



MODULE – I  
CHAPTER - 2

# OFFER / PROPOSAL



# Definition

- S. 2(a) – Proposal:

“When one person signifies to another his willingness to do or abstain from doing anything with a view to obtaining the assent of that other to such act or abstinence, he is said to make proposal”.

**OFFER**

I will sell my car  
for 10K. would u  
purchase it??

Yes I will  
purchase it.



- The person making an offer is known as –

'Proposer'

'Offeror'

'Promisor'

Offer can be -



*An offer may be made either by words or by conduct. An offer which is expressed by words, spoken or written, is called an 'express offer' and the one which is inferred from the conduct of a person or the circumstances of the case is called an 'implied offer'.*

## **TO WHOM AN OFFER CAN BE MADE ?**



**One  
person**



**A group**



**The whole  
world**



# Types of offer

**General Offer- Made to public at large**

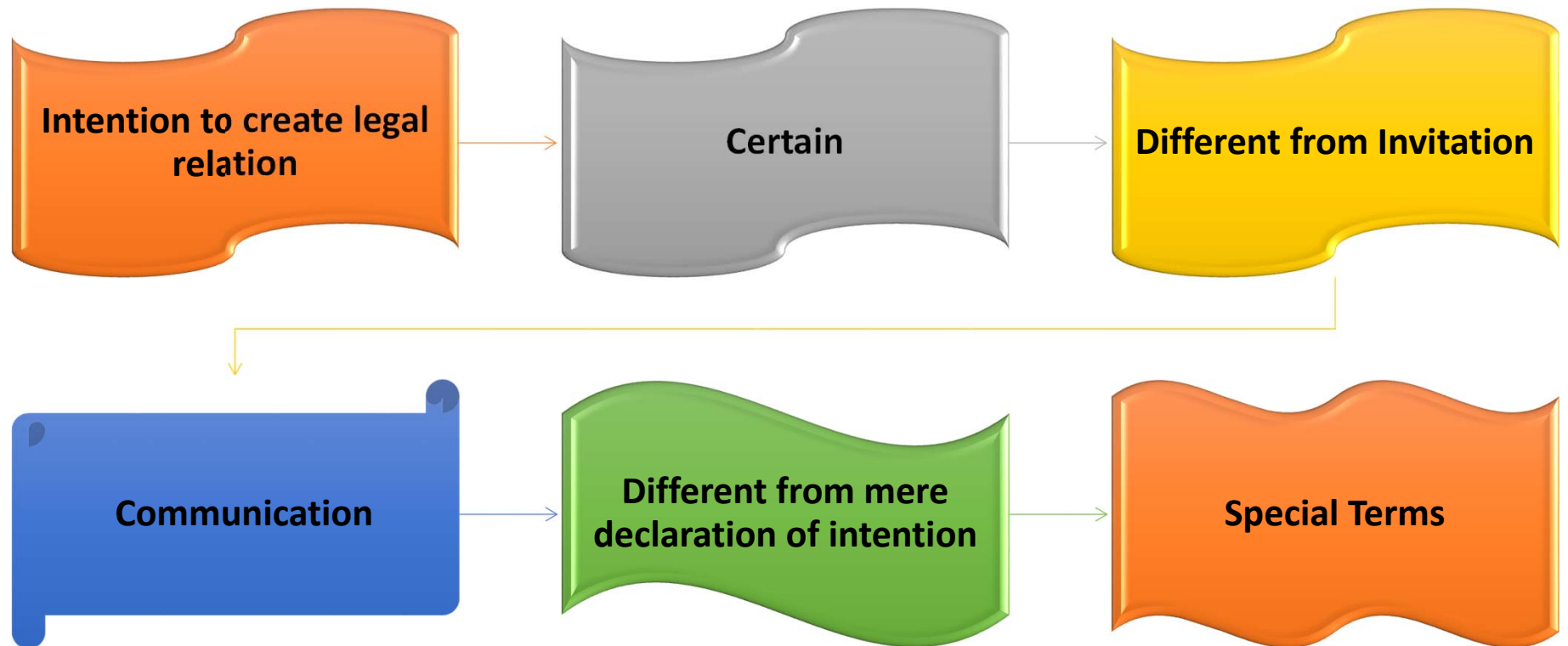
**Specific Offer – Made to specific person or specified group**

**Cross Offer – When two parties exchange identical offers in ignorance with each other's offer.**

**Counter offer – When the offeree accepts the offer not per se, he said to make a counter offer**

**Standing offer – Is also called open or continuing offer. Which is allowed to remain open for acceptance for a period of time**

# Legal Rules regarding offer





- Intention to create legal relation –
- ***The offer must be capable of creating legal relation. A social invitation is not create legal relation.***
- **Example:**
- A invited B to a dinner and B accepted the invitation. It is a mere social invitation. And A will not be liable if he fails to provide dinner to B

- ***The offer must be certain definite and not vague unambiguous and certain.***
- **Example:**
- A offered to sell to B. 'a hundred tons of oil'. The offer is uncertain as there is nothing to show what kind of oil is intended to be sold.

# Communication

- The offer is completed only when it has been communicated to the offeree. Until the offer is communicated, it cannot be accepted. *Thus, an offer accepted without its knowledge, does not confer any legal rights on the acceptor.*
- **Example:**
- A's nephew has absconded from his home. He sent his servant to trace his missing nephew. When the servant had left, A then announced that anybody who discovered the missing boy, would be given the reward of Rs.500. The servant discovered the missing boy without knowing the reward. When the servant came to know about the reward, he brought an action against A to recover the same. But his action failed. It was held that the servant was not entitled to the reward because he did not know about the offer when he discovered the missing boy.
- [Lalman Shukla v. Gauri Datt (1913) All LJ 489]

# One Fine Day

Gauri Dutt



## Nephew Went Missing



## Lalman shukla vs. Gauridutt

- Gauridutt sent his servant lalman to find his lost nephew. when the servant had left, Gauridutt announced reward to anyone, who will trace the boy. Lalman found the boy and brought him home .when lalman came to know he claimed for reward.

Gauri Dutt



She refuses to give reward money of Rs. 500 to Lalman Shukla.

- ***Offer must be distinguished from invitation to offer.***
- **Example:**
- Menu card of restaurant is an invitation to put an offer.
- **Example ;**
- Price – tags attached with the goods displayed in any showroom or supermarket is also an invitation to proposal. If the salesman or the cashier does not accept the price, the or the cashier does not accept the price, the interested buyer cannot compel him to sell, if he wants to buy it, he must make a proposal.
- **Example:**
- Job or tender advertisement inviting applications for a job or inviting tenders is an invitation to an offer.