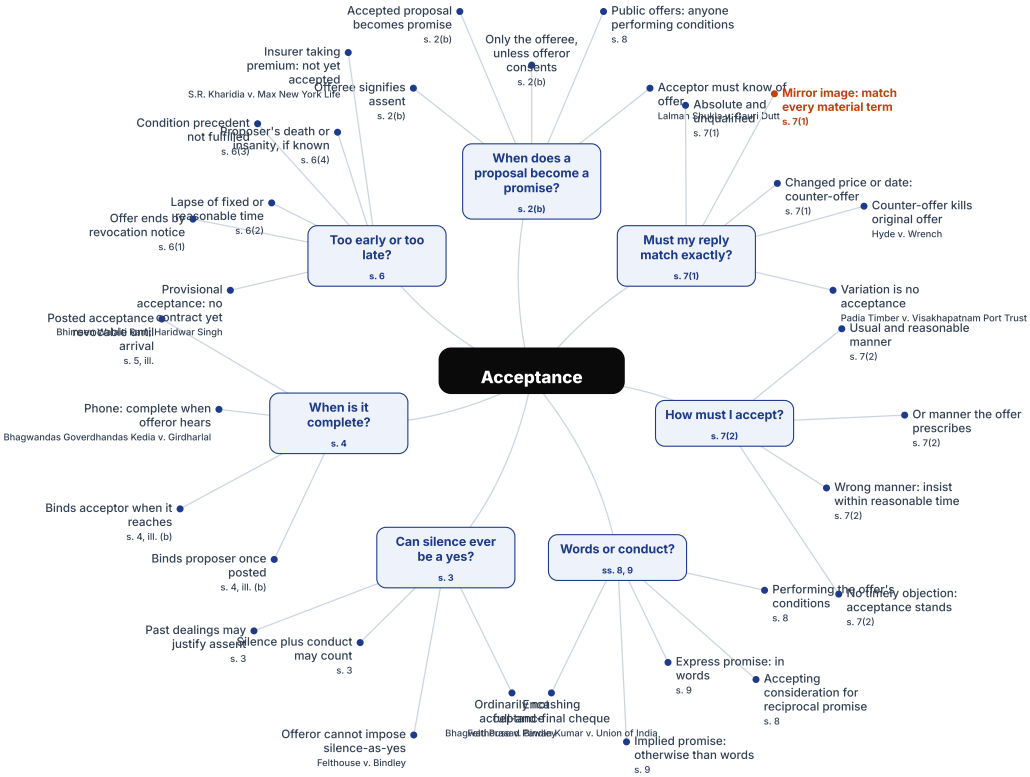
Acceptance: Mind Map

CONCEPT MAP

Revise Acceptance in two minutes. The highlighted point is the one examiners test most.
Read the full explainer: Acceptance explained.



Remember: No knowledge of the offer, no acceptance.

- When does a proposal become a promise? (s. 2(b))
  - Offeree signifies assent (s. 2(b))
  - Accepted proposal becomes promise (s. 2(b))
  - Only the offeree, unless offeror consents (s. 2(b))
  - Public offers: anyone performing conditions (s. 8)
  - Acceptor must know of offer (Lalman Shukla v. Gauri Dutt)
- Must my reply match exactly? (s. 7(1))
  - Absolute and unqualified (s. 7(1))
  - **Mirror image: match every material term** (s. 7(1))
  - Changed price or date: counter-offer (s. 7(1))
  - Counter-offer kills original offer (Hyde v. Wrench)
  - Variation is no acceptance (Padia Timber v. Visakhapatnam Port Trust)
- How must I accept? (s. 7(2))
  - Usual and reasonable manner (s. 7(2))
  - Or manner the offer prescribes (s. 7(2))
  - Wrong manner: insist within reasonable time (s. 7(2))
  - No timely objection: acceptance stands (s. 7(2))
- Words or conduct? (ss. 8, 9)
  - Performing the offer's conditions (s. 8)
  - Accepting consideration for reciprocal promise (s. 8)
  - Express promise: in words (s. 9)
  - Implied promise: otherwise than words (s. 9)
  - Encashing full-and-final cheque (Bhagwati Prasad Pawan Kumar v. Union of India)
- Can silence ever be a yes? (s. 3)
  - Ordinarily not acceptance (Felthouse v. Bindley)
  - Offeror cannot impose silence-as-yes (Felthouse v. Bindley)
  - Silence plus conduct may count (s. 3)
  - Past dealings may justify assent (s. 3)
- When is it complete? (s. 4)
  - Binds proposer once posted (s. 4, ill. (b))
  - Binds acceptor when it reaches (s. 4, ill. (b))
  - Phone: complete when offeror hears (Bhagwandas Goverdhandas Kedia v. Girdharlal)
  - Posted acceptance revocable until arrival (s. 5, ill.)
- Too early or too late? (s. 6)
  - Provisional acceptance: no contract yet (Bhimsen Walaiti Ram; Haridwar Singh)
  - Offer ends by revocation notice (s. 6(1))
  - Lapse of fixed or reasonable time (s. 6(2))
  - Condition precedent not fulfilled (s. 6(3))
  - Proposer's death or insanity, if known (s. 6(4))
  - Insurer taking premium: not yet accepted (S.R. Kharidia v. Max New York Life)

Acceptance is the offeree's assent to a proposal, and an accepted proposal becomes a promise under section 2(b). It must be absolute and unqualified, so any change to a material term is a counter-offer that destroys the original offer. It must be made in the usual and reasonable manner or the manner the offer prescribes, and it can be by words or by conduct under sections 8 and 9. Silence is ordinarily not acceptance. Under section 4 a posted acceptance binds the proposer when posted and the acceptor when it reaches the proposer, and it must arrive while the offer is still alive under section 6.
