

ABSTRACT

CREATION OF AGENCY

****NANDINI TOMAR & PRASHANT YADAV¹**

The paper focuses on explaining the relationship between a principal and an agent in which the principal confers his or her rights on the agent to act on principal's behalf is known as Agency. Such a relationship is based on an agency contract. For agency the consent of the agent as well that of Principal is necessary. The duties and rights of the principal and the agent differ according to the nature of the terms of contract.

The author's have further discussed about the intention of the parties can be inferred through their activities if it is not implied. It is important for the Principal that the act of agent are in accord with him. If any one of the party losses control over the other the relationship of Agent and Principal comes to an end.

An agency can only be traced by the act of the agent which are to be under the authority of the Principal. Agency can be divided into three broad categories:

1. Express Agency
2. Implied Agency
3. Apparent Agency

¹ 3rd Year learners, Symbiosis Law School NOIDA, Symbiosis International University.