

B. Com. Part II
Sub. Business Law

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Contract of Sale of Goods Act
Part IV

Method of formation of contract of
sale of Goods

Under this act section 5 deals with the formalities required for making a contract of sale, it provides that a contract of sale is made by an offer to buy or sell goods for a price and the acceptance of such offer. The contract may provide for the immediate delivery or immediate payment or both, or for the delivery or payment by instalments, or that the delivery or payment or both shall be ~~postponed~~ postponed.

A contract of sale is made by a buyer offering to buy or a seller offering to sell for two parties one of whom must offer and the other must accept to buy or sell goods and the consideration must be the price.

Under contract of sale, the parties may agree for the immediate

delivery of the goods or payment of the price or both or for the delivery or payment by instalments or that the delivery or payment or both shall be postponed,

Contract of sale may be written or by word of mouth or ~~partly~~ partly in writing and by word of mouth or implied from the conduct of the parties,

The ^{the information of} following are also essentials for a valid contract of sale —

- a. Parties competent to the contract.
- b. Free consent of both parties
- c. Consideration in the form of money.

Subject - Matter of Contract of Sale

According to section 2(7) 'goods' means every kind of movable property other than actionable claims and money. It includes stock and stones, growing crops, grass and things attached to or forming part of the land which are agreed to be severed hereafter sale or under the contract of sale.