act (e.g., polishing, packaging) and the buyer has notice thereof.
- **Specific Goods in a Deliverable State when Seller Must Weigh/Measure (Section 22):** Property does not pass until the seller weighs or measures the goods to ascertain the price and the buyer has notice.
- **Unascertained Goods (Section 23):** Property passes only when goods are unconditionally appropriated to the contract by seller with buyer's assent, or by buyer with seller's assent.

Transfer of Title: The Rule of Nemo Dat Quod Non Habet

Section 27 codifies the universal legal maxim: *Nemo dat quod non habet*—**"No one can give what they do not have."** Where goods are sold by a person who is not the owner and who does not sell under the owner's authority, the buyer acquires no better title than the seller had. Recognized statutory exceptions where non-owners pass valid legal title include: (1) Sale by Mercantile Agent in possession (Section 27); (2) Sale by one of Joint Owners (Section 28); (3) Sale by Person in possession under Voidable Contract before rescission (Section 29); (4) Sale by Seller in possession after sale (Section 30(1)); and (5) Sale by Buyer in possession before property passes (Section 30(2)).

5. Rights of the Unpaid Seller: Sections 45 to 61

Section 45 defines an **Unpaid Seller** as a seller to whom the whole of the price has not been paid or tendered, or who has received a bill of exchange or negotiable instrument that has been dishonored. The Act confers powerful statutory remedies:

Rights of Unpaid Seller Against the Goods

- **1. Right of Lien (Sections 47–49):** The right to retain physical possession of goods until payment of price. Available where: (a) Goods sold without stipulation as to credit; (b) Goods sold on credit, but credit term expired; (c) Buyer becomes insolvent. Terminated when goods are delivered to carrier without reserving right of disposal.

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- **2. Right of Stoppage in Transit (Sections 50–52):** When the buyer becomes insolvent and property has passed to the buyer, but goods are in transit with an independent carrier, the unpaid seller has the right to stop the goods in transit and resume physical possession until payment.
- **3. Right of Resale (Section 54):** The unpaid seller may lawfully resell the goods: (a) If goods are of perishable nature; (b) Upon giving notice to buyer of intention to resell and buyer fails to pay within reasonable time; (c) Where seller expressly reserves right of resale in contract.

Rights of Unpaid Seller Against the Buyer Personally (Sections 55–61)

- **Suit for Price (Section 55):** Where property has passed and buyer wrongfully refuses to pay.
- **Suit for Damages for Non-Acceptance (Section 56):** Recovering damages for wrongful refusal to accept and pay for goods.
- **Suit for Interest (Section 61):** Claiming statutory commercial interest from date tender of payment was due.

5. Detailed Analysis of Passing of Property, Risk, and Nemo Dat Exceptions

The Sale of Goods Act 1930 governs transactions for the transfer of movable property. Central to the operation of the Act is the fundamental legal distinction between a Sale and an Agreement to Sell codified in Section 4. In a sale, the property (general ownership) in the goods is transferred immediately from the seller to the buyer; it creates a jus in rem (a right against the world at large), and risk of loss prima facie passes to the buyer. In an agreement to sell, the transfer of property is to take place at a future time or subject to fulfillment of conditions; it creates a jus in personam (a right against a specific person), and risk remains with the seller until ownership passes.

The rules governing the exact moment of transfer of property in goods are set out in Sections 18 to 24:

1. **Unascertained Goods (Section 18):** No property in the goods is transferred to the buyer unless and until the goods are ascertained.
2. **Specific Goods in a Deliverable State (Section 20):** Where there is an unconditional contract for the sale of specific goods in a deliverable state, the property in the goods passes to the buyer when the contract is made, and it is immaterial whether the time of payment or the time of delivery, or both, be postponed.
3. **Specific Goods to be Put in a Deliverable State (Section 21):** Where there is a contract for the sale of specific goods and the seller is bound to do something to the goods for the purpose of putting them into a deliverable state (such as repair, packaging, or testing), the property does not pass until such thing is done and the buyer has notice thereof.
4. **Specific Goods to be Weighed or Measured to Ascertain Price (Section 22):** Where specific goods are in a deliverable state but the seller is bound to weigh, measure, test, or do some other act with reference to the goods for the purpose of ascertaining the price, the property does not pass until such act or thing is done and the buyer has notice thereof.
5. **Sale of Unascertained Goods and Appropriation (Section 23):** Where there is a contract for the sale of unascertained or future goods by description, property passes to the buyer when goods of that description and in a deliverable state are unconditionally appropriated to the

contract, either by the seller with the assent of the buyer or by the buyer with the assent of the seller. Unconditional delivery to a common carrier without reserving the right of disposal constitutes valid appropriation.

6. **Goods Sent on Approval or 'Sale or Return' (Section 24):** Property passes to the buyer: (a) when he signifies his approval or acceptance to the seller or does any other act adopting the transaction (such as pledging the goods: Kirkham v. Attenborough); or (b) if he retains the goods without giving notice of rejection beyond the time fixed, or if no time has been fixed, beyond a reasonable time.

Section 26 codifies the foundational rule res perit domino (the loss falls on the owner): unless otherwise agreed, the goods remain at the seller's risk until the property therein is transferred to the buyer, but when the property therein is transferred to the buyer, the goods are at the buyer's risk whether delivery has been made or not. However, if delivery has been delayed through the fault of either buyer or seller, the goods are at the risk of the party in fault as regards any loss which might not have occurred but for such fault.

Section 27 codifies the general common law principle: nemo dat quod non habet (no one can transfer a better title than he himself possesses). If a seller has no title or a defective title, the buyer acquires no better title than the seller had. However, to protect commercial commerce and bona fide purchasers for value without notice, the Act recognizes critical statutory exceptions:

- **Sale by a Mercantile Agent (Section 27 Proviso):** Where a mercantile agent is, with the consent of the owner, in possession of goods or documents of title, any sale made by him in the ordinary course of business is valid, provided the buyer acts in good faith and without notice of lack of authority.
- **Sale by One of Joint Owners (Section 28):** If one of several joint owners of goods has the sole possession of them by permission of the co-owners, the property in the goods is transferred to any person who buys them in good faith without notice of the lack of authority to sell.
- **Sale by Person in Possession Under Voidable Contract (Section 29):** A buyer acquires a good title if he buys goods from a seller who obtained possession under a contract voidable under Section 19 or 19A of the Indian Contract Act, provided the contract had not been rescinded at the time of sale and the buyer acted in good faith without notice of the defect.
- **Seller Remaining in Possession After Sale (Section 30(1)):** Where a seller, having sold goods, continues in possession of the goods or documents of title, a sale or pledge by him to a bona fide third party who has no notice of the previous sale passes a valid title.
- **Buyer Obtaining Possession Before Ownership Passes (Section 30(2)):** Where a buyer, having agreed to buy goods, obtains possession with the seller's consent before ownership has passed, any sale or pledge by him to a bona fide third party passes a valid title.
- **Resale by an Unpaid Seller (Section 54(3)):** Where an unpaid seller exercises his right of lien or stoppage in transit and resells the goods, the new buyer acquires a good title against the original buyer.

6. Exhaustive Rights and Remedies of the Unpaid Seller

An unpaid seller is defined under Section 45 as a seller to whom the whole of the price has not been paid or tendered, or who has received a bill of exchange or other negotiable instrument as conditional payment and the condition has been broken by reason of the dishonor of the instrument. The rights of an unpaid seller are divided into rights against the goods (real remedies) and rights against the buyer personally (personal remedies).

The rights against the goods include:

1. **Right of Lien (Sections 47–49):** The unpaid seller who is in possession of goods is entitled to retain possession until payment or tender of price: (a) where goods were sold without any stipulation as to credit; (b) where goods were sold on credit but the term of credit has expired; or (c) where the buyer becomes insolvent. Lien is purely a right to retain possession; it is lost when goods are delivered to a carrier without reserving disposal rights, when the buyer lawfully obtains possession, or by waiver.
2. **Right of Stoppage in Transit (Sections 50–52):** When the buyer of goods becomes insolvent, and the unpaid seller has parted with the possession of the goods, he has the right of stopping them in transit—that is to say, he may resume possession of the goods while they are in the course of transit and retain them until payment of the price. Transit begins when goods are delivered to a carrier and continues until the buyer or his agent takes delivery. Transit ends if the buyer obtains delivery before arrival at destination, or if the carrier attorns to the buyer acknowledging that he holds the goods on the buyer's behalf.
3. **Right of Resale (Section 54):** The unpaid seller who has exercised lien or stoppage in transit may resell the goods: (a) where the goods are of a perishable nature, without giving notice to the buyer; (b) where the goods are not perishable, by giving reasonable notice to the buyer of his intention to resell. If after notice the buyer does not pay within a reasonable time, the unpaid seller may resell and recover damages for any loss occasioned by the breach; if there is a surplus, the seller is entitled to retain it. If the seller resells without giving notice, he cannot recover damages from the buyer and must hand over any profit earned on resale.

Personal remedies against the buyer include:

- **Suit for Price (Section 55):** Where property in goods has passed to the buyer, or where price is payable on a certain day irrespective of delivery, the seller may sue the buyer for the price of the goods.
- **Suit for Damages for Non-Acceptance (Section 56):** Where the buyer wrongfully neglects or refuses to accept and pay for the goods, the seller may sue him for damages for non-acceptance calculated under Section 73 of the Indian Contract Act.
- **Suit for Interest and Special Damages (Section 61):** The seller may recover interest at a reasonable rate on the amount of price from the date on which price was payable, or where notice of interest was given.

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7. Comprehensive Examination of Implied Conditions and Warranties

Sections 14 to 17 of the Sale of Goods Act 1930 incorporate vital statutory stipulations protecting commercial buyers, which apply automatically unless expressly excluded by clear contractual terms:

1. **Implied Condition as to Title (Section 14(a)):** In every contract of sale, unless circumstances show a different intention, there is an implied condition that the seller has a right to sell the goods, and that in the case of an agreement to sell, he will have a right to sell the goods at the time when property is to pass. In *Rowland v. Divall* [1923] 2 KB 500, the plaintiff purchased a second-hand motor car from the defendant and used it for four months. It subsequently transpired that the car was stolen and the true owner seized it. The court held that the seller breached the implied condition as to title, causing a total failure of consideration; the buyer was entitled to recover the entire purchase price without any deduction for four months of usage.
2. **Implied Condition in Sale by Description (Section 15):** Where goods are sold by description, there is an implied condition that the goods shall correspond with the description. In *Moore & Co. v. Landauer & Co.* [1921] 2 KB 519, canned fruits were contracted to be packed in cases containing 30 tins each. When delivered, a substantial portion of cases contained 24 tins each, though the total quantity delivered matched the contract. The court held that the buyer was entitled to reject the entire consignment because the goods did not correspond with the contractual description.
3. **Implied Condition as to Quality or Fitness for Purpose (Section 16(1)):** The buyer must expressly or impliedly make known to the seller the particular purpose for which the goods are required, rely on the seller's skill or judgment, and the goods must be of a description which it is in the course of the seller's business to supply. In *Grant v. Australian Knitting Mills Ltd.* [1936] AC 85, the plaintiff bought woolen underwear from a retail dealer. The garments contained hidden chemical residues (sulphites), causing severe acute dermatitis. The Privy Council held that the garments were purchased for the obvious purpose of being worn next to the skin, the buyer relied on the seller's judgment, and the seller was liable for breach of implied condition of fitness.
4. **Implied Condition of Merchantable Quality (Section 16(2)):** Where goods are bought by description from a seller who deals in goods of that description, there is an implied condition that the goods shall be of merchantable quality—meaning that the goods are commercially resaleable under that description and fit for the normal purposes for which such goods are commonly used. If the buyer has examined the goods, there is no implied condition as regards defects which such examination ought to have revealed.
5. **Implied Condition in Sale by Sample (Section 17):** In a contract of sale by sample: (a) the bulk shall correspond with the sample in quality; (b) the buyer shall have a reasonable opportunity of comparing the bulk with the sample; and (c) the goods shall be free from any defect rendering them unmerchantable which would not be apparent on reasonable examination of the sample (latent defects).

8. Statutory Rules Governing Delivery and Remedies for Breach of Sale

Sections 31 to 44 of the Act provide comprehensive default rules governing delivery of goods:

- **Mode of Delivery:** Delivery may be actual (physical transfer), symbolic (transfer of documents of title such as a bill of lading or keys to a warehouse), or constructive (attornment by a bailee acknowledging holding goods on behalf of the buyer).
- **Delivery of Wrong Quantity (Section 37):** If the seller delivers a quantity of goods less than he contracted to sell, the buyer may reject them all, but if the buyer accepts them, he must pay for them at the contract rate. If the seller delivers a quantity larger than contracted, the buyer may accept the goods included in the contract and reject the rest, or reject the whole, or accept the whole and pay at the contract rate. If the seller delivers goods contracted mixed with goods of a different description, the buyer may accept the contracted goods and reject the rest, or reject the entire lot.
- **Installment Deliveries (Section 38):** Unless otherwise agreed, the buyer of goods is not bound to accept delivery thereof by installments.

Buyer's Remedies Against the Seller for Breach of Contract

Where the seller breaches the contract of sale, the buyer is armed with multiple statutory remedies under Sections 57 to 61:

1. **Suit for Damages for Non-Delivery (Section 57):** Where the seller wrongfully neglects or refuses to deliver the goods to the buyer, the buyer may sue the seller for damages for non-delivery calculated as the difference between the contract price and the market price on the date of breach.
2. **Suit for Specific Performance (Section 58):** In any suit for breach of contract to deliver specific or ascertained goods, the court may, if it thinks fit, on the application of the plaintiff, direct that the contract shall be performed specifically without giving the seller the option of retaining the goods upon payment of damages.
3. **Suit for Breach of Warranty (Section 59):** Where there is a breach of warranty by the seller, or where the buyer elects (or is compelled) to treat any breach of a condition on the part of the seller as a breach of warranty, the buyer is not entitled to reject the goods; rather, he may: (a) set up against the seller the breach of warranty in diminution or extinction of the price; or (b) sue the seller for damages for breach of warranty.
4. **Repudiation of Contract Before Due Date (Section 60):** Where either party to a contract of sale repudiates the contract before the date of delivery, the other party may either treat the contract as subsisting and wait until the date of delivery, or treat the contract as rescinded and sue for damages for anticipatory breach.
5. **Suit for Recovery of Interest (Section 61):** The buyer may recover interest on the purchase price paid where the consideration has failed.

9. Managerial Perspectives: Modern Sales Operations, Digital Transactions, and Consumer Alignment

Sales management requires practical comprehension of property transfer rules, risk allocation, and warranty governance. In contemporary commercial logistics, sales contracts frequently incorporate standardized trade terms (such as Ex-Works, Free On Board, and Cost Insurance Freight). These

terms determine the exact geographic point where delivery occurs, when general property in goods transfers to the buyer, and which party bears maritime transit perils under Section 26 of the Sale of Goods Act 1930.

Furthermore, businesses operating retail or online marketplace platforms must align their commercial sales policies with consumer protection regulations. While the traditional common law doctrine of caveat emptor placed the burden of product inspection upon the buyer, modern consumer legislation and implied statutory warranties under the Sale of Goods Act mandate strict manufacturer and seller accountability. Modern managers must institute rigorous quality control systems, unambiguous product descriptions, clear return-and-refund terms, and responsive customer grievance redressal mechanisms to avoid legal disputes and reputational exposure.

Key Commercial Documentation in Sale Transactions

An enterprise executing sales contracts must maintain a seamless audit trail of transactional documents:

- **Purchase Order (PO):** The formal commercial document issued by the buyer specifying descriptions, quantities, agreed prices, and delivery terms.
- **Commercial Invoice:** The definitive legal bill issued by the seller detailing itemized pricing, applicable Goods and Services Tax (GST), and payment due dates.
- **Bill of Lading / Consignment Note:** The quasi-negotiable document of title issued by a freight carrier confirming receipt of goods for transit and delivery to the designated consignee.
- **Goods Received Note (GRN):** Internal verification document prepared by the buyer's warehouse staff upon physical inspection confirming conformity with the purchase order.

10. Comparative Matrix: Conditions vs. Warranties

The distinction between contractual stipulations in the sale of goods dictates whether an aggrieved party may terminate the contract or merely claim monetary compensation:

Evaluation Criterion	Condition (Section 12(2))	Warranty (Section 12(3))
Nature of Stipulation	Essential to the main purpose of the contract; goes to the very root of the agreement.	Collateral to the main purpose of the contract; secondary or subsidiary stipulation.
Remedy for Breach	Aggrieved party may repudiate the contract, reject the goods, and sue for damages.	Aggrieved party can only sue for damages; no right to reject the goods or terminate contract.
Treatment of Breach	A breach of condition may, at the buyer's option, be treated as a breach of warranty.	A breach of warranty can never be treated as a breach of condition.

Evaluation Criterion	Condition (Section 12(2))	Warranty (Section 12(3))
Commercial Example	Contracting for pure copper wire where aluminum wire is delivered (total divergence of subject matter).	Contracting for a machine with specified delivery packaging where functional machine arrives in plain crates.

11. Unpaid Seller's Comprehensive Remedy Grid

The legal framework protecting unpaid sellers balances real remedies against the goods with personal remedies against the defaulting buyer:

Category	Specific Remedy	Statutory Pre-Conditions	Operational Effect
Remedies Against Goods	Right of Lien (Sections 47–49)	Seller retains physical possession; credit term expired or buyer insolvent.	Withholds physical delivery until full price payment.
Remedies Against Goods	Stoppage in Transit (Sections 50–52)	Seller parted with possession; goods in transit; buyer insolvent.	Resumes constructive possession from carrier.
Remedies Against Goods	Right of Resale (Section 54)	Perishable goods, or reasonable notice given for non-perishable goods.	Passes clean title to new buyer and recovers shortfall from defaulting buyer.
Personal Remedies	Suit for Price (Section 55)	Property passed to buyer, or price payable on fixed date.	Enforces money decree for full contract amount.
Personal Remedies	Suit for Damages (Section 56)	Buyer wrongfully neglects or refuses to accept goods.	Recovers difference between contract and market price.

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