

Communication, Acceptance and Revocation of Proposals

Indian Contract Act, 1872

Full local statutory text

Finin2min implementation edition

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Finin2min Summary - Chapter in 2 Minutes

Purpose

This unit converts communication, acceptance and revocation of proposals into statutory, transaction, evidence and remedy decisions.

Who is covered

Businesses, contracting parties, partners, buyers, sellers, principals, agents and litigants affected by this chapter.

Main obligations

Read the transaction documents and actual conduct against every statutory limb, exception and connected law.

Key timelines

Record event, breach, refusal, notice, acknowledgment and filing dates; apply the correct Limitation Act article.

Forms and evidence

Use the chapter evidence checklist and State/UT forms where registration or public notice applies.

Top risk

Wrong classification, missing authority, weak evidence, ineffective notice, unverified State process or wrong remedy.

Remedy

Preserve rights, mitigate loss, quantify exposure and confirm forum, arbitration, limitation and interim relief.

Finin2min takeaway

Classify - map law - verify authority - prove performance - quantify consequence - select remedy and forum.

Section-by-section provision map

Provision	Title	Status	Decision theme
s.3	Communication, acceptance and revocation of proposals	operative	formation and communication
s.4	Communication when complete	operative	formation and communication
s.5	Revocation of proposals and acceptances	operative	

			formation and communication
s.6	Revocation how made	operative	formation and communication
s.7	Acceptance must be absolute	operative	formation and communication
s.8	Acceptance by performing conditions, or receiving consideration	operative	formation and communication
s.9	Promises, express and implied	operative	commercial rights and obligations

Legal status, amendments and source protocol

Act: Indian Contract Act, 1872; Act 9 of 1872; commencement 1 September 1872.

Source protocol: Complete central provision text is reproduced locally. Retained official India Code PDF extract. Official India Code and Gazette instruments prevail if any discrepancy is identified.

Full statutory text and Finin2min decode

Section 3 - Communication, acceptance and revocation of proposals

Local statutory-text source control: Retained official India Code PDF extract. [Official India Code source](#) prevails.

Current statutory text

3.Communication, acceptance and revocation of proposals.—The communication of proposals, the acceptance of proposals, and the revocation of proposals and acceptances, respectively, are deemed to be made by any act or omission of the party proposing, accepting or revoking by which he intends to communicate such proposal, acceptance or revocation, or which has the effect of communicating it.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	3.Communication, acceptance and revocation of proposals.—The communication of proposals, the acceptance of proposals, and the revocation of proposals and acceptances, respectively, are deemed to be made by any act or omission of the party proposing, accepting or revoking by which he intends to communicate such proposal, acceptance or revocation, or which has the effect of communicating it.	Test this main limb within the formation and communication framework. Operational focus: 3.communication, acceptance and revocation of proposals.—the communication of proposals, the acceptance of proposals, and the revocation of proposals.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 3 is a formation and communication provision dealing with communication, acceptance and revocation of proposals. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Build a dated offer-acceptance matrix, identify authorised senders and recipients, preserve dispatch and receipt evidence, and isolate counter-offers, conditions and revocations.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 4 - Communication when complete

Local statutory-text source control: Retained official India Code PDF extract. [Official India Code source](#) prevails.

Current statutory text

4. Communication when complete.—The communication of a proposal is complete when it comes to the knowledge of the person to whom it is made.

The communication of an acceptance is complete,—

as against the proposer, when it is put in a course of transmission to him, so as to be out of the power of the acceptor;

as against the acceptor, when it comes to the knowledge of the proposer.

The communication of a revocation is complete,—

as against the person who makes it, when it is put into a course of transmission to the person to whom it is made, so as to be out of the power of the person who makes it;

as against the person to whom it is made, when it comes to his knowledge.

Illustrations

(a) A proposes, by letter, to sell a house to B at a certain price.

The communication of the proposal is complete when B receives the letter.

(b) B accepts A's proposal by a letter sent by post.

The communication of the acceptance is complete,

as against A when the letter is posted;

as against B, when the letter is received by A.

(c) A revokes his proposal by telegram.

The revocation is complete as against A when the telegram is despatched. It is complete as against B when B receives it.

B revokes his acceptance by telegram. B's revocation is complete as against B when the telegram is despatched, and as against A when it reaches him.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	4. Communication when complete.—The communication of a proposal is complete when it comes to the knowledge of the person to whom it is made. The communication of an acceptance is complete,— as against the proposer, when it is put in a course of transmission to him, so as to be out of the power of the acceptor; as against the acceptor, when it comes to the knowledge of the proposer. The communication of a revocation is complete, — as against the person who makes it,	Test this main limb within the formation and communication framework. Operational focus: 4. communication when complete.—the communication of a proposal is complete when it comes to the knowledge of the.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

	when it is put into a course of transmission to the person to whom it is made, so as to be out of the power of the person who makes it; as against the person to whom...		
(a)	A proposes, by letter, to sell a house to B at a certain price. The communication of the proposal is complete when B receives the letter.	Test this (a) within the formation and communication framework. Operational focus: a proposes, by letter, to sell a house to b at a certain price. the communication of the.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(b)	B accepts A's proposal by a letter sent by post. The communication of the acceptance is complete, as against A when the letter is posted; as against B, when the letter is received by A.	Test this (b) within the formation and communication framework. Operational focus: b accepts a's proposal by a letter sent by post. the communication of the acceptance is complete, as.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(c)	A revokes his proposal by telegram. The revocation is complete as against A when the telegram is despatched. It is complete as against B when B receives it. B revokes his acceptance by telegram. B's revocation is complete as against B when the telegram is despatched, and as against A when it reaches him.	Test this (c) within the formation and communication framework. Operational focus: a revokes his proposal by telegram. the revocation is complete as against a when the telegram is despatched.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 4 is a formation and communication provision dealing with communication when complete. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Build a dated offer-acceptance matrix, identify authorised senders and recipients, preserve dispatch and receipt evidence, and isolate counter-offers, conditions and revocations.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 5 - Revocation of proposals and acceptances

Local statutory-text source control: Retained official India Code PDF extract. [Official India Code source](#) prevails.

Current statutory text

5. Revocation of proposals and acceptances.—A proposal may be revoked at any time before the communication of its acceptance is complete as against the proposer, but not afterwards.

An acceptance may be revoked at any time before the communication of the 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.

A may revoke his proposal at any time before or at the moment when B posts his letter of acceptance, but not afterwards.

B may revoke his acceptance at any time before or at the moment when the letter communicating it reaches A, but not afterwards.

STATE AMENDMENT

Uttar Pradesh

Amendment of section 5 of Act (9 of 1872).—In section 5 of Indian contract Act, 1872, hereinafter in this Chapter referred to as the principal Act, at the end of the first paragraph, the following explanation shall inserted, namely:--

“Explanation—Where an invitation to a proposal contains a condition that any proposal made in response to such invitation shall be kept open for a specified time and a proposal is thereupon made accepting such condition, such proposal may not be revoked within such time.”

[Vide Uttar Pradesh Act, 57 of 1976, s. 2]

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/ control
Main rule	5. Revocation of proposals and acceptances.—A proposal may be revoked at any time before the communication of its acceptance is complete as against the proposer, but not afterwards. An acceptance may be revoked at any time before the communication of the 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. A may revoke his proposal at any time before or at the moment when B posts his letter of acceptance, but not afterwards. B	Test this main limb within the formation and communication framework. Operational focus: 5. revocation of proposals and acceptances.—a proposal may be revoked at any time before the communication of its.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

	may revoke his acceptance at any time before or at the moment when...		
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Finin2min implementation explanation

Section 5 is a formation and communication provision dealing with revocation of proposals and acceptances. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Build a dated offer-acceptance matrix, identify authorised senders and recipients, preserve dispatch and receipt evidence, and isolate counter-offers, conditions and revocations.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 6 - Revocation how made

Local statutory-text source control: Retained official India Code PDF extract. [Official India Code source](#) prevails.

Current statutory text

6. Revocation how made.—A proposal is revoked—
(1) by the communication of notice of revocation by the proposer to the other party;
(2) by the lapse of the time prescribed in such proposal for its acceptance, or, if no time is so prescribed, by the lapse of a reasonable time, without communication of the acceptance;
(3) by the failure of the acceptor to fulfil a condition precedent to acceptance; or
(4) by the death or insanity of the proposer, if the fact of his death or insanity comes to the knowledge of the acceptor before acceptance.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	6. Revocation how made.—A proposal is revoked—	Test this main limb within the formation and communication framework. Operational focus: 6. revocation how made.—a proposal is revoked—.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(1)	by the communication of notice of revocation by the proposer to the other party	Test this (1) within the formation and communication framework. Operational focus: by the communication of notice of revocation by the proposer to the other party.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(2)	by the lapse of the time prescribed in such proposal for its acceptance, or, if no time is so prescribed, by the lapse of a reasonable time, without communication of the acceptance	Test this (2) within the formation and communication framework. Operational focus: by the lapse of the time prescribed in such proposal for its acceptance, or, if no time is.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(3)	by the failure of the acceptor to fulfil a condition precedent to acceptance; or	Test this (3) within the formation and communication framework. Operational focus: by the failure of the acceptor to	Contract/deed, authority, chronology, notices, performance

		fulfil a condition precedent to acceptance; or.	and payment records tied to this limb.
(4)	by the death or insanity of the proposer, if the fact of his death or insanity comes to the knowledge of the acceptor before acceptance.	Test this (4) within the formation and communication framework. Operational focus: by the death or insanity of the proposer, if the fact of his death or insanity comes to.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 6 is a formation and communication provision dealing with revocation how made. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Build a dated offer-acceptance matrix, identify authorised senders and recipients, preserve dispatch and receipt evidence, and isolate counter-offers, conditions and revocations.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 7 - Acceptance must be absolute

Local statutory-text source control: Retained official India Code PDF extract. [Official India Code source](#) prevails.

Current statutory text

7. Acceptance must be absolute.—In order to convert a proposal into a promise, the acceptance must—

(1) be absolute and unqualified;

(2) be expressed in some usual and reasonable manner, unless the proposal prescribes the manner in which it is to be accepted. If the proposal 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.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/ control
Main rule	7. Acceptance must be absolute.—In order to convert a proposal into a promise, the acceptance must—	Test this main limb within the formation and communication framework. Operational focus: 7. acceptance must be absolute.—in order to convert a proposal into a promise, the acceptance must—.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(1)	be absolute and unqualified	Test this (1) within the formation and communication framework. Operational focus: be absolute and unqualified.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(2)	be expressed in some usual and reasonable manner, unless the proposal prescribes the manner in which it is to be accepted. If the proposal prescribes a manner in which it is to be accepted, and	Test this (2) within the formation and communication framework. Operational focus: be expressed in	Contract/deed, authority, chronology, notices, performance 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.

some usual and reasonable manner, unless the proposal prescribes the manner in which it is.

payment records tied to this limb.

Finin2min implementation explanation

Section 7 is a formation and communication provision dealing with acceptance must be absolute. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Build a dated offer-acceptance matrix, identify authorised senders and recipients, preserve dispatch and receipt evidence, and isolate counter-offers, conditions and revocations.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 8 - Acceptance by performing conditions, or receiving consideration

Local statutory-text source control: Retained official India Code PDF extract. [Official India Code source](#) prevails.

Current statutory text

8. Acceptance by performing conditions, or receiving consideration.—Performance of the conditions of a proposal, or the acceptance of any consideration for a reciprocal promise which may be offered with a proposal, is an acceptance of the proposal.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	8. Acceptance by performing conditions, or receiving consideration.—Performance of the conditions of a proposal, or the acceptance of any consideration for a reciprocal promise which may be offered with a proposal, is an acceptance of the proposal.	Test this main limb within the formation and communication framework. Operational focus: 8. acceptance by performing conditions, or receiving consideration.—performance of the conditions of a proposal, or the acceptance of.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 8 is a formation and communication provision dealing with acceptance by performing conditions, or receiving consideration. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Build a dated offer-acceptance matrix, identify authorised senders and recipients, preserve dispatch and receipt evidence, and isolate counter-offers, conditions and revocations.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 9 - Promises, express and implied

Local statutory-text source control: Retained official India Code PDF extract. [Official India Code source](#) prevails.

Current statutory text

9. Promises, express and implied.—In so far as the proposal or acceptance of any promise is made in words, the promise is said to be express. In so far as such proposal or acceptance is made otherwise than in words, the promise is said to be implied.

CHAPTER II
OF CONTRACTS, VOIDABLE CONTRACTS AND VOID AGREEMENTS

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	9. Promises, express and implied.—In so far as the proposal or acceptance of any promise is made in words, the promise is said to be express. In so far as such proposal or acceptance is made otherwise than in words, the promise is said to be implied. CHAPTER II OF CONTRACTS, VOIDABLE CONTRACTS AND VOID AGREEMENTS	Test this main limb within the commercial rights and obligations framework. Operational focus: 9. promises, express and implied.—in so far as the proposal or acceptance of any promise is made in.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 9 is a commercial rights and obligations provision dealing with promises, express and implied. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Translate the provision into an owner, trigger, approval, evidence, deadline, exception and remedy control, then test connected law and State variation.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Practical examples and calculations

Chapter scenario

A live transaction raises issues concerning communication, acceptance and revocation of proposals. Freeze the event date, map each statutory condition, preserve authority and performance evidence, quantify exposure and choose remedy only after limitation and forum review.

Calculation	Method	Evidence
Price / consideration	Reconcile base amount, GST/tax, credits, retention, deductions and payment terms.	Contract, invoice, ledger, tax documents and bank proof.
Loss / compensation	Separate direct loss, consequential loss, avoided cost, mitigation, restitution, interest and stipulated sum.	Loss model, market evidence and mitigation log.
Partner settlement	Reconcile capital, current accounts, loans, drawings, profit share, assets, liabilities and goodwill.	Deed, ledgers, bank records and valuation.
Limitation	Record accrual, breach/refusal, notice, acknowledgment, exclusion and filing date.	Chronology and limitation memorandum.

Practical transaction application

1. Identify the transaction, relationship, parties and event date.
2. Map every provision to the contract/deed and actual conduct.
3. Record conditions satisfied, disputed, waived, excused or prevented.
4. Reconcile authority, delivery/performance, acceptance, payment and notices.
5. Quantify exposure and choose cure, termination, recovery, settlement or litigation strategy.

Authority, consent and execution controls

Authority

- Correct legal entities and counterparties.
- Board, partner, power-of-attorney or delegated authority.
- Ordinary-course and implied-authority limits.
- Third-party knowledge of restrictions.

Consent

- Offer, acceptance and agreed version.
- Capacity, free consent and disclosures.
- Conditions precedent and approvals.
- No unauthorised post-execution alteration.

Execution

- Complete schedules and annexures.
- Witnessing, attestation and e-sign audit trail.
- Counterparts, date and place.
- Original and certified-copy custody.

Stamp duty and registration alerts

Stamp duty is State/UT-specific. Classify the true instrument, place of execution or receipt, consideration and property. Registration is a separate enquiry. Insufficient stamping may require impounding; non-registration may affect property and third-party enforceability.

Instrument	Alert
Commercial agreement	Do not default to a generic article if the substance is indemnity, guarantee, security, transfer, lease or another specifically charged instrument.
Partnership deed/reconstitution	Check capital contribution, immovable property, retirement/dissolution and Registrar filing separately.
Sale of movable goods	Coordinate contract, invoice, GST/e-invoice, transport and sectoral records.
Property-related relief	Check compulsory registration, title, court fee and decree-registration effects.

Evidence and document-retention checklist

Core file

- Executed agreement and every amendment
- Authority and approval trail
- Negotiation and version history
- Notices and receipt proof
- Performance and acceptance evidence
- Invoices, ledger and bank proof
- Loss and mitigation working
- Limitation and forum note

Electronic evidence

- Native email/message and metadata.
- Version history and e-sign certificate.
- System logs and acknowledgements.
- Legal hold and defensible export.

Retention

- Executed originals and amendments.
- Authority and entity records.
- Tax, payment and accounting records.
- Claims and litigation records through final disposal.

Forms, registers and operational records

Record/form	Control
No universal statutory form	The Act generally works through agreements, notices and evidence rather than prescribed Central forms.
Contract register	Maintain owner, counterparty, value, term, renewal, governing law and dispute route.
Breach/claim file	Preserve notice, causation, loss, mitigation and remedy decision.

Performance, delivery and payment controls

Stage	Control	Proof
Obligation matrix	List each reciprocal obligation, owner, due date, dependency and consequence.	Signed matrix tied to contract sections.
Delivery/ performance	Record dispatch, carrier, title/risk point, milestones, inspection and acceptance/rejection.	Delivery documents, certificates and correspondence.
Payment	Reconcile invoice, tax, credit, retention, set-off, due date and bank receipt.	Invoice, e-invoice, ledger and bank proof.
Change/cure	Use authorised variation and cure procedures; avoid informal waiver.	Change order, approval and cure closure.

Breach, loss, mitigation and remedy framework

1. Identify the exact obligation and legally material breach.
2. Confirm causation, remoteness, foreseeability and proof of loss.
3. Record mitigation, avoided cost and substitute performance.
4. Test damages, price, restitution, lien, stoppage, accounts, dissolution, specific performance, injunction, rescission, rectification, cancellation or declaration.
5. Check remedy election, double recovery, caps/exclusions and public policy.

Limitation and forum controls

Control	Analysis
Accrual	Classify cause of action and record breach, refusal, knowledge, demand and continuing-obligation dates.
Limitation	Apply the correct article; test acknowledgment, part-payment, exclusion and disability.
Jurisdiction	Check territorial/pecuniary rules, Commercial Courts threshold, exclusive forum and special court.
Interim relief	Assess preservation, injunction, receiver, security and evidence protection.
Appeal/ enforcement	Map decree/award challenge, execution, interest and cross-border enforcement.

Arbitration and mediation interface

- Validate agreement, signatories, scope, seat, rules and appointment mechanism.
- Separate substantive rights from forum selection and identify non-arbitrable issues.
- Check interim measures, consolidation, joinder and multi-contract issues.
- Preserve limitation during negotiation or mediation.
- Record settlement authority, confidentiality, tax, stamp and enforceability.

Company, partnership, GST and tax overlays

Overlay	Questions
Companies Act	Authority, objects, approvals, related-party, loan/guarantee/security and disclosure requirements.
Partnership/LLP	Deed/LLP authority, current constitution and public records.
GST	Supply, time/place/value, invoice/e-invoice, ITC, credit note, advance, damages and settlement treatment.
Income tax/TDS	Withholding, partner remuneration/interest, capital/revenue, bad debt, settlement and transfer consequences.
IBC/FEMA/ consumer	Moratorium and avoidance, cross-border payment/governing law, consumer and e-commerce protection.

Binding and foundational judicial principles

Authority	Principle	Verification
Mohori Bibee v. Dharmodas Ghose	Capacity: a minor cannot be made contractually liable through an agreement treated as enforceable against the minor.	Verify official judgment and later treatment.
Bhagwandas Goverdhandas Kedia v. Girdharilal Parshottamdas	Communication rules determine where and when acceptance creates a concluded contract.	Verify official judgment and later treatment.
Central Inland Water Transport Corp. v. Brojo Nath Ganguly	Unconscionable terms and unequal bargaining power may engage public-policy and undue-influence analysis.	Verify official judgment and later treatment.
Satyabrata Ghose v. Mugneeram Bangur & Co.	Section 56 covers practical impossibility and frustration, not merely literal physical impossibility.	Verify official judgment and later treatment.
Fateh Chand v. Balkishan Das	A stipulated sum does not automatically become recoverable; reasonable compensation remains the statutory measure.	Verify official judgment and later treatment.
Kailash Nath Associates v. DDA	Section 74 compensation requires legal injury and cannot operate as an automatic windfall.	Verify official judgment and later treatment.

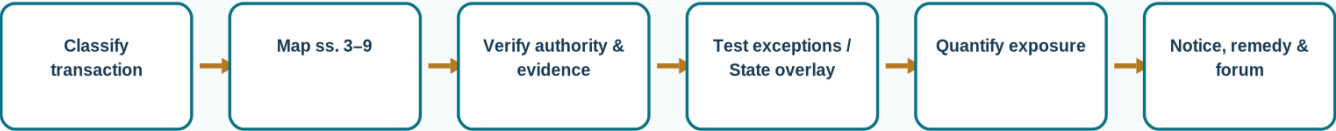
Central and State/UT variation alerts

Stamp duty, registration, court fee, civil procedure and State amendments must be checked for the instrument and forum.

Use the State/UT variation register in the data folder for the live source checklist.

Chapter-specific decision flowchart

ICA-C02 · Finin2min decision path



Offer, acceptance, revocation and electronic communications. Verify the current official source before professional reliance.

Finin2min Q&A

What decision does ICA-C02 help a business make?

It determines how communication, acceptance and revocation of proposals should be classified, documented, performed and enforced under sections 3-9 of the Indian Contract Act, 1872.

Which provision should be read first in ICA-C02?

Begin with section 3 (Communication, acceptance and revocation of proposals) and then read the connected definitions, exceptions and remedy provisions in sequence.

What is the principal implementation risk in ICA-C02?

Applying a commercial label without proving the statutory conditions for communication, acceptance and revocation of proposals, or acting without authority, notice, performance and payment evidence.

Which execution checks are specific to ICA-C02?

Confirm the correct entities, signatory authority, consent, complete annexures, stamp and registration treatment, digital audit trail and approvals relevant to communication, acceptance and revocation of proposals.

How should evidence be indexed for ICA-C02?

Link every section in the chapter with the contract or deed, authority, chronology, notices, performance, delivery, payment, loss and remedy evidence supporting it.

What calculation should be retained for ICA-C02?

Retain the relevant price, tax, interest, partner-account, loss, mitigation, restitution or relief working with sources and assumptions, not only the final number.

How does limitation affect ICA-C02?

Classify the precise cause of action associated with communication, acceptance and revocation of proposals, record accrual, refusal, notice, acknowledgment and exclusion dates, and apply the correct Limitation Act article.

Can arbitration resolve every dispute arising under ICA-C02?

Arbitration may govern the forum, but it does not validate illegality, remove mandatory rules or make a non-arbitrable subject arbitrable. Check scope, seat and interim relief.

Which tax and entity overlays should be checked for ICA-C02?

Check Companies Act authority and related-party controls, partnership constitution, GST supply and invoice consequences, withholding, accounting and insolvency effects.

What is the final professional sign-off for ICA-C02?

Confirm the current statutory source, section conclusions, State variation, authority, calculation, limitation, remedy, forum and complete evidence trail.

Why is section 9 important to ICA-C02?

Section 9 (Promises, express and implied) completes the chapter control and must be tested independently.

Official sources and verification status

- [Indian Contract Act, 1872 - India Code](#)
- Official Gazette and applicable State/UT Gazette, Registrar and court portals.
- Review date: 2026-07-18.