



Define the term 'Goods' and 'Price' under the Sale of Goods Act ?

Goods. The subject matter of the contract of sale must be 'goods'. Section 2(7) of the Sale of Goods Act

defines goods as "every kind of moveable property other than actionable claim money, and includes stock and shares, growing crops, grass, and transferred things attached to or forming part of the land which are agreed to be severed before sale passes in under the contract of sale".

Thus goods include:

1. Every kind of moveable property includes stock and shares, crops, and grass.
2. Things attached to land can be the subject matter of sale (e.g.. growing grass, trees, etc.) provided they are agreed to be separated from land under the contract of sale.
3. Money and actionable claims are not to be treated as goods, Money being the legal tender itself, cannot be a subject matter of a contract of sale. However, foreign currency or coins, which no more are legal tender, is included in 'goods'. 'Actionable Claims' in simple words are the claims which rest on the readiness of courts to recognize them as enforceable under action by a party e.g., a book debt or bill of exchange. The actionable claims are transferable under other laws, such as the Transfer of Property Act or Negotiable Instrument Act.

Price. The money consideration for a sale of goods is known as 'price' [Section 2(10)]. Price is an essential element in every contract of sale of goods, that is, no valid sale can take place without a price. The price should be paid or promised to be paid in legal tender money. Unless otherwise agreed, it may be paid in the form of a cheque, hundi, bank deposit, etc. For, it is not the mode of payment of a price but the agreement to pay a price in money that is requisite to constitute a valid contract of sale.

