

ACCEPTANCE

"An acceptance is like a stick of matchbox in front of a truck of gunpowder"



CONTRACT ACT NOTES

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Proposal + Acceptance = Promise

ACCEPTANCE IN CONTRACT ACT

Section 2(b) of Indian Contract Act

According to section 2(b) when the person to whom the proposal is made **signifies his assent thereto**, the proposal is said to be accepted.

Proposal when accepted becomes a promise.

According to William Anson:-

"An acceptance is like a stick of matchbox in front of a truck of gunpowder."

ESSENTIALS OF ACCEPTANCE

1. Acceptance should be **communicated** by the offeree to the offeror.

Related Case: Felt house v Bindley

2. Acceptance should be absolute and unqualified.

For a valid acceptance it is also essential that acceptance should be absolute & unqualified. When the acceptance includes the negotiations or in other words the acceptor does not accept the whole condition of offer and he makes another condition on it then it becomes a **counter offer**.

Section 7: Acceptance must be absolute and unqualified.

Section 7 of the Act provides that in order to convert a proposal into a promise, the acceptance must be absolute and unqualified.

3. Acceptance should be made in some usual and reasonable manner, unless the proposal prescribes the manner of acceptance.

4. Acceptance should be made while the offer is still subsisting.

5. No need of acceptance in general offer. Only performance is enough.

6. Acceptance must be express or implied.

AN ACCEPTANCE WITH VARIATION IS NO ACCEPTANCE, BUT SIMPLY A COUNTER OFFER.

A counter offer puts an end to the original offer and cannot be revived by subsequent acceptance unless renewed.

COMMUNICATION OF ACCEPTANCE TO A WRONG PERSON.

It has already been noted that the offerer becomes bound as soon as the letter of acceptance is posted to him. If the letter of acceptance is posted at a wrong address or to a wrong person, that will not bind the offerer.

**This page is very important and related to this note.
Must Read!**

Read other Law Notes.