

Suits, Price, Damages and Specific Performance

Sale of Goods Act, 1930

Full local statutory text

Finin2min implementation edition

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Finin2min Summary - Chapter in 2 Minutes

Purpose

This unit converts suits, price, damages and specific performance into statutory, transaction, evidence and remedy decisions.

Who is covered

Businesses, contracting parties, partners, buyers, sellers, principals, agents and litigants affected by this chapter.

Main obligations

Read the transaction documents and actual conduct against every statutory limb, exception and connected law.

Key timelines

Record event, breach, refusal, notice, acknowledgment and filing dates; apply the correct Limitation Act article.

Forms and evidence

Use the chapter evidence checklist and State/UT forms where registration or public notice applies.

Top risk

Wrong classification, missing authority, weak evidence, ineffective notice, unverified State process or wrong remedy.

Remedy

Preserve rights, mitigate loss, quantify exposure and confirm forum, arbitration, limitation and interim relief.

Finin2min takeaway

Classify - map law - verify authority - prove performance - quantify consequence - select remedy and forum.

Section-by-section provision map

Provision	Title	Status	Decision theme
s.55	Suit for price	operative	price, payment and financial consequence
s.56	Damages for non-acceptance	operative	formation and communication
s.57	Damages for non-delivery	operative	delivery, inspection and acceptance

s.58	Specific performance	operative	breach and remedies
s.59	Remedy for breach of warranty	operative	conformity and implied terms
s.60	Repudiation of contract before due date	operative	breach and remedies
s.61	Interest by way of damages and special damages	operative	price, payment and financial consequence

Legal status, amendments and source protocol

Act: Sale of Goods Act, 1930; Act 3 of 1930; commencement 1 July 1930.

Source protocol: Complete central provision text is reproduced locally. Local public-domain central Act transcription reconciled to India Code structure. Official India Code and Gazette instruments prevail if any discrepancy is identified.

Full statutory text and Finin2min decode

Section 55 - Suit for price

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source](#) prevails.

Current statutory text

- (1) Where under a contract of sale the property in the goods has passed to the buyer and the buyer wrongfully neglects or refuses to pay for the goods according to the terms of the contract, the seller may sue him for the price of the goods.
- (2) Where under a contract of sale the price is payable on a day certain irrespective of delivery and the buyer wrongfully neglects or refuses to pay such price, the seller may sue him for the price although the property in the goods has not passed and the goods have not been appropriated to the contract.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
(1)	Where under a contract of sale the property in the goods has passed to the buyer and the buyer wrongfully neglects or refuses to pay for the goods according to the terms of the contract, the seller may sue him for the price of the goods.	Test this (1) within the price, payment and financial consequence framework. Operational focus: where under a contract of sale the property in the goods has passed to the buyer and the.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(2)	Where under a contract of sale the price is payable on a day certain irrespective of delivery and the buyer wrongfully neglects or refuses to pay such price, the seller may sue him for the price although the property in the goods has not passed and the goods have not been appropriated to the contract.	Test this (2) within the price, payment and financial consequence framework. Operational focus: where under a contract of sale the price is payable on a day certain irrespective of delivery and.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 55 is a price, payment and financial consequence provision dealing with suit for price. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Reconcile base price, taxes, credits, deductions, interest, due dates and payment proof.
Link every adjustment to the contract and statute.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 56 - Damages for non-acceptance

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source](#) prevails.

Current statutory text

Where the buyer wrongfully neglects or refuses to accept and pay for the goods, the seller may sue him for damages for non-acceptance.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	Where the buyer wrongfully neglects or refuses to accept and pay for the goods, the seller may sue him for damages for non-acceptance.	Test this main limb within the formation and communication framework. Operational focus: where the buyer wrongfully neglects or refuses to accept and pay for the goods, the seller may sue.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 56 is a formation and communication provision dealing with damages for non-acceptance. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Build a dated offer-acceptance matrix, identify authorised senders and recipients, preserve dispatch and receipt evidence, and isolate counter-offers, conditions and revocations.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 57 - Damages for non-delivery

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source](#) prevails.

Current statutory text

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.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	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.	Test this main limb within the delivery, inspection and acceptance framework. Operational focus: where the seller wrongfully neglects or refuses to deliver the goods to the buyer, the buyer may sue.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 57 is a delivery, inspection and acceptance provision dealing with damages for non-delivery. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Use dispatch, carrier, goods receipt, inspection, rejection and storage records to establish delivery, acceptance and transit risk.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 58 - Specific performance

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source](#) prevails.

Current statutory text

Subject to the provisions of Chapter II of the Specific Relief Act, 1963, 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, by its decree direct that the contract shall be performed specifically, without giving the defendant the option of retaining the goods on payment of damages. The decree may be unconditional, or upon such terms and conditions as to damages, payment of the price or otherwise, as the Court may deem just, and the application of the plaintiff may be made at any time before the decree.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/ control
Main rule	Subject to the provisions of Chapter II of the Specific Relief Act, 1963, 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, by its decree direct that the contract shall be performed specifically, without giving the defendant the option of retaining the goods on payment of damages. The decree may be unconditional, or upon such terms and conditions as to damages, payment of the price or otherwise, as the Court may deem just, and the application of the plaintiff may be made at any time before the decree.	Test this main limb within the breach and remedies framework. Operational focus: subject to the provisions of chapter ii of the specific relief act, 1963, in any suit for breach.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 58 is a breach and remedies provision dealing with specific performance. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Identify breach, causation, remoteness, mitigation, stipulated sums, restitution, interest and remedy election. Preserve a reproducible claim and defence working.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 59 - Remedy for breach of warranty

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source](#) prevails.

Current statutory text

- (1) 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 as a breach of warranty, the buyer is not by reason only of such breach entitled to reject the goods; but 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.
- (2) The fact that a buyer has set up a breach of warranty in diminution or extinction of the price does not prevent him from suing for further damage if he has suffered further damage.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
(1)	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 as a breach of warranty, the buyer is not by reason only of such breach entitled to reject the goods; but he may-	Test this (1) within the conformity and implied terms framework. Operational focus: where there is a breach of warranty by the seller, or where the buyer elects or is compelled.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(a)	set up against the seller the breach of warranty in diminution or extinction of the price; or	Test this (a) within the conformity and implied terms framework. Operational focus: set up against the seller the breach of warranty in diminution or extinction of the price; or.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(b)	sue the seller for damages for breach of warranty.	Test this (b) within the conformity and implied terms framework. Operational focus: sue the seller for damages for breach of warranty.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

(2)	The fact that a buyer has set up a breach of warranty in diminution or extinction of the price does not prevent him from suing for further damage if he has suffered further damage.	Test this (2) within the conformity and implied terms framework. Operational focus: the fact that a buyer has set up a breach of warranty in diminution or extinction of the.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
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Finin2min implementation explanation

Section 59 is a conformity and implied terms provision dealing with remedy for breach of warranty. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Convert description, sample, specification, purpose and inspection rights into an acceptance checklist. Record disclosed defects and any valid exclusion or usage.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 60 - Repudiation of contract before due date

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source](#) prevails.

Current statutory text

Where either party to a contract of sale repudiates the contract before the date of delivery, the other may either treat the contract as subsisting and wait till the date of delivery, or may treat the contract as rescinded and sue for damages for the breach.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	Where either party to a contract of sale repudiates the contract before the date of delivery, the other may either treat the contract as subsisting and wait till the date of delivery, or may treat the contract as rescinded and sue for damages for the breach.	Test this main limb within the breach and remedies framework. Operational focus: where either party to a contract of sale repudiates the contract before the date of delivery, the other.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 60 is a breach and remedies provision dealing with repudiation of contract before due date. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Identify breach, causation, remoteness, mitigation, stipulated sums, restitution, interest and remedy election. Preserve a reproducible claim and defence working.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 61 - Interest by way of damages and special damages

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source](#) prevails.

Current statutory text

- (1) Nothing in this Act shall affect the right of the seller or the buyer to recover interest or special damages in any case where by law interest or special damages may be recoverable, or to recover the money paid where the consideration for the payment of it has failed.
- (2) In the absence of a contract to the contrary, the Court may award interest at such rate as it thinks fit on the amount of the price-
- (a) to the seller in a suit by him for the amount of the price, from the date of the tender of the goods or from the date on which the price was payable;
- (b) to the buyer in a suit by him for the refund of the price in a case of breach of contract on the part of the seller, from the date on which the payment was made.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
(1)	Nothing in this Act shall affect the right of the seller or the buyer to recover interest or special damages in any case where by law interest or special damages may be recoverable, or to recover the money paid where the consideration for the payment of it has failed.	Test this (1) within the price, payment and financial consequence framework. Operational focus: nothing in this act shall affect the right of the seller or the buyer to recover interest or.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(2)	In the absence of a contract to the contrary, the Court may award interest at such rate as it thinks fit on the amount of the price-	Test this (2) within the price, payment and financial consequence framework. Operational focus: in the absence of a contract to the contrary, the court may award interest at such rate as.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(a)	to the seller in a suit by him for the amount of the price, from the date of the tender of the goods or from	Test this (a) within the price, payment and financial consequence framework.	Contract/deed, authority, chronology, notices,

	the date on which the price was payable	Operational focus: to the seller in a suit by him for the amount of the price, from the date of.	performance and payment records tied to this limb.
(b)	to the buyer in a suit by him for the refund of the price in a case of breach of contract on the part of the seller, from the date on which the payment was made.	Test this (b) within the price, payment and financial consequence framework. Operational focus: to the buyer in a suit by him for the refund of the price in a case of.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 61 is a price, payment and financial consequence provision dealing with interest by way of damages and special damages. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Reconcile base price, taxes, credits, deductions, interest, due dates and payment proof. Link every adjustment to the contract and statute.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Practical examples and calculations

Chapter scenario

A live transaction raises issues concerning suits, price, damages and specific performance. Freeze the event date, map each statutory condition, preserve authority and performance evidence, quantify exposure and choose remedy only after limitation and forum review.

Calculation	Method	Evidence
Price / consideration	Reconcile base amount, GST/tax, credits, retention, deductions and payment terms.	Contract, invoice, ledger, tax documents and bank proof.
Loss / compensation	Separate direct loss, consequential loss, avoided cost, mitigation, restitution, interest and stipulated sum.	Loss model, market evidence and mitigation log.
Partner settlement	Reconcile capital, current accounts, loans, drawings, profit share, assets, liabilities and goodwill.	Deed, ledgers, bank records and valuation.
Limitation	Record accrual, breach/refusal, notice, acknowledgment, exclusion and filing date.	Chronology and limitation memorandum.

Practical transaction application

1. Identify the transaction, relationship, parties and event date.
2. Map every provision to the contract/deed and actual conduct.
3. Record conditions satisfied, disputed, waived, excused or prevented.
4. Reconcile authority, delivery/performance, acceptance, payment and notices.
5. Quantify exposure and choose cure, termination, recovery, settlement or litigation strategy.

Authority, consent and execution controls

Authority

- Correct legal entities and counterparties.
- Board, partner, power-of-attorney or delegated authority.
- Ordinary-course and implied-authority limits.
- Third-party knowledge of restrictions.

Consent

- Offer, acceptance and agreed version.
- Capacity, free consent and disclosures.
- Conditions precedent and approvals.
- No unauthorised post-execution alteration.

Execution

- Complete schedules and annexures.
- Witnessing, attestation and e-sign audit trail.
- Counterparts, date and place.
- Original and certified-copy custody.

Stamp duty and registration alerts

Stamp duty is State/UT-specific. Classify the true instrument, place of execution or receipt, consideration and property. Registration is a separate enquiry. Insufficient stamping may require impounding; non-registration may affect property and third-party enforceability.

Instrument	Alert
Commercial agreement	Do not default to a generic article if the substance is indemnity, guarantee, security, transfer, lease or another specifically charged instrument.
Partnership deed/reconstitution	Check capital contribution, immovable property, retirement/dissolution and Registrar filing separately.
Sale of movable goods	Coordinate contract, invoice, GST/e-invoice, transport and sectoral records.
Property-related relief	Check compulsory registration, title, court fee and decree-registration effects.

Evidence and document-retention checklist

Core file

- Purchase order and accepted terms
- Specification, description and sample
- Title and document-of-title record
- Dispatch, carrier and delivery proof
- Inspection, rejection and acceptance record
- Invoice, GST and payment evidence
- Lien or stoppage notice
- Resale and loss working

Electronic evidence

- Native email/message and metadata.
- Version history and e-sign certificate.
- System logs and acknowledgements.
- Legal hold and defensible export.

Retention

- Executed originals and amendments.
- Authority and entity records.
- Tax, payment and accounting records.
- Claims and litigation records through final disposal.

Forms, registers and operational records

Record/form	Control
No universal statutory form	Commercial documents and sectoral/GST forms govern the operational record.
Goods receipt and inspection record	Capture quantity, quality, defects, sample comparison and acceptance/rejection date.
Unpaid-seller action file	Record possession, transit status, buyer insolvency, lien/stoppage notice and resale steps.

Performance, delivery and payment controls

Stage	Control	Proof
Obligation matrix	List each reciprocal obligation, owner, due date, dependency and consequence.	Signed matrix tied to contract sections.
Delivery/ performance	Record dispatch, carrier, title/risk point, milestones, inspection and acceptance/rejection.	Delivery documents, certificates and correspondence.
Payment	Reconcile invoice, tax, credit, retention, set-off, due date and bank receipt.	Invoice, e-invoice, ledger and bank proof.
Change/cure	Use authorised variation and cure procedures; avoid informal waiver.	Change order, approval and cure closure.

Breach, loss, mitigation and remedy framework

1. Identify the exact obligation and legally material breach.
2. Confirm causation, remoteness, foreseeability and proof of loss.
3. Record mitigation, avoided cost and substitute performance.
4. Test damages, price, restitution, lien, stoppage, accounts, dissolution, specific performance, injunction, rescission, rectification, cancellation or declaration.
5. Check remedy election, double recovery, caps/exclusions and public policy.

Limitation and forum controls

Control	Analysis
Accrual	Classify cause of action and record breach, refusal, knowledge, demand and continuing-obligation dates.
Limitation	Apply the correct article; test acknowledgment, part-payment, exclusion and disability.
Jurisdiction	Check territorial/pecuniary rules, Commercial Courts threshold, exclusive forum and special court.
Interim relief	Assess preservation, injunction, receiver, security and evidence protection.
Appeal/ enforcement	Map decree/award challenge, execution, interest and cross-border enforcement.

Arbitration and mediation interface

- Validate agreement, signatories, scope, seat, rules and appointment mechanism.
- Separate substantive rights from forum selection and identify non-arbitrable issues.
- Check interim measures, consolidation, joinder and multi-contract issues.
- Preserve limitation during negotiation or mediation.
- Record settlement authority, confidentiality, tax, stamp and enforceability.

Company, partnership, GST and tax overlays

Overlay	Questions
Companies Act	Authority, objects, approvals, related-party, loan/guarantee/security and disclosure requirements.
Partnership/LLP	Deed/LLP authority, current constitution and public records.
GST	Supply, time/place/value, invoice/e-invoice, ITC, credit note, advance, damages and settlement treatment.
Income tax/TDS	Withholding, partner remuneration/interest, capital/revenue, bad debt, settlement and transfer consequences.
IBC/FEMA/ consumer	Moratorium and avoidance, cross-border payment/governing law, consumer and e-commerce protection.

Binding and foundational judicial principles

Authority	Principle	Verification
State of Madras v. Gannon Dunkerley & Co.	A sale traditionally requires an agreement, transfer of property in goods and price; composite transactions require statutory overlay analysis.	Verify official judgment and later treatment.
J.P. Coats Ltd. v. National Sewing Thread Co.	Description, conformity and commercial identity are assessed from the contract and transaction context.	Verify official judgment and later treatment.
Commissioner of Sales Tax v. Purshottam Premji	The substance of transfer and property in goods matters when classifying a transaction as sale.	Verify official judgment and later treatment.

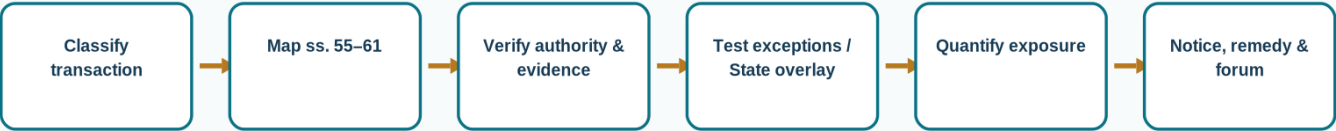
Central and State/UT variation alerts

GST, consumer, e-commerce, legal metrology, transport and State trade overlays may affect implementation.

Use the State/UT variation register in the data folder for the live source checklist.

Chapter-specific decision flowchart

SOG-C06 · Finin2min decision path



Price claims, non-acceptance, non-delivery, specific performance, warranty and interest. Verify the current official source before professional reliance.

Finin2min Q&A

What decision does SOG-C06 help a business make?

It determines how suits, price, damages and specific performance should be classified, documented, performed and enforced under sections 55-61 of the Sale of Goods Act, 1930.

Which provision should be read first in SOG-C06?

Begin with section 55 (Suit for price) and then read the connected definitions, exceptions and remedy provisions in sequence.

What is the principal implementation risk in SOG-C06?

Applying a commercial label without proving the statutory conditions for suits, price, damages and specific performance, or acting without authority, notice, performance and payment evidence.

Which execution checks are specific to SOG-C06?

Confirm the correct entities, signatory authority, consent, complete annexures, stamp and registration treatment, digital audit trail and approvals relevant to suits, price, damages and specific performance.

How should evidence be indexed for SOG-C06?

Link every section in the chapter with the contract or deed, authority, chronology, notices, performance, delivery, payment, loss and remedy evidence supporting it.

What calculation should be retained for SOG-C06?

Retain the relevant price, tax, interest, partner-account, loss, mitigation, restitution or relief working with sources and assumptions, not only the final number.

How does limitation affect SOG-C06?

Classify the precise cause of action associated with suits, price, damages and specific performance, record accrual, refusal, notice, acknowledgment and exclusion dates, and apply the correct Limitation Act article.

Can arbitration resolve every dispute arising under SOG-C06?

Arbitration may govern the forum, but it does not validate illegality, remove mandatory rules or make a non-arbitrable subject arbitrable. Check scope, seat and interim relief.

Which tax and entity overlays should be checked for SOG-C06?

Check Companies Act authority and related-party controls, partnership constitution, GST supply and invoice consequences, withholding, accounting and insolvency effects.

What is the final professional sign-off for SOG-C06?

Confirm the current statutory source, section conclusions, State variation, authority, calculation, limitation, remedy, forum and complete evidence trail.

Why is section 61 important to SOG-C06?

Section 61 (Interest by way of damages and special damages) completes the chapter control and must be tested independently.

Official sources and verification status

- [Sale of Goods Act, 1930 - India Code](#)
- Official Gazette and applicable State/UT Gazette, Registrar and court portals.
- Review date: 2026-07-18.