

Contract of Agency

The Indian Contract Act, 1872 Chapter X Sec 182-238

Meaning Of Contract of Agency:

The law of agency is based on the following general rules:

1. Whatever the principal can do by himself, he may get the same done through an agent, except when the act involved is of personal nature e.g. the principal cannot ask his agent to become solvent on his behalf or to marry on his behalf.
2. What person does by another, he does by himself. Thus, the acts of the agent are the acts of the principal.

Agent (sec 182)

An “agent” is a person employed to do any act for another, or to represent another in dealings with third persons.

Who may be an Agent (Sec 184)

As between the principal and third persons, any person may become an agent, but no person who is not of the age of majority and of sound mind can become an agent,

Principal Sec 182

“The person for whom such act is done, or who is so represented, is called the “principal”.

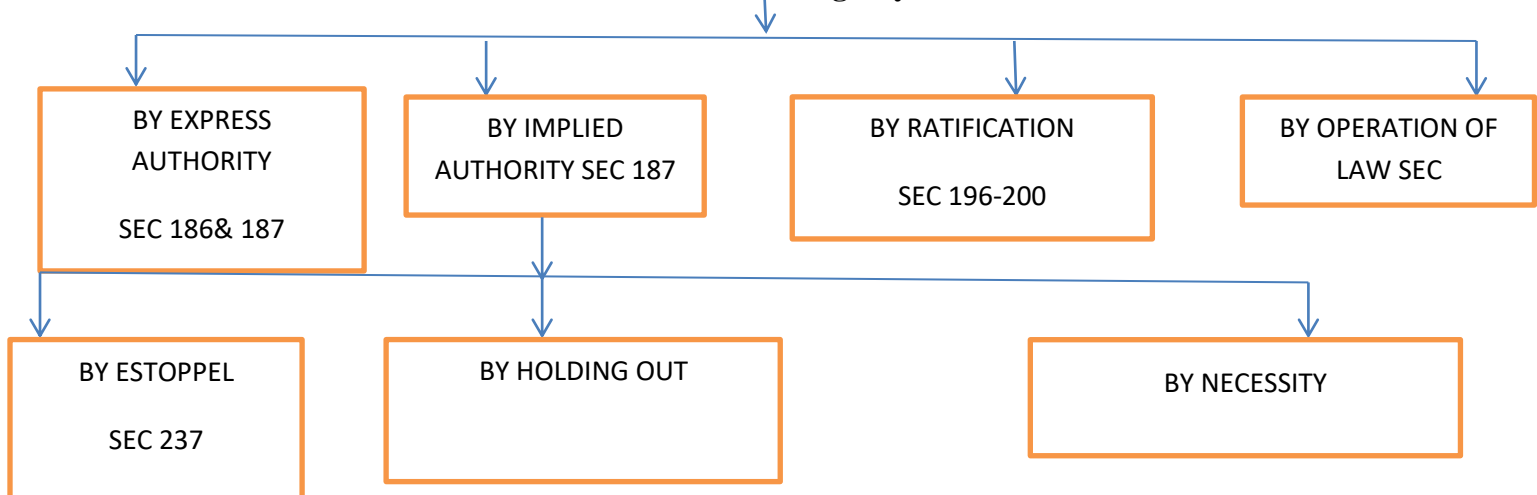
Who may Employ Agent (Sec 183)

Any person who is of the age of majority according to the law to which he is subject, and who is of sound mind, may employ an agent.

Consideration not necessary (185)

No consideration is necessary to create an agency. Thus contract of agency is an exception to general rule contained in s 25 (no contract can be valid without consideration.

Creation of Agency



Classification of Agents

