

GIFT

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GIFT DEED



GIFT

Gift is the transfer of certain **existing movable or immovable property** made **voluntarily** and **without consideration** by one person to another person and **accepted** by or on behalf of the another person (donee)

- The person making gift –Donor
- The person receiving gift - Donee

ESSENTIALS OF VALID GIFT

ESSENTIALS OF A GIFT

1. Donor and Donee
 2. **Transfer of Ownership**
 3. **Existence of Property**
 4. **No Consideration**
 5. **Voluntarily**
 6. **Competency of Donor**
 7. **Acceptance by Donee**
- ✓ Both the parties must be alive at the time of making the gift.
 - ✓ while making the gift it is permissible to make conditions
 - ✓ May be movable or immovable & must be in existence at the time of transfer
 - ✓ Must be transferable property within the meaning of Sec-6
 - ✓ Future property can not be gifted
 - ✓ Gift is an exception to consideration.
 - ✓ Love & natural affection
 - ✓ Expectation of spiritual and moral benefit
 - ✓ Gift must be made voluntarily with the free consent.
 - ✓ Donor must be competent to contract, and
 - ✓ He must have title to the property or authority to transfer the property, if it is not his own.
 - ✓ The acceptance of gift should take place during the lifetime of the donee.
 - ✓ Gift should be accepted by the donee or someone on his behalf.
 - ✓ A gift may be made to a minor.
 - ✓ A gift cannot be made to the public at large.

GIFT HOW MADE EFFECTED

- Gift of movable property _ The transfer **may effected** by registered instrument or by delivery.
- Gift of immovable property – the transfer **must be effected** only by registered instrument



ONEROUS GIFT

Onerous gift refers to a **gift** that is subject to conditions. These conditions are imposed on the recipient of the **gift**. Sometimes, **onerous gift** takes the nature of a sale because it involves the element of consideration. The donee is at a liberty to accept it or not.

Onerous means “*burdened with obligation*“. Obligation here means debt, interest etc on the property. Gift is defined under section 122 which means transfer of existing immovable or movable property without consideration.

So, Onerous gift is when one person transfer several gifts, i.e., more than one gifts to another in a *single transfer*, out of these gifts one is not burdened by obligation but other is burdened with obligation, so here donee has to accept in full, he cannot accept one which is beneficial and reject burdened with obligation.

But where gift is in the form of two or more separate and independent gifts to same person off several things, then donee can accept one and reject other because the gift is not in single transfer but independent transfer.

Example: “A” transfer two gift shares X and Y to “B” in a single transfer. X is the share of prosperous company and Y is share of sinking company. B refuses to accept gift Y. So B cannot take X gift also.

Thank

You

