

Caveat Emptor

The term caveat emptor means “let the buyer beware”. It says that buyer should buy the goods at his own risk and seller is not responsible for any defects in the goods or whether the goods are useful for buyer or not.

- Buyer should inspect the goods for defects before buying it and it is not the duty of seller.
- Buyer should insure himself that the goods are according to his requirement

Buyer can not hold the seller responsible and liable for the goods turn out to be defective or do not fulfill his requirements. There is no implied condition or warranty as to quality or fitness for any particular purpose.

Exceptions:

Fraud: - the principle of Caveat Emptor does not protect the seller where he makes a false representation of the goods or purposely hides the defects which could not be found on examination and sales it to the buyer.

Implied condition as to quality and fitness: - When the buyer makes known to the seller about the purpose of buying the goods and he is completely relied upon seller's skill and judgment. Then it is responsibility of seller to give the goods according to the need of buyer.

Merchantable Quality: - When the goods are purchased by description from a seller, who deals in goods of description only and there is implied condition that goods shall be of merchantable quality. But if buyer examines the goods then there is no implied condition.