

# **MODES OF REVOCAATION OF OFFER**

Section 6

Part-1

## **By notice of revocation section 6(1)**

- **offer may be revoked by a communication of a notice of revocation by the offeror to the other party before acceptance is complete against the offeror himself.**
- **An offer made in writing may be revoked by words of mouth**
- **A notice to revocation to be effective must be communicated to offeree**
- **It comes to end when the offeror revokes his offer before its acceptance**

# Example:

- Harman offers to sell his house to Raman. Before the acceptance by Raman, Harman withdraw the offer. Hence there is no contract and Harman is entitled to revoke it.

# Case study

- Joravarmull champa lal v. Jeygo Paldas Ghanshamdas 1992
- An auction was held, where A made the highest bid for B's goods. He withdrew the bid before the fall off the hammer.
- B knocked down the goods in favour of A
- B sued A for the price of goods.
- It was held that A has withdrawn his offer before acceptance. hence he is not entitled for the price

## An open offer can also be revoked

- X offers to sell a car for 50,000 Rs to Y and further says that offer will open for 10 days. X can revoke the offer before the expiry of 10 days for which the offer was remain open.
- It is an valid revocation because it is without consideration.

# By lapse of time sec 6(2)

- Offer must be accepted within stipulated time or reasonable time
- Otherwise it can be revoked by the offeror
- It automatically expires, if no time is specified.
- **EXAMPLE:** Manpreet offers to sell her Horse to Sunpreet on Monday and gives him a time of 4 days for acceptance.
- Sunpreet accepts it on Saturday, but at that time horse was sold by Manpreet
- Offer has already lapsed. Manpreet is not entitled for it

# Case study

- RAMSGATE VICTORIA HOTEL CO.LTD  
V.MONTEFIORE 1866
- Montefiore sends letter dated 8 June to Ramsgate company for purchasing the shares .
- The shares were allotted to him on November on 23
- Offer cannot be accepted due to lapse of reasonable time

# Case study

- HEAD vs. DIGGEN 1828
- Diggen offered to sell wool to Head on Thursday and agreed to give him three days time to accept. Head accepted the offer on Monday, but by that time Diggen sold the wool.
- It was held the offer had lapsed