

NARESH
DHANAN

B.com (Reg.) I.Yr.,
II Semester

Business Law

Sale of Goods Act, 1930

(5)

Rights of an Unpaid
Seller

Aeroline
Date: / /
Page No:
Visit us at www.aerolineproducts.com

Buyer and therefore they are still in Possession of Carrier.

(ii) Where part delivery of goods is taken by the Buyer, this right can be exercised on remaining goods.

The transit of Goods comes to an end in following cases -

(i) When Buyer or his agent takes delivery of goods from carrier at the destination.

(ii) Where the Buyer or his agent takes delivery of goods before the goods reach their destination.

(iii) Where the Buyer demanded the delivery of goods and delivery of goods was refused to the Buyer for wrong or illegitimate reasons.

(iv) Where the goods reach the destination and carrier acknowledges to the Buyer that now he holds the goods on his behalf.

The right of stoppage of

NARESH
DHAWAN

Business Laws

(8)

B.Com (Prog.) I Yr,
II Semester

Sale of Goods Act, 1930
Rights of an unpaid
seller

Aeroline	
Date:	
Page No:	
visit us at www.aerolineproducts.com	

Goods in transit is exercised by giving notice to the carrier not to deliver the goods to the buyer and by taking actual possession of the goods from carrier.

iii) Right of resale of goods = This right can be exercised in following situations -

(a) where the goods are of perishable nature, the goods can be resold by unpaid seller without giving any notice to buyer.

(b) where the right of resale is expressly reserved - when at the time of making contract, the seller has reserved the right of disposal then unpaid seller can sell the goods without giving notice to buyer of resale.

(c) where unpaid seller gives notice to buyer - if the unpaid seller gives notice to buyer of his intention to sell the goods for recovery of price and the buyer fails to pay the price within reasonable time, the unpaid seller can sell the goods and buyer will be liable for any loss or expenses of resale. However buyer cannot claim surplus of resale if

NARESH
DHAWAN

A Com (Prog.) I. yr.
II Semester

Business Law
Sale of Goods Act 1930

Rights of an unpaid
seller

Aeroline

Page No.

visit us at www.aerolineproducts.com

made for profit.

If notice of resale is not given then the unpaid seller cannot recover loss of resale neither he can retain the surplus.

Where the ownership of goods is not transferred to Buyer - then unpaid seller can refuse to transfer the ownership and can withhold the delivery of goods to the Buyer.

② Rights against the Buyer -

(i) Suit for price.

(ii) Suit for interest.

(iii) Suit for damages.

These ~~the~~ rights can be exercised against the Buyer personally.

END