



Goods

“Goods” means every kind of movable property other than money and securities but includes actionable claim, growing crops, grass and things attached to or forming part of the land which are agreed to be severed before supply or under a contract of supply;





Immovable property

Section 2(26) of the General Clause Act, 1847 defines immovable property as “Immovable property shall include land, benefits to arise out of the land, and things attached to the earth, or permanently fastened to anything attached to the earth”.

*The meaning of “attached to the earth” is found in **Section 3 of the Transfer of Property Act, 1882** where it is defined to mean (a) rooted in the earth, as in the case of trees and shrubs (b) imbedded in the earth as in the case of walls or buildings (c) attached to what is imbedded for the permanent beneficial enjoyment of that to which it is attached.*





Actionable Claim

Section 3 of Transfer of Property Act, 1882 defines :

“actionable claim means a claim to any debt , other than a debt secured by mortgage of immovable property or by the hypothecation or pledge of movable property , or to any beneficial interest in movable property not in the possession, either actual or constructive , of the claimant, which the civil courts recognises as affording grounds for relief, whether such debt or beneficial interest be existent, accruing ,conditional or contingent.”





Services

Section 2(102) “Services” means anything other than goods, money and securities but includes activities relating to the use of money or its conversion by cash or by any other mode, from one form, currency or denomination, to another form, currency or denomination for which a separate consideration is charged;

Explanation.--For the removal of doubts, it is hereby clarified that the expression “services” includes facilitating or arranging transactions in securities;





Agent

Section 2(5) “agent” means a person, including a factor, broker, commission agent, arhatia, del credere agent, an auctioneer or any other mercantile agent, by whatever name called, who carries on the business of supply or receipt of goods or services or both on behalf of another;





Business

Section 2(17) “business” includes--

- (a) any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit;
- (b) any activity or transaction in connection with or incidental or ancillary to subclause (a);
- (c) any activity or transaction in the nature of sub-clause (a), whether or not there is volume, frequency, continuity or regularity of such transaction;
- (d) supply or acquisition of goods including capital goods and services in connection with commencement or closure of business;
- (e) provision by a club, association, society, or any such body (for a subscription or any other consideration) of the facilities or benefits to its members;
- (f) admission, for a consideration, of persons to any premises;
- (g) services supplied by a person as the holder of an office which has been accepted by him in the course or furtherance of his trade, profession or vocation;
- (h) ~~services provided by a race club by way of totalisator or a licence to book maker in such club.~~ Activities of a race club including by way of totalisator or a license to book maker or activities of a licensed book maker in such club; and
- (i) any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities;





Consideration

Section 2(31) “consideration” in relation to the supply of goods or services or both includes–

(a) any payment made or to be made, whether in money or otherwise, in respect of, in response to, or for the inducement of, the supply of goods or services or both, whether by the recipient or by any other person but shall not include any subsidy given by the Central Government or a State Government;

(b) the monetary value of any act or forbearance, in respect of, in response to, or for the inducement of, the supply of goods or services or both, whether by the recipient or by any other person but shall not include any subsidy given by the Central Government or a State Government:

Provided that a deposit given in respect of the supply of goods or services or both shall not be considered as payment made for such supply unless the supplier applies such deposit as consideration for the said supply;





Related Person

Explanation.—For the purposes of this Act,—

(a) persons shall be deemed to be “related persons” if—

(i) such persons are officers or directors of one another’s businesses;

(ii) such persons are legally recognised partners in business;

(iii) such persons are employer and employee;

(iv) any person directly or indirectly owns, controls or holds twenty-five per cent. or more of the outstanding voting stock or shares of both of them;

(v) one of them directly or indirectly controls the other;

(vi) both of them are directly or indirectly controlled by a third person;

(vii) together they directly or indirectly control a third person; or

(viii) they are members of the same family;

(b) the term “person” also includes legal persons;

(c) persons who are associated in the business of one another in that one is the sole agent or sole distributor or sole concessionaire, howsoever described, of the other, shall be deemed to be related.

