

48 (4) By the death or insanity of the offeror

Sec. 6(4) ⇒ An offer is revoked by the death or insanity of the proposer, if the fact of his death or insanity comes to the knowledge of the acceptor before acceptance.

In India, the death or insanity of the offeror does not automatically make the offer to lapse. The offer stands revoked if the fact of death or insanity comes to the knowledge of the acceptor before acceptance. It means that if the fact of death or insanity has not come to the knowledge of the offeree while ~~the~~ he accepts the offer, it is valid acceptance giving rise to a contractual obligation.

In England, the position appears to be different. There, after the offeree knows about the offeror's death, the offer lapses and cannot be accepted. As regards the point, whether a valid contract is created if the offeree accepts without having knowledge of the offeror's death, the position does not appear to be very



# 49 → Revocation of Acceptance, Sec. 5

## → Revocation of Acceptance in India

According to section 5 of Indian Contract Act, 1872, "An acceptance may be revoked at any time before the communication of the acceptance is complete as against the acceptor, but not afterwards."

→ In case of face to face transaction or in case of telephone there is least chance of revocation of acceptance, because both the parties become immediately bound.

But in case of acceptance by post there is chance of revocation of acceptance.

→ According to section 4,

① The proposer, becomes bound when the letter of acceptance is posted to him,

② but the acceptor becomes bound when the letter of acceptance reaches or is received by the proposer.



(1) (2) (3) → since the acceptor does not become (23)  
bound immediately on posting his letter  
of acceptance, he is free to revoke  
the acceptance by adopting speedier  
mode of communication, whereby his  
communication of revocation of acceptance  
may reach earlier than his letter of  
acceptance.

⇒ Revocation of acceptance in England

According to English law,  
once the letter of acceptance is  
posted, it binds both the parties and  
there appears to be no scope of revocation  
of acceptance by sending a telegram  
or through a phone call.

Although there is no English case on  
the point but authorities like Anson's Law  
of contract (11.50, 23rd ed.), Cheshire and  
F. Foot's Law of contract (9th ed. p. 47) are of the  
view that the posting of the letter of acceptance  
creates a contract binding on both the parties,  
and the letter of acceptance once ~~posted~~ posted  
to be ~~revoked~~ ~~back~~



# Communication of Revocation

① According sec. 4, the communication of revocation is complete;

① As against the person who makes it, when it is put in a course of transmission to the person to whom it is made, so as to be out of the power of the person who make it.

② As against the person to whom it is made, when it comes to his knowledge.

Illustration :->

-> 'A' proposes, by a letter sent by post, sell his house to 'B'.

-> 'B' accepts the proposal by a letter sent by post,

-> 'A' may revoke his proposal at any time before or at the moment when 'B' posts his letter of acceptance, but not afterwards.

-> 'B' may also revoke his acceptance at any time before or at the moment when the letter ~~comes~~

## 52) Renovation of Time-bound Proposal (24)

where an offer gives the offeree an option to accept within a specified period, it may be withdrawn even before the expiry of that period unless there is some consideration for keeping it open. where the agreement to keep the offer open for a certain period of time is for some consideration, the offerer cannot cancel it before the expiry of that period.

### Illustration:

A, the owner of a house agreed, in consideration of the sum of one thousand, to give the 'B' an option to purchase the house for three lacs within a stated sum of one thousand, to give to 'B' an option to ~~prop~~ purchase the house for three lacs in a stated period. 'A' cannot revoke the proposal within that time, 'B' can validly accept the offer with the stated