

Can a gift be revoked or suspended?

A gift can be revoked if the donee fails to adhere to the conditions laid down by the donor at the time of drawing up of the gift deed

htestates LEGAL REMEDIES

Sunil Tyagi

htestates@hindustantimes.com

A gift is one of the many ways by which the ownership of an existing movable or immovable property can be transferred voluntarily and without any monetary consideration. The person who gifts the property is called the donor, and the person who receives the gift is the donee. In order to constitute a valid gift, the gift must be accepted by the donee.

Once a property has been gifted to the donee, the donor cannot subsequently revoke or cancel the gift. A unilateral cancellation of a valid gift is invalid. However, certain grounds for revocation of a gift are permitted in law. A gift may be suspended or revoked on specified grounds.

If there is an agreement between the donor and the donee at the time of drawing up the gift deed that in future

is suspended or revoked due to some reason, then the donor can lawfully revoke the gift at that point in time. However, such a specified event should not depend upon the will of the donor. In other words, such an event should be beyond the control of the donor.

For example, 'A' decides to gift his property to 'B' on the condition that 'B' has to maintain 'A' till the death of 'A'. In this illustration, the condition for revocation is specified right at the outset and A's power of revocation is in clear and unambiguous terms. 'B' has also agreed to the condition at the time of accepting the gift.

In the event of 'B' failing to maintain 'A', 'A' may validly revoke the gift and take back the gifted property from 'B' if the latter fails to look after him, because the gift deed provided for the power of revocation to 'A' and the gift has been made subject to the specified condition that 'B' has to maintain the donor 'A'.

A gift which is a voluntary transfer of property can be revoked by the donor if his consent has been obtained by fraud, undue influence, misrepresentation or coercion. For exam-

ple, 'A' who was the owner of agricultural land wanted to avail a loan against his property. His nephew 'B' convinced 'A' to execute a power of attorney in his favour for the purpose of getting the loan and completing the required formalities for it. 'A' was around 80 years old and agreed to do so. However, 'B' under the pretext of getting a power of attorney signed by him, got a gift deed instead. Therefore, 'A' revoked the gift later as his consent was obtained by fraud.

Apart from the grounds mentioned above, a valid gift once made is irrevocable and the transfer of a property by way of a gift is as complete and binding on the parties as by any other form of transfer.

The author is a senior partner at Zeus Law, a corporate commercial law firm. One of its areas of specialisations is real estate transactional and litigation work. If you have any queries, email us at ht@zeus.firm.in and htestates@hindustantimes.com



A unilateral cancellation of a valid gift is invalid and only certain grounds for revocation of a gift are permitted under the law