

Created by REBEL SAIYED Cpt3 The sale of goods

- ✓ Concept Numbering
- ✓ ICAI Definition
- ✓ Funny & Emotional Storylines
- ✓ Punchlines like a movie dialogue
- ✓ Emojis, Bold Words, and Hooks
- ✓ Perfect PDF-Ready Style

🔥 Chapter Name: The Sale of Goods Act, 1930. Unit 1

📖 Based on ICAI Chapter 3 – Formation of the Contract of Sale

Let's start with...

◆ Concept 1: Buyer & Seller

(Section 2(1) & 2(13) – Sale of Goods Act, 1930)

📘 ICAI Original Definition:

> Buyer [Section 2(1)] – “Buyer means a person who buys or agrees to buy goods.”

Seller [Section 2(13)] – “Seller means a person who sells or agrees to sell goods.”

🔥 Story Line: Bhai Banega Buyer – Seller Se Setting! 🧑💼❤️

Once upon a sale bazaar 🛒, a guy named Babloo saw a shiny new gaming laptop 💻.

He went to the stall and said to the shopkeeper:

> “Bhaiya! Either I buy it now or promise to buy it next week on EMI!”

The shopkeeper replied:

> “Okay bro! I’m your Seller now because I agree to sell you this beast 💣💻, today or later!”

So even though no cash was given yet —

💡 Babloo = Buyer 👑

💡 Bhaiya = Seller 🧑‍💼

All because they agreed on the deal!

Punch dialogue dropped on the street:

> “Sale toh ho ya promise ho... Buyer aur Seller bann gaye dono!” 💣💰💣

🧠 Key Memory Trick:

👤 Buyer = Buys OR Agrees to Buy

👤 Seller = Sells OR Agrees to Sell


🎯 Even agreement is enough to get title of Buyer or Seller!

🗣️ Punchline:

> “Buyer-Seller: No cash? Still clash!” 💰🔪🔪


◆ Concept 2: Goods




(Section 2(7) – Sale of Goods Act, 1930)

 ICAI Original Definition:

> *“Goods” means every kind of movable property other than actionable claims and money; and includes stock and shares, growing crops, grass, and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale.”

 Story Line: Jab Goat Ko Gold Samjha Gaya!  

In the great land of Movablepur, people sold crazy things—cars, gas cylinders, paintings, even mango trees !

One day, Chintu wanted to sell his Goat , his Electricity bill token , and even his Company Shares .


His friend Pappu said,


> "Oye pagal! Only movable property can be sold under this Act!"


Chintu shouted:

> “Arey bro, this goat moves! So it's a Good! And even the shares and grass, if you cut them before selling—they also become goods!”

But then Chintu tried to sell:

An unpaid debt paper (actionable claim) 

A ₹500 note (money) 

CA uncle stopped him immediately like a referee :

> “Beta! No money, no actionable claim — these are not goods under this Act!”

Pappu clapped and shouted in the market:

> "Jo cheez hile – vo bikti! Jo paisa hai – vo hatta nahi!" 😄🔥

🧠 Key Memory Trick:

🔴 Goods = Movable Property ONLY

❌ Not = Money or Actionable Claims (like unpaid debts)

✅ Includes: Shares, Grass, Crops, Gas, Electricity, IP rights

💡 Punchline:

> “If it moves or can be moved — It’s a Good!” 🚲👜

“Grass ho ya Gas — Agar katega, toh bikega!” 🌾🔥

◆ Concept 3: Specific, Ascertained & Unascertained Goods

(Section 2(14) + Judicial Meaning – Sale of Goods Act, 1930)

📘 ICAI Original Definition:

> Specific Goods [Section 2(14)] – “Specific goods mean goods identified and agreed upon at the time a contract of sale is made.”

> ⚠️ Ascertained Goods – Not defined in the Act but means goods identified after the contract is made.

> Unascertained Goods – Not specifically identified at the time of the contract.

🔥 Story Line: The Case of the Cotton Confusion 🧺🤖

In the town of Cottonnagar, a seller named Ramu had 100 bales of cotton stored in his godown 🧺.

👉 One day, Bunty comes and says:

> "Bhai, sell me THAT red-marked bale right there!" 🔴

Ramu says, "Done."

📌 This is called Specific Goods – clearly pointed out at the time of the deal.

👉 Next day, Monty comes and says:

> "Give me 50 bales out of 100."

Ramu says, "Wait, I'll set them aside." He selects and keeps 50 bales. ✅

That becomes Ascertained Goods – selected AFTER contract was done.

👉 Then comes Chiku and says:

> "Give me 1 packet of salt from those 100 random packets."

But he doesn't choose any. ❌

That's Unascertained Goods – no one knows which exact packet! 🤖

At last the CA examiner came and asked:

> "Bolo, konsa packet tha? Kounsa bale? Specific tha kya?"

Bunty replied:

"Sir, Specific hai toh fix hai!"

Monty laughed:

"Pehle contract, baad mein pack = Ascertained attack!" 😂

🧠 Key Memory Trick:

📌 Specific = Selected AT the time of contract

📦 Ascertained = Selected AFTER the contract is made

❓ Unascertained = Not yet selected, only described

💡 Punchlines:

> “Specific goods — Bas wohi chahiye!” 🎯

“Ascertained = Abhi decide kiya!” ✅

“Unascertained = Socha toh hai, par chuna nahi!” 🤔

◆ Concept 4: Future Goods

(Section 2(6) – Sale of Goods Act, 1930)

📘 ICAI Original Definition:

> "Future goods" means goods to be manufactured, produced, or acquired by the seller after the making of the contract of sale.

(Section 2(6))

🔥 Story Line: Jab Doodh Aur Aloo Sapno Mein Bike! 🍌🐄

In a village called Kal-Ka-Bazaar, a guy named Lallu Bhai owned a cow 🐄 and a farm 🌾.

One day, customer Tappu came and said:

> “Lallu Bhai! I want to buy all the milk your cow gives next year! 🥛”

Lallu laughed:

“Beta, cow bhi shock ho gayi! Doodh toh aaya hi nahi abhi!” 🐄😳

Next customer came:

> "I want 1,000 quintals of potatoes from next season's harvest!" 🥔

Lallu replied: "O bhai! Ye toh Future Goods hain — abhi zameen bhi nahi khoda!" 😂

In both cases, goods were not existing yet... just planned or expected.
That's why it's called:

> "Agreement to Sell" — not Sale! 📄

Lallu's village slogan was legendary:

> "Jo cheez bani hi nahi, uski bikri kaise hogi bhai?" 😂

🧠 Key Memory Trick:

🔧 Future Goods = Not yet produced or acquired

📄 Only Agreement to Sell, NEVER an actual Sale

🚫 You can't sell what doesn't exist yet!

💡 Punchlines:

> "Future goods = Sapno ka stock!" 😞

"Abhi nahi bana = Bechna mana!" ❌

◆ Concept 5: Contingent Goods

(Section 6(2) – Sale of Goods Act, 1930)

📘 ICAI Original Definition:

> “Where the acquisition of goods by the seller depends upon a contingency which may or may not happen, they are called ‘contingent goods’.”
(Section 6(2))

🔥 Story Line: Picasso Painting Ya Port Wala Twist?! 🎨🚢

One day, Arjun walks into an art shop and says:

> “Bro, sell me that rare Picasso painting... if you manage to get it from the real owner!”

Shopkeeper smiles and replies:

> “If I get it from him, I’ll sell it. But no guarantee... owner is moody like weather!” ☀️🌧️

Next scene:

A guy named Kishan promises to sell 50 phones arriving on a ship from Dubai 📦🚢

But twist in the movie: the ship may or may not reach port 😬

That’s a classic Contingent Goods situation.

The punchline from the port:

> “Ship aaye toh maal milega... warna sirf sapna milega!” 🚢💤

Remember:

These goods are different from future goods — here, it’s not in seller’s full control.

It’s all about “if luck allows” ✨

🧠 Key Memory Trick:

🎯 Contingent Goods = Goods depend on uncertain event

⌚ It's only an Agreement to Sell

❌ Property doesn't pass unless event happens

💡 Punchlines:

> "Goods hai ya gamble?" 🏠

"Contingent = Conditional Chance Goods!"

"Kabhi haan, kabhi na – Contingent goods ka drama!" 🤖

◆ Concept 6: Delivery – Actual, Constructive & Symbolic

(Section 2(2) – Sale of Goods Act, 1930)

📘 ICAI Original Definition:

> "Delivery" means voluntary transfer of possession from one person to another."

🔥 Short Story: 3 Styles, 1 Fridge 📦 ❄️

Bunty ordered a fridge.

Seller gave it in hand —

👉 Actual Delivery 🙌

Next time, warehouseman said,

> "I'll now hold it for Bunty."

👉 Constructive Delivery 🏢

Another time, seller gave just the warehouse key 🔑

👉 Symbolic Delivery

Bunty laughed:

> "Fridge aaye ya na aaye... delivery ka style zaroor aata hai!" 😎

🧠 Key Memory Trick:

🚚 Actual = Item moved

📄 Constructive = Control changed

🔑 Symbolic = Token given (key, receipt)

💡 Punchline:

> "Delivery teen tareeke se – Hath, Haqq, ya Hawala!" 🎯

◆ Concept 7: Document of Title to Goods

(Section 2(4) – Sale of Goods Act, 1930)

📖 ICAI Original Definition:

> "Document of title to goods" includes bill of lading, dock-warrant, warehouse keeper's certificate, railway receipt, etc., used in ordinary course of business as proof of possession or to transfer/receive goods."

🔥 Short Story: Bill ka Power 📦✉️

Pappu ordered 50 bags of rice from Punjab.

The seller said:

> "Rice toh train mein hai, le le ye railway receipt!" 🚂📄

That paper allowed Pappu to claim the rice 🤝

Even though he didn't touch a single bag!

His CA friend screamed:

> "Bro! Ye receipt = Power! It's a Document of Title!" 🧠

🧠 Key Memory Trick:

📄 These docs = Proof of control & right to transfer goods

✅ Examples: Bill of lading, dock warrant, railway receipt

❌ Not: Share certificate (shows title, but not transferable directly)

💡 Punchline:

> "Jisme likha ho 'maal tera', wahi hai asli kaagaz ka hero!" 📄🔥

◆ Concept 8: Mercantile Agent

(Section 2(9) – Sale of Goods Act, 1930)

📖 ICAI Original Definition:

> "Mercantile agent" means an agent who in the customary course of business has authority to sell, consign, buy goods, or raise money on the security of goods."

🔥 Story: Auction Wale Arjun Ka Andaz! 🎤📦

Arjun was a full-time auctioneer in Delhi.

He didn't own the goods — but he could sell, buy, or even pledge them for money! 💰

He once sold a ₹10 lakh painting on behalf of a businessman — all legally valid!

When asked, he proudly said:

> "Mera maal nahi hai... par main bechta hoon — Main hoon Mercantile Agent!" 😎

Court approved it, because it was his usual business job!

🧠 Key Memory Trick:

👤 Mercantile Agent = Authorized Dealer/Representative

🛒 Can sell, buy, pledge, or consign goods

📌 Must be in regular business course

💡 Punchline:

> “Khud ka maal nahi, par bechne ka license hai bhai!” 😎📄

◆ Concept 9: Property (Ownership in Goods)

(Section 2(11) – Sale of Goods Act, 1930)

📘 ICAI Original Definition:

> “Property” means the general ownership of goods and not merely a special property (like a pledge).

🔥 Story: Malik Kaun? A vs B Ka Battle 📢📦

A sold a gold chain to B, but kept it with himself as security till payment. 🔑
Now A and B both claimed rights over it.

B shouted:

> “I’m the owner! I paid for it!” 💰

But A said:

> “Bro! I still have the chain as security!” 🗝️

CA Judge entered and declared:

> “B has general property – full ownership 🙌
A has special property – just possession for dues.” 📁

Mic drop 🎤:

> “Jisne paisa diya, malik wahi — par jab tak paisa pura nahi, control dusre ke haath mein bhi ho sakta hai!”

🧠 Key Memory Trick:

👤 Property = General Ownership Rights
🔑 Special Property = Temporary rights like pawnbroker
⚖️ Both can exist at same time!

💡 Punchline:

> “Paisa deke ban gaya malik – chain rakh ke ban gaya guard!” 😄

◆ Concept 10: Insolvent

(Section 2(8) – Sale of Goods Act, 1930)

📖 ICAI Original Definition:

> “A person is said to be insolvent when he ceases 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.”

🔥 Story: Tensionpur Ka Dukandaar 🙄📉

Ramesh ran a shop in Tensionpur, but slowly... his debts piled up 📈
He started dodging calls, avoiding payments, and selling on credit to survive.

One day his supplier shouted:

> “Ramesh bhai! Tu toh INSOLVENT ho gaya! Payment toh time pe kar hi nahi raha!” 📄😓

Even though Ramesh hadn't declared bankruptcy,
he just couldn't pay his debts 💔

So law declared:

> “This man = INSOLVENT!” 😞

Because it's not about legal papers... it's about the fact that he can't pay anymore.

🧠 Key Memory Trick:

💣 Insolvent = No paisa, no payment!

📅 17 Doesn't matter if he filed insolvency —

⚠️ If he can't pay when due → Insolvent!

💡 Punchline:

> “Pocket khaali ho, toh bhi court ko sab samajh aata hai!” 💰😞
“Not paying on time = Insolvent sign!”

◆ Concept 11: Price

(Section 2(10))

📘 ICAI Original Definition:

> “Price means the money consideration for a sale of goods.”

🔥 Story: Chicken Ke Badle Mein Chappal?! 🤪🐔👞
Babloo wanted to buy a chicken.
He said: “Bhaiya, I’ll give you 1 chappal for 1 chicken!”

Seller replied:

> “Yeh barter hai bhai! Sale tabhi banega jab paisa aayega!” 😏💰

💡 Only MONEY = Price. No paisa? No sale!

🧠 Key Memory Trick:

💰 Price = Must be money consideration only

❌ Barter = Not a sale under this Act

Punchline:

> “Chappal do toh deal funny, paisa do toh sale sunny!” 😎

◆ Concept 12: Quality of Goods

(Section 2(12))

📘 ICAI Original Definition:

> “Quality of goods includes their state or condition.”

🔥 Story: Lassi Wale Glass Mein Crack! 🥤🔍
Ravi bought 100 lassi glasses.
Next day 20 were cracked! 😞

Seller said: "Bro itna toh chalta hai..."
But Ravi's CA friend jumped in:

> "Beta, quality = state + condition — Crack = Not okay!"

🧠 Key Memory Trick:

🔍 Quality = Physical state + internal condition
Even minor defects = breach if not agreed

Punchline:

> "Quality ka matlab sirf shine nahi, andar ka fine bhi!" ✨🔍

◆ Concept 13: Sale vs Agreement to Sell

(Section 4)

📖 ICAI Original Definition:

> A contract of sale of goods may be a "sale" or an "agreement to sell".

In a sale, the property in goods is transferred to the buyer at once.

In an agreement to sell, transfer takes place at a future time or on a condition being fulfilled.

🔥 Story: Bike Becha Ya Bas Vaada Kiya? 🏍️🕒
Ajay told Raju:

> "This bike is yours! Take it now." → SALE 100

Vijay told Bunty:

> "Bike milegi next month on EMI." → AGREEMENT TO SELL 🕒

When Vijay went bankrupt before delivery, Bunty cried 😭

Judge said:

> "In sale – buyer is safe.

In agreement – buyer just has hope!"

🧠 Key Memory Trick:

💰 Sale = Immediate transfer

🕒 Agreement = Future or conditional transfer

Punchline:

> “Bike mil gayi = Sale

Bike ka vaada = Fail (if seller cheats)” 🚫

◆ Concept 14: Sale vs Hire-Purchase / Bailment / Contract for Work

(Based on case law + concepts)

🔥 Story: Confusion in Chappal Factory 🧦🔨

🧤 Ramu hired a sewing machine.

🏠 Bunty paid EMI for a scooter

👕 Pintu gave cloth to tailor for stitching

All shouted: “This is SALE!”

Judge replied:

> ❌ Nope bros!

✓ Hire-purchase = Ownership after full payment

✓ Bailment = Temporary possession

✓ Work contract = Focus is on service, not goods!

🧠 Key Memory Trick:

🚫 Sale ≠ Hire, Bailment, or Service

✓ In sale, ownership must pass!

Punchline:

> “Sab bikta nahi — kabhi kaam, kabhi kiraya bhi hota hai!” 😊

◆ Concept 15: How Contract of Sale is Made

(Section 5)

📖 ICAI Original Definition:

> A contract of sale is made by an offer to buy or sell and the acceptance of such offer. It may be made in writing, orally, or implied by conduct.

🔥 Story: Momo Stall Ki Silent Deal 🤔👤

Babloo pointed at a plate of momos, gave ₹50 silently.
Stall guy nodded and gave him momos.

No word spoken.

Still, law said:

> “Beta! This is a valid sale. Conduct = Contract!” 📄✅

🧠 Key Memory Trick:

🧠 Offer + Acceptance = Sale

📄 Written, 🧠 Oral, 🤝 Implied – All valid

Punchline:

> “Kuch na bola, fir bhi bola – Sale ho gaya bola-boli ke bina!” 🔥

◆ Concept 16: Subject Matter of Contract of Sale

(Section 6)

📖 ICAI Original Definition:

> “The goods which form the subject of a contract of sale may be existing goods, future goods, or contingent goods.”

🔥 Story: Murgi, Anda Ya Sapna? 🐔🥚👤

Lallu wanted to sell:

🐔 Chickens = Existing goods

🥚 Eggs to be laid = Future goods

🚢 Goods arriving on risky ship = Contingent goods

CA uncle shouted:

> “All 3 can be sold — but only when rules follow!” ✅

🧠 Key Memory Trick:

📦 Sale possible of:

- ✓ Existing
- ✓ Future
- ✓ Contingent goods

Punchline:

> “Jo hai, jo aayega, ya jo shayad aayega — sab bik sakta hai!”

◆ Concept 17: Goods Perishing Before Contract of Sale

(Section 7)

📘 ICAI Original Definition:

> If goods have perished before contract, without seller's knowledge — the contract is void.

🔥 Story: Mangoes Gone Mad! 🍌🔥

Bunty agreed to buy 100 mango boxes.

But they were already rotten before the deal — seller didn't know! 🤔

Law said:

> “Beta! Deal is void! You can't sell what's already dead.” ❌

🧠 Key Memory Trick:

💀 Goods perished + No knowledge = Contract VOID

Punchline:

> “Sade hue maal ka sale? Law ne bola: FAIL!” 🚫

◆ Concept 18: Goods Perishing After Agreement to Sell

(Section 8)

📘 ICAI Original Definition:

> If goods perish after agreement to sell, but before sale, without fault of either party — agreement is avoided.

🔥 Story: Bhindi Burnt Before Delivery! 🔥🌶️

A agreed to sell bhindi next week.
Before delivery, fire destroyed it. 🧨

Neither A nor buyer was at fault.
Law said:

> “Agreement cancelled — goods are gone!”

🧠 Key Memory Trick:

🔥 Perished after agreement = Contract avoided (if no one's fault)

Punchline:

> “Jale bhindi ke saath deal bhi jal gayi!” 😊

◆ Concept 19: Ascertainment of Price

(Section 9)

📘 ICAI Original Definition:

> Price may be fixed by contract, or left to be fixed in manner agreed, or determined by course of dealings.

🔥 Story: Momo Stall Ka Flexible Rate 🌞💰

Stall bhaiya says:

> “Tandoori momo ₹100 — or rate will depend on quantity.”

Sometimes price = fixed

Sometimes = agreed formula

Sometimes = past practice

🧠 Key Memory Trick:

💰 Price = Fixed / Pre-decided method / Past habit

Punchline:

> “Daam fix ho ya formula ho — par sale ke bina nahi chalega bro!”

◆ Concept 20: Agreement to Sell at Valuation

(Section 10)

📘 ICAI Original Definition:

> If price is to be fixed by 3rd party, and he fails — agreement is void.
But if buyer/seller responsible for failure — other party may sue for damages.

🔥 Story: Judge Ne Bola, Main Toh Aaya Hi Nahi! ⚖️📉

Bunty & Bablu agreed to sell land based on CA uncle's valuation.
Uncle didn't show up 😞
Now what?

Law said:

> "If 3rd party fails, deal = VOID!
But if YOU caused the failure, get ready to pay damages!"

🧠 Key Memory Trick:

📊 Price via 3rd party = OK

❌ If 3rd party fails = VOID (unless seller/buyer responsible)

Punchline:

> "Valuation waale ne bola 'I quit' – Law bola 'deal fit nahi hai!'"