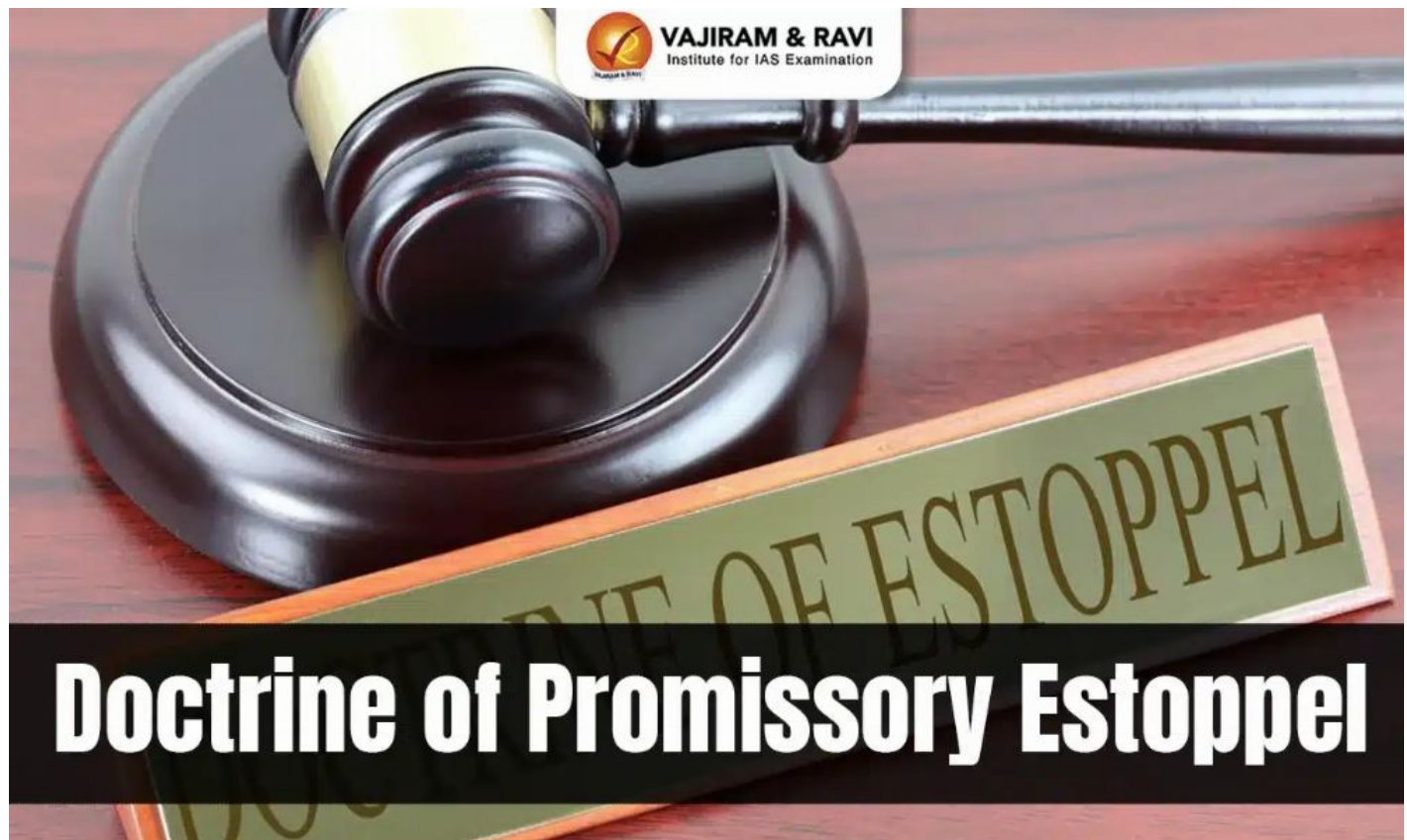


Doctrine of Promissory Estoppel

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Doctrine of Promissory Estoppel Latest News

The Supreme Court recently observed that the doctrine of promissory estoppel cannot be invoked to claim a benefit under a government policy which was never aimed to benefit a specific class of industrial unit.

About Doctrine of Promissory Estoppel

- It is a legal doctrine that states that **if someone reasonably relies on a promise and acts** (or fails to act) in a way that **causes them some harm because of that promise**, the **promise can be enforced**.
- Promissory estoppel **prevents** the **promisor from arguing against the enforcement of a promise**.
- **When is the doctrine applied?**
 - The doctrine applies when the **promisor has made a promise to the promisee**.
 - The **promisee** must have **relied on the promise and suffered a detriment due to the non-performance of the promise**.
 - The doctrine **prevents the promisor** or enterprise **from going back on its word** or promise.
 - The doctrine **enables** the injured party or the **promisee to recover on a promise**.

- The doctrine seeks to **protect the rights of a promisee** or aggrieved party against the promisor.
- Thus, Promissory estoppel **requirements include a clear promise** (whether oral or in writing), **reliance on that promise by the promisee, a detriment suffered, and a need to avoid injustice.**
- **Example:**
 - A vendor makes an oral promise to the customer to replace the goods if they do not fit the customer's size requirements.
 - The customer purchases the clothes and takes them home.
 - However, the customer proposes to return the clothes to the vendor relying on the vendor's oral promise.
 - Here, the vendor is estopped from refusing the clothes returned.
- The doctrine **varies from country to country**. Cases of promissory estoppel can **result in either reliance or expectation damages**, depending on the jurisdiction and circumstances.
- In a **1981** decision in **Chhaganlal Keshavalal Mehta v. Patel Narandas Haribhai**, the SC **lists a checklist** for when the doctrine can be applied.
 - First, there **must be a clear and unambiguous promise.**
 - Second, the **plaintiff must have acted relying reasonably on that promise.**
 - Third, the **plaintiff must have suffered a loss.**

Source: LL

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