



## THE SALE OF GOODS ACT, 1930



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# THE SALE OF GOODS ACT, 1930

<sup>1</sup>ACT NO.III OF 1930

[15th March, 1930]

## **An Act to define and amend the law relating to the sale of goods.**

Whereas it is expedient to define and amend the law relating to the sale of goods;

It is hereby enacted as follows:-

### **CHAPTER I**

#### **PRELIMINARY**

**1. Short title, extent and commencement.**— (1) This Act may be called the <sup>2</sup>\*Sale of Goods Act, 1930.

<sup>3</sup>[(2) It extends to the whole of Pakistan.]

(3) It shall come into force on the first day of July, 1930.

**2. Definitions.** In this Act, unless there is anything repugnant in the subject or context,-

- (1) “buyer” means a person who buys or agrees to buy goods;
- (2) “delivery” means voluntary transfer of possession from one person to another;
- (3) “goods are said to be in a deliverable state” when they are in such state that the buyer would under the contract be bound to take delivery of them;
- (4) “document of title of goods”, includes a bill of lading, dock-warrant, warehouse-keeper’s certificate, wharfinger’s certificate, railway receipt, warrant or order for the delivery of goods and any other document used in ordinary course of business as proof of the possession or control of goods, or authorizing or purporting to authorize, either by endorsement or by delivery, the possessor of the document to transfer or receive goods thereby represented
- (5) “fault” means wrongful act or default;
- (6) “future goods” means goods to be manufactured or produced or acquired by the seller after the making of the contract of sale;

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<sup>1</sup>For Statement of Objects and Reasons and for Report of Special Committee, see *Gaz. Of India*, 1929, Pt.V, p.163; for Report of Select Committee, see *ibid.*, 18930, Pt.V, p.1. The Act has been applied to *phuolera* in the Excluded Area of Upper Tanawal to the extent the Act is applicable in the N.W.F.P., and extended to the Excluded Area of Upper Tanawal (N.W.F.P) other than *phulera* with effect from such date and subject to such modifications, as may be notified, see *N.W.F.P. (Upper Tanawal) (Excluded Area) Laws Regulation*, 1950.

It has also been extended to the Leased Areas of Baluchistan, see the *leased Areas (Laws) Order*, 1950 (G.G.O.3 of 1950), and applied in the Federated Areas of Baluchistan, see *Gazette of India*, Pt.I, p.1499.

<sup>2</sup>The word “Indian” omitted by the *Federal Laws (Revision and Declaration) Act*, 1951 (26 of 1951), s.3 and 2<sup>nd</sup> Sch.

<sup>3</sup>Subs. by the *Central Laws (Statute Reform) Ordinance*, 1960 (21 of 1960), s.3 and 2<sup>nd</sup> Sch. (with effect from the 14<sup>th</sup> October, 1955), for the original sub-section (2), as amended by A.O., 1949 and Act 26 of 1951, s.8.

- (7) “goods” means every kind of movable property other than actionable claims and money and includes <sup>1</sup>[electricity, water, gas], stock and shares, growing crops, gross and things attached to or forming part of the land which are agreed to be served before sale or under the contract of sale;
- (8) a person is said to be “insolvent who has ceased to pay his debts in the ordinary course of business, or cannot pay his debts as they become due, whether he has committed an Act of insolvency or not;
- (9) “mercantile agent” means a mercantile agent having in the customary course of business, as such agent authority either to sell goods, or to consign goods for the purposes of sale, or to buy goods, or to raise money on the security of goods;
- (10) “price” means the money consideration for a sale of goods;
- (11) “property” means the general property in goods, and not merely a special property;
- (12) “quality of goods” includes their state or condition;
- (13) “seller” means a person who sell or agrees to sell goods;
- (14) “specific goods” means goods identified and agreed upon at the time a contract of sale is made; and
- (15) expression used but not defined in this Act and defined in the Contract Act, 1872, have the meanings assigned to them in that Act.

**3. Application of provisions of Act IX of 1872.** The unrepealed provisions of the- Contract Act, 1872, save in so far as they are inconsistent with the express provisions of this Act, shall continue to apply to contracts for the sale of goods.

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## CHAPTER II FORMATION OF THE CONTRACT

### *Contract of Sale*

**4. Sale and agreement to sell.**—(1) 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. There may be a contract of sale between one part-owner and another.

(2) A contract of sale may be absolute or conditional.

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<sup>1</sup> Ins. by the Sale of Goods (Amdt.) Ordinance, 1962 (47 of 1962), s.2.