



Insurance - Premium deposited - Proposal not accepted - Mere lapse of time in communicating the acceptance cannot be made a ground for holding that the proposal stood accepted

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[insurance](#) - Premium deposited - Proposal not accepted - Amount towards premium was deposited by the deceased with the Life Insurance Corporation in regard to the proposal submitted for Insurance on his life - Died after 26 days - Mere offering the amount which is retained by the respondent-Corporation as a premium does not amount to acceptance of the policy - No life insurance policy was issued in the name of the deceased - The argument of the learned counsel for the appellants that no response was given to the communication addressed to the respondent-Corporation in regard to the policy and therefore, it is deemed to have been accepted, is not a valid argument because there is nothing on the record to show even prima facie the acceptance of the proposal to the offerer (deceased) - [contract](#) is complete when the proposal is made and accepted - Therefore, it was rightly held by the first appellate Court that there is no [contract](#) between the parties - Mere lapse of time in communicating the acceptance cannot be made a ground for holding that the proposal stood accepted - The Corporation before entering into contract is required to enquire into information supplied and that naturally takes some time - It is not shown that any time frame was fixed between the parties for accepting the proposal and on the lapse of it, the proposal was deemed to have been accepted.

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