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## CONTRACT FORMATION & DIGITAL COMMUNICATION

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### ABSTRACT

With the massive rise of smartphones and messaging apps, the way businesses make deals has changed completely. Instead of formal corporate boardrooms and paper documents, everyday business negotiations are now happening over WhatsApp texts, emails and even LinkedIn messages. This paper looks at whether these informal digital communications are legally binding under current contract laws. To understand this modern shift, the paper draws a parallel to the ancient barter system, showing how human beings have actually come full circle by returning to fast, informal, verbal-style agreements.

From a legal perspective, this study examines how these text messages fit into the Indian Contract Act, 1872 and Section 10A of the Information Technology Act, 2000, which gives legal recognition to electronic contracts. It also highlights a critical procedural hurdle: how to actually prove a WhatsApp chat in an Indian court under the new rules of Section 63 of the Bharatiya Sakshya Adhiniyam, 2023. By looking at recent global and domestic court judgements, the paper analyses how judges look at fragmented chat histories to see if both parties truly had a “meeting of minds”. Finally, it provides practical advice, like using “Subject to Contract” disclaimers, so that companies and professionals do not accidentally lock themselves into multi-million-dollar liabilities with a single text or an emoji.

**Keywords:** Electronic Contracts, Informal Digital Communications, Section 10A IT Act, Section 63 BSA, Meeting of Minds, WhatsApp Evidence, Emojis, Contract Formation.

## 1. INTRODUCTION

In ancient times, long before paper documents or codified contract laws existed, human commerce relied on the barter system through verbal agreements. Despite its informality, this system contained all the essential elements of a modern contract: a clear proposal, an absolute acceptance and mutual consideration which was the exchange of the goods themselves. These oral agreements were far from lawless; they were fully enforceable by tribal customs and customary laws, with the village head or the King acting as the judicial authority to ensure that promises were kept.

This primal concept of a “meeting of minds” laid the foundational bedrock for contemporary contract law. Over the centuries, while the legal principles remained steady, the medium of human communication evolved radically. I vividly remember when my father purchased his first smartphone. Driven by childhood curiosity, I would endlessly tweak the settings and download games, only to have to hand it back whenever my father needed to make a business call. In that era, the device was merely a portal for vocal communication.

Today, the smartphone has transformed into an extension of the individual, holding almost the entirety of a person’s daily life. We rely on it to order goods, manage finance and communicate instantaneously. Crucially, this technological shift has redefined how modern commerce is conducted. Today, multi-million-dollar business deals are routinely negotiated and finalized via emails, WhatsApp chats and LinkedIn messages. However, this convenience brings forth a profound legal dilemma: do these rapid, informal digital exchanges fulfil the strict statutory requirements of a contract under current law and under what exact thresholds do they become legally enforceable?

This paper aims to analyse the legal validity of informal digital communications under the lens of contemporary jurisprudence. It explores the foundational requirements of the Indian Contract Act, 1872, alongside Section 10A of the Information Technology Act, 2000, to understand how electronic consents are scrutinized. Furthermore, this study provides a comparative analysis of recent landmark judicial trends in India and global jurisdictions regarding messaging applications and email trails. Finally, it outlines proactive risk-mitigation strategies and policy recommendations to bridge the gap between fast-paced digital commerce and rigid statutory frameworks.

## 2. ELECTRONIC CONTRACT LAWS IN INDIA

To understand how a simple message on a smartphone screen translates into a legally binding obligation, it is necessary to examine the current digital and statutory framework. While traditional contracts historically required physical signatures on paper, Indian law has gradually evolved to recognize electronic formats as valid channels for commercial transactions.

### 2.1. The Adaptability of the Indian Contract Act, 1872

The Indian Contract Act came into force on the 1<sup>st</sup> of September, 1872.<sup>1</sup> It was drafted over 150 years ago in an era when commerce relied strictly on pen and paper. Interestingly, even at that time, the Act was not strictly obsessed with the physical signing of a paper document; instead, it focused primarily on the fulfilment of three core essentials: a valid offer, an absolute acceptance and lawful consideration.<sup>2</sup> These same three foundational elements apply directly to modern digital communications. A text message offering a commercial deal, followed by a quick reply saying “yes” or “deal” to those exact terms, conceptually satisfies the definition of an agreement. However, transferring this ancient framework onto a smartphone screen creates immense practical challenges. The true legal hurdle under the Act is proving that both parties possessed a genuine intention to create a legal relationship, were of sound mind at the time of texting and gave their free consent without coercion.<sup>3</sup> Furthermore, because mobile devices can be accessed by anyone establishing the true identity of the sender proving that it was indeed the contracting party who sent the offer or acceptance remains a major evidentiary obstacle.

### 2.2. The Information Technology Act, 2000

The Indian Contract Act, 1872, is an ancient statute enacted at a time when digital communication did not exist. The Information Technology Act, 2000 comes into the picture as the old contract law does not explicitly outline how electronic expressions of intent translate into binding obligations. Under Section 10A of this Act, the law explicitly validates contracts formed through electronic means, stating that an agreement cannot be declared invalid solely because an electronic form was used to express the proposals and acceptances.<sup>4</sup>

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<sup>1</sup> The Indian Contract Act, 1872, Preamble (Act No. 9 of 1872).

<sup>2</sup> The Indian Contract Act, 1872, s. 2 (Act No. 9 of 1872).

<sup>3</sup> The Indian Contract Act, 1872, s. 10 (Act No. 9 of 1872).

<sup>4</sup> The Indian Contract Act, 1872, s.10A (Act No. 9 of 1872).

Regarding the challenge of proving a party's true identity, the IT Act introduced the concept of a Digital Signature and a broader, technology-neutral term called an Electronic Signature, both of which can be used to authenticate electronic records.<sup>5</sup> Under Section 3 of the Act, a digital signature relies on an asymmetric crypto-system and a secure hash function.<sup>6</sup> This system operates using two distinct keys: a private key, which is held exclusively by the certified digital signature user to create the signature and a public key, which is used by the recipient to verify it.<sup>7</sup> This mathematical link creates a highly secure way to verify the identity of the sender and ensure data integrity. Furthermore, under Section 3A, the Act introduces Electronic Signatures as a wider category, permitting other reliable digital authentication methods to secure electronic records and restrict access strictly to the originator and the addressee.<sup>8</sup>

However, a significant gap exists between statutory theory and commercial reality. Even though these secure digital and electronic signatures exist under the law, they are rarely used by business professionals during fast-paced, everyday electronic communications. Instead, corporate managers routinely rely on raw, unsigned text messages and instant messaging applications to close deals. By choosing convenience over these formal cryptographic tools, businesses inadvertently revive the massive evidentiary problem of proving the sender's true identity in a dispute.

### **2.3. The Evidentiary Hurdles under the Bharatiya Sakshya Adhiniyam, 2023**

Even though a contract can be formed through electronic means, it remains completely useless if it cannot be proven in a court of law during a commercial dispute. This is where Section 63 of the Bharatiya Sakshya Adhiniyam, 2023 (BSA) comes into play.<sup>9</sup> This section states that any information contained in an electronic record is legally considered a document under the Adhiniyam, provided it satisfies the specific conditions laid down in Section 63(2).<sup>10</sup> Crucially, this allows electronic evidence to be produced in court through physical printouts or digital copies, meaning litigants are not required to physically bring a massive corporate computer or an actual network server directly into the courtroom.<sup>11</sup>

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<sup>5</sup> The Indian Contract Act, 1872, s. 2(1)(p) & s. 5 (Act No. 9 of 1872).

<sup>6</sup> The Indian Contract Act, 1872, s. 3(1) (Act No. 9 of 1872).

<sup>7</sup> The Information Technology Act, 2000, s. 2(1)(f) & s. 3(2) (Act No. 21 of 2000).

<sup>8</sup> The Information Technology Act, 2000, s. 3A (Act 21 of 2000).

<sup>9</sup> The Bharatiya Sakshya Adhiniyam, 2023, s. 63 (Act 47 of 2023).

<sup>10</sup> The Bharatiya Sakshya Adhiniyam, 2023, s. 63(2) (Act 47 of 2023).

<sup>11</sup> The Bharatiya Sakshya Adhiniyam, 2023, s. 63(1) (Act 47 of 2023).

However, as technology continuously advances, electronic evidence becomes highly vulnerable to manipulation such as editing a screenshot or fabricating an entire chat history. To counter this risk, the BSA introduces a strict compliance rule under Section 63(4).<sup>12</sup> Under this provision, digital evidence cannot simply be printed out and handed straight to a judge. Instead, the electronic record must be accompanied by a formal, mandatory certificate.<sup>13</sup> This certificate must be signed by the person in lawful charge of the computer or communication device from which the record was pulled, alongside the signature of a digital expert.<sup>14</sup>

The protocol for this certificate is highly specific that it must be filled out by the party producing the record to state that the device was under their lawful control and working properly and it must include the unique “Hash Value” of the electronic file acting as a digital fingerprint to ensure the data has not been altered. A digital expert must then technically verify that the record remains untampered. If this certificate is missing or fails to comply the statutory format, the electronic record becomes completely inadmissible, rendering the underlying digital contract legally invisible to the court.

### **3. LANDMARK CASE LAW ANALYSIS: HOW COURTS INTERPRET DIGITAL INTENT**

While statutory provisions clearly establish that electronic records enjoy equal legal footing with physical paper, they do not solve the much larger puzzle that judges face daily: determining the parties’ actual intention to enter a binding contract. In a traditional setting, a clean signature at the bottom of a structured document provides an unmistakable boundary line showing that negotiations have ended and a contract has begun. In the digital universe, however, communication is conversational, fragmented and continuous. Corporate executives routinely blend business deals with social banter, leaving a train of disjointed text messages, emails and emojis.

To resolve disputes arising from these fast-paced environments, courts cannot rely on a single, isolated message. Instead, judges are forced to excavate the entire timeline of communications to identify the exact moment a binding consensus was reached.

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<sup>12</sup> The Bharatiya Sakshya Adhiniyam, 2023, s. 63(4) (Act 47 of 2023).

<sup>13</sup> The Bharatiya Sakshya Adhiniyam, 2023, Schedule (Form A and Form B) (Act 47 of 2023).

<sup>14</sup> The Bharatiya Sakshya Adhiniyam, 2023, s. 63(3)(c) (Act 47 of 2023)..

### 3.1. Global Jurisprudence on Messaging Application and Emails

Because Indian courts frequently look to common law precedents for persuasive guidance on technological advancements, analysing recent international breakthroughs is critical to understanding the direction of digital contract law. Two landmark decisions from the English courts in 2025 illustrate how aggressively judges are now holding commercial entities to their digital words.

#### A. The Binding Power of a Single Word: *Jaevee Homes Ltd. v. Finchman* (2025)

The physical scale of a commercial project no longer shields it from being bound by informal communications, as demonstrated in *Jaevee Homes Ltd. v. Finchman*.<sup>15</sup> The case involved a property developer, Jaevee Homes and a demolition contractor negotiating a contract to clear a nightclub site. While early discussions regarding price and scope took place over traditional email, the final, critical pivot of the negotiation migrated entirely to WhatsApp.

Desiring clarity so he could begin organizing machinery, the contractor texted the developer asking point-blank: “Are we saying it’s my job mate so I can start getting organised mate.”<sup>16</sup> Two hours later, the developer replied with a single word: “Yes.” Following this text, the contractor moved his crew onto the site and commenced demolition. When a bitter payment dispute arose shortly thereafter, the developer attempted to escape liability by arguing that a single-word WhatsApp response could not possibly constitute a complex, valid construction contract. They asserted that the true framework was governed by a formal, long-form written subcontract emailed to the contractor days after the text which the contractor had notably left unsigned and unacknowledged.

The High Court flatly rejected the developer’s defence. The judge held that the WhatsApp exchange, “whilst informal, evidenced and constituted a concluded contract.”<sup>17</sup> The court reasoned that because the essential commercial terms (the price, scope of work, and approximate start date) had already been hammered out in the preceding emails, the single-word text “Yes” functioned as an absolute, binding legal acceptance. The case serves as a stern warning: the law prioritizes clear mutual consent over the formality of the platform used and

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<sup>15</sup> *Jaevee Homes Ltd. v. Mr. Steve Finchman* (t/a Finchman Demolition), [2025] EWHC 942 (TCC).

<sup>16</sup> *Ibid*, at para 14.

<sup>17</sup> *Ibid*, at para 42.

an un-executed “formal” contract sent after the fact cannot wipe away digital deal already sealed on a smartphone screen.

## **B. Escalate to Bind: Coupang Corp v. DAZN Limited (2025)**

While Jaevee Homes highlighted the weight of an instantaneous chat message, Coupang Corp v. DAZN Limited demonstrates how informal chats can build the momentum necessary to lock in a multi-million-dollar corporate transaction.<sup>18</sup> The dispute concerned the highly competitive sub-licensing of broadcasting rights for the 2025 FIFA Club World Cup in South Korea. Senior executives from the sports streaming platform DAZN and the e-commerce giant Coupang Corp spent months negotiating the deal through a rapid mix of phone calls, text messages and WhatsApp chats.

The turning point occurred when Coupang sent a formal proposal via email summarizing the terms discussed on chat, offering \$1.7 million for co-exclusive rights. DAZN’s executive replied via email stating, “I am pleased to accept Coupang Play’s offer... we will start contract drafting.”<sup>19</sup> Shortly afterward, DAZN received a much higher competing bid from another broadcaster. Attempting to capitalize on the higher offer, DAZN sought to withdraw from the Coupang arrangement, deploying a classic corporate excuse: the email exchange was merely a non-binding “agreement in principle” and neither party was legally bound until a final, comprehensive master agreement was physically signed.

The Court of Appeal dismissed DAZN’s argument and granted an injunction protecting Coupang’s broadcasting rights. The court observed that the commercial reality of modern industries often requires swift, conclusive agreements. By moving from a casual WhatsApp chat to a definitive confirmation email, the parties had deliberately escalated their formality to express finality. Because the essential components of the deal were clearly outlined, the phrase “accept Coupang’s offer” closed the gate on negotiations. The court firmly established that referencing the future preparation of a long-form contract does not suspend the immediate legal binding force of an email confirmation.<sup>20</sup>

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<sup>18</sup> *Coupang Corp. v. DAZN Limited*, [2025] EWCA Civ 1083.

<sup>19</sup> *Ibid*, at para 22.

<sup>20</sup> *Ibid*, at para 55.

### 3.2. The Indian Judicial Trend

While global jurisprudence is moving rapidly toward enforcing digital handshake deals, the Supreme Court of India maintains a noticeably more cautious and protective stance. Rather than rushing to bind parties to a quick text, Indian courts seek to protect businesses from being inadvertently trapped by incomplete, ongoing negotiations.

#### **The Principle of Cumulative Analysis: *Ambalal Sarabhai Enterprise Ltd. v. K.S. Infraspace LLP* (2020)**

The foundational boundary for digital contracts in India was drawn by the Supreme Court in *Ambalal Sarabhai Enterprise Ltd. v. K.S. Infraspace LLP Ltd & Anr.*<sup>21</sup> The case involved a high stakes commercial transaction for the sale of a land parcel. The parties had exchanged a scattered chain of WhatsApp messages, emails and draft agreements discussing potential prices and terms and one party subsequently filed a lawsuit claiming that this electronic exchange constituted a finalized, legally binding contract.

The Supreme Court utilized this opportunity to clarify exactly how Indian judges must evaluate smartphone evidence. The court explicitly confirmed that WhatsApp messages are fully admissible as evidence under Indian law and possess the capability to create binding legal obligations under the IT Act.<sup>22</sup> However, the court established a vital rule: a single text or an isolated digital confirmation cannot be viewed in a vacuum. Instead, a court must evaluate the entire chain of communication cumulatively.

The Supreme Court ruled that if the complete chat history reveals that essential terms such as financial liabilities, regulatory clearances, or final payment schedules were still actively being negotiated or left open, a casual text message confirming an overview does not equal a final contract. For a text exchange to be enforced as a contract in India, the evidence must prove that both parties explicitly intended to completely end negotiations and lock in their obligations right then and there. This landmark decision provides a necessary safety net, ensuring that casual commercial updates are not weaponized into unintended legal traps.

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<sup>21</sup> *Ambalal Sarabhai Enterprise Ltd. v. K.S. Infraspace LLP Ltd. & Anr.*, (2020) 15 SCC 585.

<sup>22</sup> *Ibid*, at para 18

#### 4. COMPARATIVE ANALYSIS & KEY LEGAL RISKS

The intersection of age-old contractual requirements and instant communication platforms has triggered structural fractures in traditional commercial jurisprudence. When courts transition from interpreting clean, formalized legal documents to evaluating chaotic, fragmented smartphone screens, several high-stakes vulnerabilities emerge for modern business entities.

##### 4.1. The “Subject to Contract” Problem and the Death of Informality

For generations, commercial entities heavily relied on the protective phrase “Subject to Contract” in their correspondences to maintain a clear boundary during negotiations. The legal function of this clause was absolute: it signalled to the counterparty that all discussions, offers and counter-offers were entirely non-binding until a formal agreement was comprehensively drafted and executed by authorized signatories.

However, the widespread migration of commercial dialogue to instant messaging applications has severely weakened this traditional defence. In the fast-paced ecosystem of platforms like WhatsApp, corporate managers naturally prioritize transactional speed over rigorous legal drafting. Recent judicial trends indicate that modern courts are increasingly willing to look past a “Subject to Contract” label if the subsequent conduct of the parties demonstrates a clear meeting of the minds.<sup>23</sup>

For example, if a party transmits a message stating “We accept your terms, subject to contract”, but simultaneously issues an operational directive such as, “Please dispatch the engineering team to the site tomorrow morning,” judges will prioritize the explicit performance instruction over the standard legal reservation.<sup>24</sup> The law increasingly treats instant messaging as a hybrid medium resembling a live, verbal discussion. Consequently, courts will analyse the entire chronological sequence of a chat to evaluate the true consensus of the parties, rather than allowing a boilerplate disclaimer to override manifest intent.<sup>25</sup> As a result, the historic dividing line between casual commercial exploration and strict contractual obligation has become dangerously blurred.

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<sup>23</sup> Vishwanathan Subramaniam (ed.), *Enforceability of Electronically Executed Contracts in India* (Ikigai Law, 1 April 2020)

<sup>24</sup> *Ibid.*

<sup>25</sup> *Ambalal Sarabhai Enterprise Limited v. KS Infraspace LLP Limited*, Civil Appeal No. 9346 of 2019 (Supreme Court of India, judgement dated 6 January 2020).

#### 4.2. The Identity, Agency and Vicarious Liability Threat

Perhaps the most terrifying operational risk presented by smartphone contracts is the problem of corporate agency and unauthorized transactions. Under section 182 of the Indian Contract Act, 1872, an agent can legally bind a principal if they possess apparent or ostensible authority.<sup>26</sup> In a brick-and-mortar setting, executing a multi-million-dollar corporate agreement requires a formal Board Resolution, a company seal and authorized signatories. On a smartphone screen, it requires nothing more than access to a unlocked mobile device or a corporate SIM card.

This creates a massive legal exposure for companies regarding the actions of mid-level managers or unauthorized employees. If an employee uses a company-issued mobile device or a designated corporate WhatsApp group to text a vendor saying, “Go ahead with the increased pricing order, management approves,” the corporation can be held strictly liable.<sup>27</sup> Under the principles of vicarious liability and ostensible agency, the external vendor has no reason to doubt the senior’s authority because the communication originated from an official company channel or phone number.<sup>28</sup>

Compounding this problem is the extreme informality that instant messaging fosters. Employees routinely send casual confirmations, memes or thumbs-up emoji without realizing that their shorthand communications are legally discoverable and binding.<sup>29</sup> Unlike formal corporate registries, a mobile device can easily be lost, accessed by a third party or misused by a disgruntled worker, yet the text trails left behind remain completely admissible as binding evidence in a court of law.

#### 4.3. International Aggressive Enforcement vs. Indian Judicial Caution

A comparative evaluation of modern case law reveals a sharp philosophical divide between how international common law jurisdictions and Indian judicatories approach digital handshake agreements. International courts, particularly in the United Kingdom and Canada, have adopted an aggressive, market-driven philosophy. These jurisdictions prioritize

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<sup>26</sup> The Indian Contract Act, 1872, ss. 182 & 237 (Act No. 9 of 1872).

<sup>27</sup> ‘*The Dangers of Using WhatsApp for Work*’, Accountancy Ireland (15 May 2025).

<sup>28</sup> *Ibid.*

<sup>29</sup> Divyadarshan Panigrahi and Sushree Swapna Mishra, ‘*Judging Chats: The Legal Maze of WhatsApp Evidence in India*’ LiveLaw (29 April 2025).

commercial velocity, demonstrating a strong willingness to hold commercial entities strictly to their digital expressions.<sup>30</sup> This aggressive stance is clearly illustrated in cases like *Jaevee Homes*, where a single-word text message was held to seal a commercial deal and the landmark Canadian precedent *South West Terminal Ltd. v. Achter Land & Cattle Ltd.*, where a court ruled that a simple “thumbs-up” emoji sent via text function as a valid legal signature and acceptance of a commercial grain contract.<sup>31</sup> In these Western frameworks, the threshold for creating a contract is quite low and procedural friction is kept minimal to ensure that businesses cannot casually backtrack on statements made over popular communication apps.

In stark contrast, the Indian legal system operates with a cautious and protective philosophy designed to safeguard corporate hygiene and prevent businesses from falling into accidental traps. Rather than leaping to bind parties to an isolated text or an ambiguous emoji, Indian courts impose an intentional procedural brake.<sup>32</sup> Following the Supreme Court’s mandate in *Ambalal Sarabhai*, an Indian judge will not view a text message in a vacuum; instead, they require a meticulous, cumulative examination of the entire communication chain to ensure every single essential term was completely finalized before declaring a contract closed.<sup>33</sup>

Furthermore, India’s evidentiary framework erects a significant barrier against electronic recklessness. While standard digital logs or simple printouts are readily accepted under low-friction rules abroad, Indian law strictly bars electronic records unless litigants can clear the rigorous hurdle of Section 63(4) of the BSA, 2023 by providing a mandatory, multi-signed certificate detailing exact technical parameters like file hash values.<sup>34</sup> Ultimately, while international jurisprudence aggressively accelerates market velocity by turning casual text conversations into binding multi-million-dollar judgements, Indian law balances technological recognition with deliberate safeguards ensuring that convenience does not override sound corporate protection.

## 5. CONCLUSIONS & RECOMMENDATIONS

### 5.1. Summary of Findings

The rapid evolution of mobile communication technology has completely outpaced traditional

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<sup>30</sup> *Jaevee Homes Ltd. v. Finchman (t/a Finchman Demolition)*, [2025] EWHC 942 (TCC).

<sup>31</sup> *South West Terminal Ltd. v. Achter Land & Cattle Ltd.*, 2023 SKKB 116.

<sup>32</sup> Panigrahi & Mishra, ‘Judging Chats’, LiveLaw (2025).

<sup>33</sup> *Ambalal Sarabhai Enterprise Ltd. v. K.S. Infraspace LLP Ltd. & Anr.*, (2020) 15 SCC 585.

<sup>34</sup> The Bharatiya Sakshya Adhiniyam, 2023, s. 63 (*Act No. 47 of 2023*).

corporate legal hygiene. As this paper has demonstrated, the centuries-old foundational pillars of contract law, offer, acceptance and a meeting of the minds are highly flexible and have easily adapted to encompass casual digital interactions. Under section 10A of the Information Technology Act, 2000, electronic contracts are fully validated, while section 63 of the new Bharatiya Sakya Adhiniyam, 2023 provides a direct path for digital logs, printouts and chats to be admitted as substantive evidence in an Indian courtroom.

However, this technological convenience introduces severe commercial liabilities. While international courts in the West have aggressively accelerated market velocity by holding corporations bound to single text words or casual emojis, the Supreme Court of India has established a vital protective buffer via *Ambalal Sarabhai*. Indian jurisprudence dictates that a contract only arises if a meticulous, holistic review of the entire chat history reveals an absolute and final consensus on all essential terms. Furthermore, the strict compliance mandate of Section 63(4) of the BSA, 2023 acts as a major evidentiary hurdle, completely barring digital records unless accompanied by an intricate, dual-signed certificate tracking file hash values. Ultimately, while the law can recognize smartphone deals, the casual nature of instant messaging creates an environment ripe for unauthorized agency, eroded legal disclaimers and expensive commercial litigation.

## **5.2. Practical Recommendations for Commercial Entities**

To navigate this hazardous digital landscape and minimize exposure to inadvertent contractual liability, modern commercial entities should immediately implement the following three corporate governance reforms:

### **A. Implementation of Strict Instant-Messaging Disclaimers**

The traditional “Subject to Contract” clause must be redesigned specifically for the instant messaging era. Companies should mandate that any negotiation taking place over text messages, WhatsApp or email must be accompanied by an explicit, prominent disclaimer stating: “Negotiations only. This conversation does not constitute an offer, acceptance or a binding obligation. No contract shall be formed until a formal written agreement is fully executed by authorized signatories.” More importantly, executives must be trained to ensure their subsequent operational conduct matches this disclaimer meaning no orders should be

shipped or crews deployed until the physical contract is finalized.<sup>35</sup>

## **B. Comprehensive Mobile Device and Agency Policies**

Corporations must draft precise internal policies that explicitly limit who has the authority to bind the company via electronic means. These policies must define designated communication channels for official business and clearly state to vendors and partners that mid-level managers or field employees do not possess ostensible authority to alter prices or accept terms over chat. Furthermore, multi-factor authentication and strict access controls must be enforced on all corporate devices to eliminate the threat of unauthorized third-party transmissions.<sup>36</sup>

## **C. Pre-emptive Compliance with BSA Certificate Protocols**

Because a digital contract is completely useless if it cannot be proven during a sudden dispute, corporate IT departments must align their record-keeping with the evidentiary demands of the Bharatiya Sakshya Adhiniyam, 2023. Companies should implement automated archiving systems that systematically log chat histories, preserve metadata and automatically calculate and record the unique “Hash Values” of digital communication.<sup>37</sup> By maintaining a continuous, untampered digital ledger, corporate legal teams can seamlessly fulfil the strict dual-signature certificate requirements of section 63(4) if litigation arises.

## **5.3. Conclusion**

The smartphone has effectively decentralized the corporate boardroom, turning every hand-held device into a potential venue for multi-million-dollar deal-making. The law no longer requires a leather-bound boardroom or a fountain pen to create a binding obligation; an instantaneous digital transmission is more than enough. As the legal landscapes of both international common law and Indian statutes continue to tighten around digital intent, businesses can no longer afford to treat instant messaging as a space for unchecked informality. Moving forward, the corporations that survive and thrive will be those that successfully balance the incredible speed of modern mobile communication with the disciplined, protective boundaries of rigorous legal hygiene.

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<sup>35</sup> Vishwanthan Subramaniam (ed), “*Enforceability of Electronically Executed Contracts in India*”, Ikigai Law (1 April 2020).

<sup>36</sup> “*The Dangers of Using WhatsApp for Work*”, Accountancy Ireland (15 May 2025).

<sup>37</sup> Divyadarshan Panigrahi and Sushree Swapna Mishra, ‘*Judging Chats: The Legal Maze of WhatsApp Evidence in India*’ LiveLaw (29 April 2025).