**Acceptance**

**Definition:** Section 2(b) of the Contract Act, 1872 defines the term ‘Acceptance’. Here it is said that-

*“When the person to whom the proposal is made signifies his assent thereto, the proposal is said to be accepted. A proposal when accepted becomes a promise.*

**Essential elements of a valid acceptance**

If we properly dissect the above definition then we get the following essential elements of a valid acceptance. Such as-

1. Signification of assent;
2. Assent is signified by the person whom the proposal is made;
3. The term thereto used in this section implies that the assent must be given to the offer asit is.

**Communication of Acceptance**

Communication of acceptance need not be necessarily by words but may be expressed symbolically as by the fall of the hammer upon a sale by auction**[Payne vs Cave,3 T.R.148] or by a nod [Bird vs Boulter,4 B & 4 D.443]**

There is a distinction between communication of offer and communication of acceptance. While an offer is not communicated unless it is brought to the notice of the offeree, an acceptance is sufficiently communicated even though offerer may be ignorant of the acceptance. This is happens when “Contract by Post” is made.

**Rules Regarding A Valid Acceptance**

1. **Acceptance must be absolute and unconditional:** According to section 7 of the Contract Act 1872,in order to be legally effective an acceptance must be an absolute and unconditional acceptance of all the terms of the offer. Even the slightest deviation from the terms of the offer makes the acceptance invalid. In effect a deviated acceptance is regarded as a counter offer in law.
2. **Acceptance must be given only by the person or persons to whom it is made:** An offer can be accepted by the person or persons to whom the offer is made and with whom it imports an intention to contract. It cannot be accepted by another person without the consent of the offeror.
3. **Acceptance must be expressed in some usual and reasonable manner:** In order to convert a proposal into a promise, the acceptance must be expressed in some usual and reasonable manner, unless the proposalprescribesthe manner in which it is to be accepted. If the prescribes a manner in which it is to be accepted, and the acceptance is not made in such manner, the proposer may, within a reasonable time after the acceptance is communicated to him, insist that his proposal shall be accepted in the prescribed manner, and not otherwise, but if he fails to do so, he accepts the acceptance **[section 7(2),Contract Act,1872].**
4. **Acceptance must be communicated by the acceptor:** For an acceptance to be valid, it must not only be made by the offeree but must also be communicated by or with the authority of the offeree to the offeror.
5. **Acceptance must be given within a reasonable time and before the offer lapses and/or revoked:** To be legally effective acceptance must be given within the stipulated time limit, and if no time is stipulated, acceptance must be given within a reasonable time because an offer can not be kept open indefinitely.This point is supported by theprominent cases **[ Shree Jaya Mahal Cooperative housing Society vs Zenith Chemical Works Pvt. Ltd.(1919),AIR 211]** that where **X** applied for certain shares in a company in June but the allotment was made in November and he refused to accept the allotted shares, it was held that, the offeror **X** could to take shares as offer stood withdrawn and could not be accepted because the reasonableperiod during which the offer could be accepted has elapsed.
6. **Silence can never amount to an acceptance:** No contract is formed if the offeree remain silent and does nothing to show that he has accepted the offer. In the **Life Insurance Corporation of India Vs Raja** **Vasireddy** **Komalavalli Kamba** and other **[AIR (1984) Supreme Court 1014]** case is said that acceptance is complete only when it is communicated to the offeror. Silence or receipt and retention of premium cannot be constructedas acceptance.
7. **Acceptance must succeed the offer:** Acceptance must be given after receiving the offer. It should not precede the offer. In a company, shares were allotted to a person who had not applied for them. Subsequently he applied for the shares being unawareof the previous allotment. It was held that the allotment of shares previous to the applicationwas invalid.
8. **Rejected offers can be accepted only, if renewed:** Offer once rejected can not be accepted again unless a fresh offer is made**. [Hyde vs Wrench (1840), 3Beav.334.]** In some situations what may seem to be a counter-offer may not actually be deemed as such, it all depends how they are worded. Mere inquiry cannot be counted as a rejection **[(Stevenson Vs McLean) 5QBD 346 (1880)].**

**How an acceptance can be made Or Manner of acceptance**

Section 7-2 of the Contract Act 1872, provides two basic principles regarding how an acceptance can be made? or the manner of acceptance. Here it is said that-

The acceptance must be expressed in some usual and reasonable manner, unless the proposal prescribes the manner in which it is to be accepted, and the acceptance is not made in such manner, the proposermay, within a reasonable time after the acceptance is communicated to him, insist that his proposal shall be accepted in the prescribed manner, and not otherwise; but if he fails to do so, he accepts the acceptance.

From the above section we found two principles regarding the manner of acceptance. Such as-

1. **If the offer does not prescribe any manner of acceptance then it must be performed in usual and reasonable manner:** Now the obvious question is that what mode is the usual and reasonable manner? This question is wholly dependent on the facts and circumstances of every contract.

**2. If the proposal prescribed any specific manner** **it must be done accordingly:** If the proposer prescribes any specific manner then the proposal must be made to the manner. It was held in **Bangladesh Muktijuddha Kalyan Trust represented by the Managing Director-Vs-Kamal Trading Agency and Others** **(1998) 50 DLR(AD) 171** that an acceptance must be expressed in some usual and reasonable manner unless the proposal prescribes the manner in which it is to be prescribed.

**Revocation of acceptance**

Section 5 of the Contract Act 1872, said about the revocation of acceptance. Here it is said that- **“An acceptance may be revoked at any time before the communication of acceptance is complete as against the acceptor, but not** **afterwards”.**

**Illustration: A** proposes, by a letter sent by post, to sell his house to **B. B** accepts the proposal by a letter sent by post. **B** may revoke his acceptance as anytime before or at the moment when the letter communicating it reaches **A,** but not afterwards.

Thus an acceptance may be revoked at any time before the communication of the acceptance is complete as against the acceptor, and such communication becomes complete when the fact of acceptance comes to the knowledge of the proposer.