



VIT<sup>®</sup>

Vellore Institute of Technology  
(Deemed to be University under section 3 of UGC Act, 1956)

# Legal Aspects of Business

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# Recapitulate

## Rights and Duties

- Agent
  - Rights
  - Duties
- Principal
  - Right
  - Duties



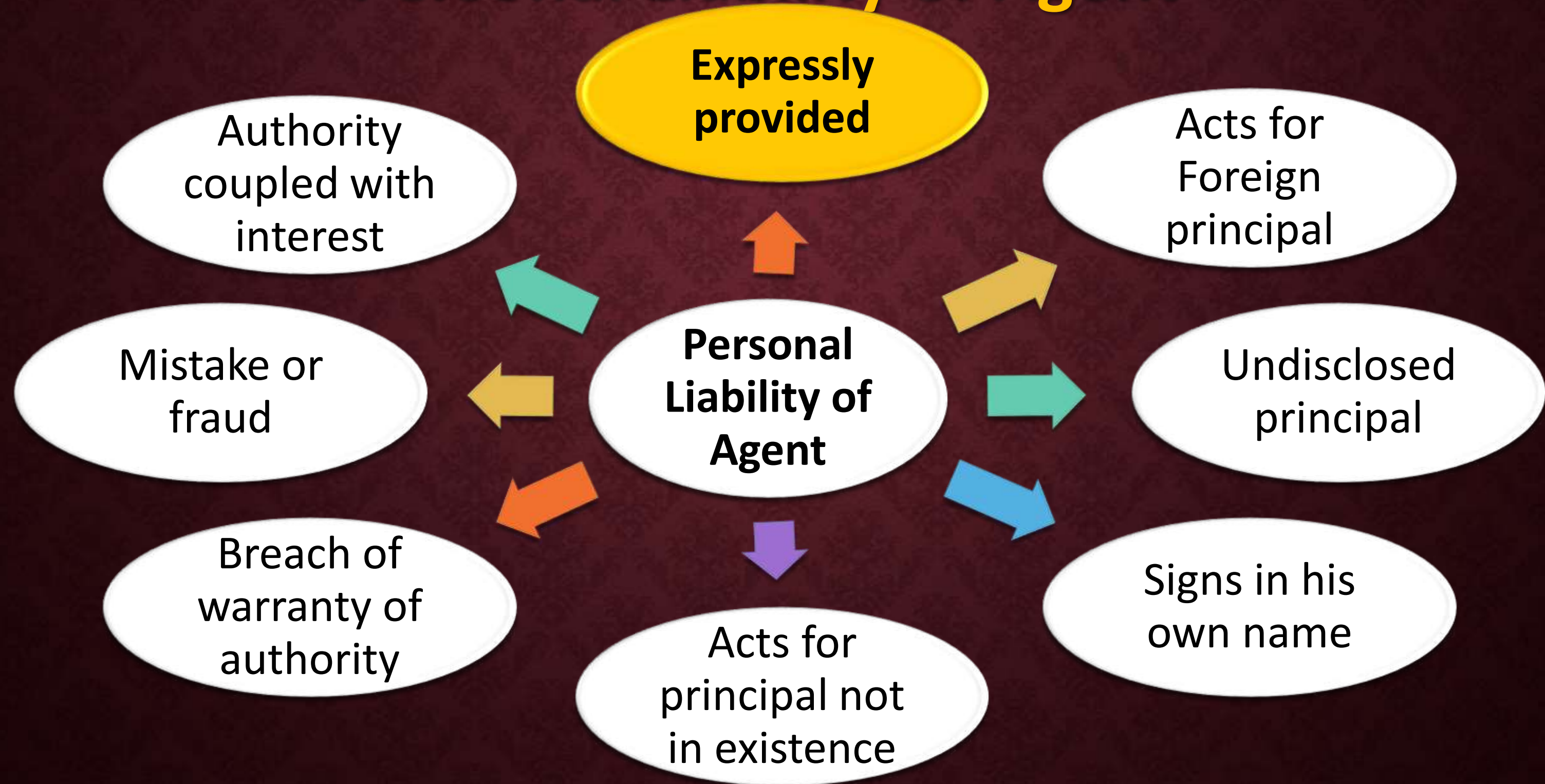
# Law of Agency

## Personal Liability of Agent



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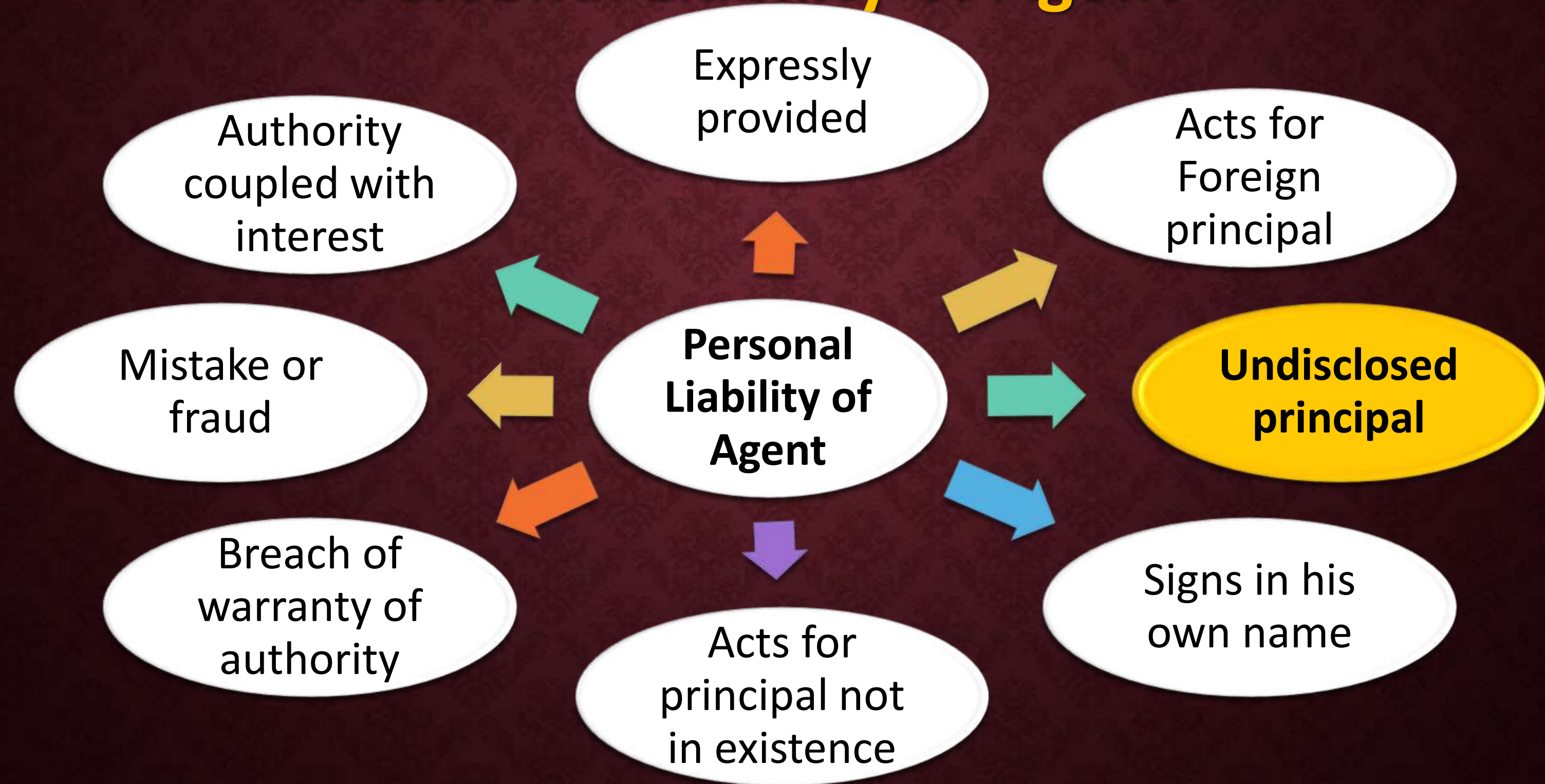
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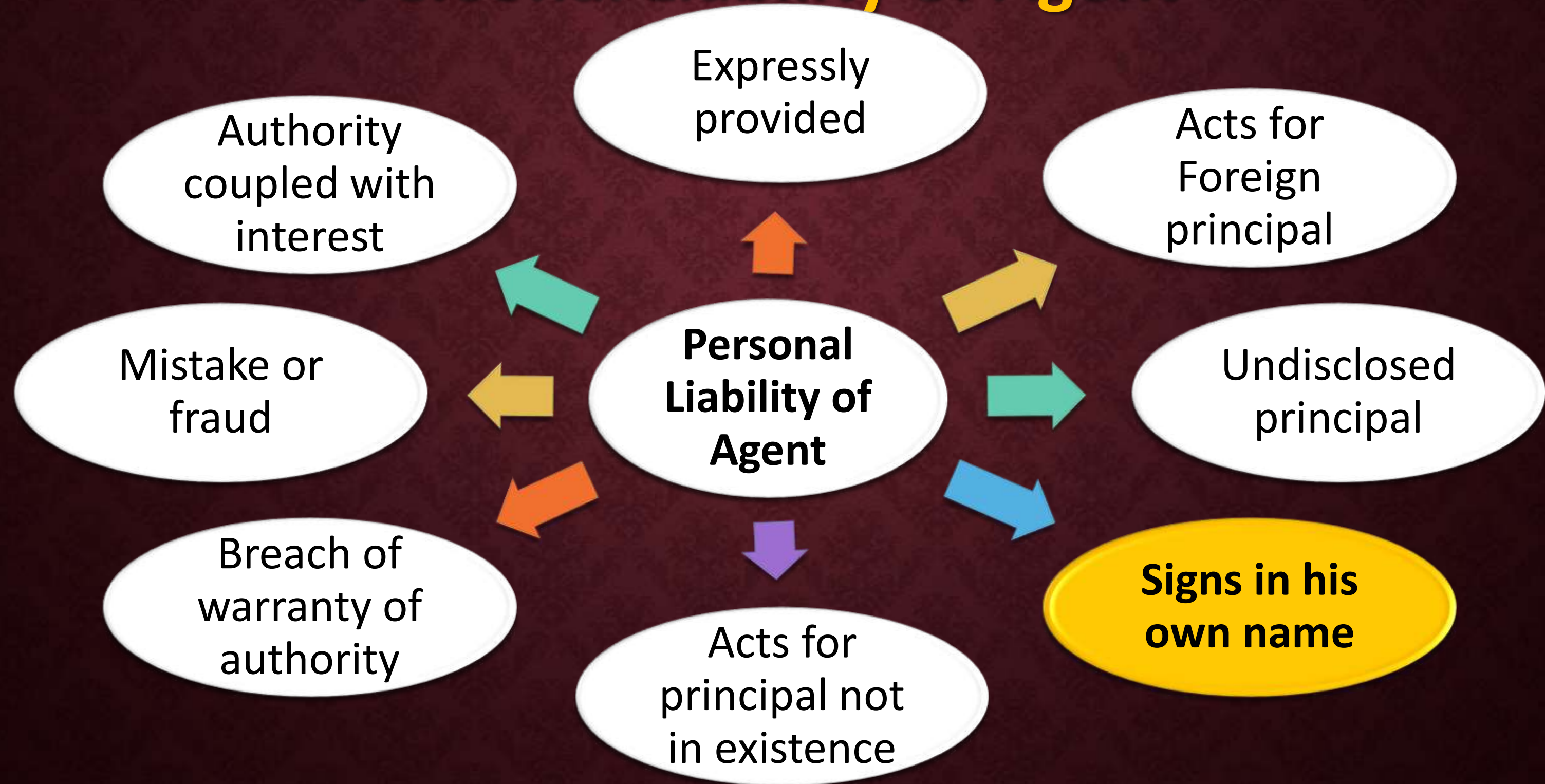
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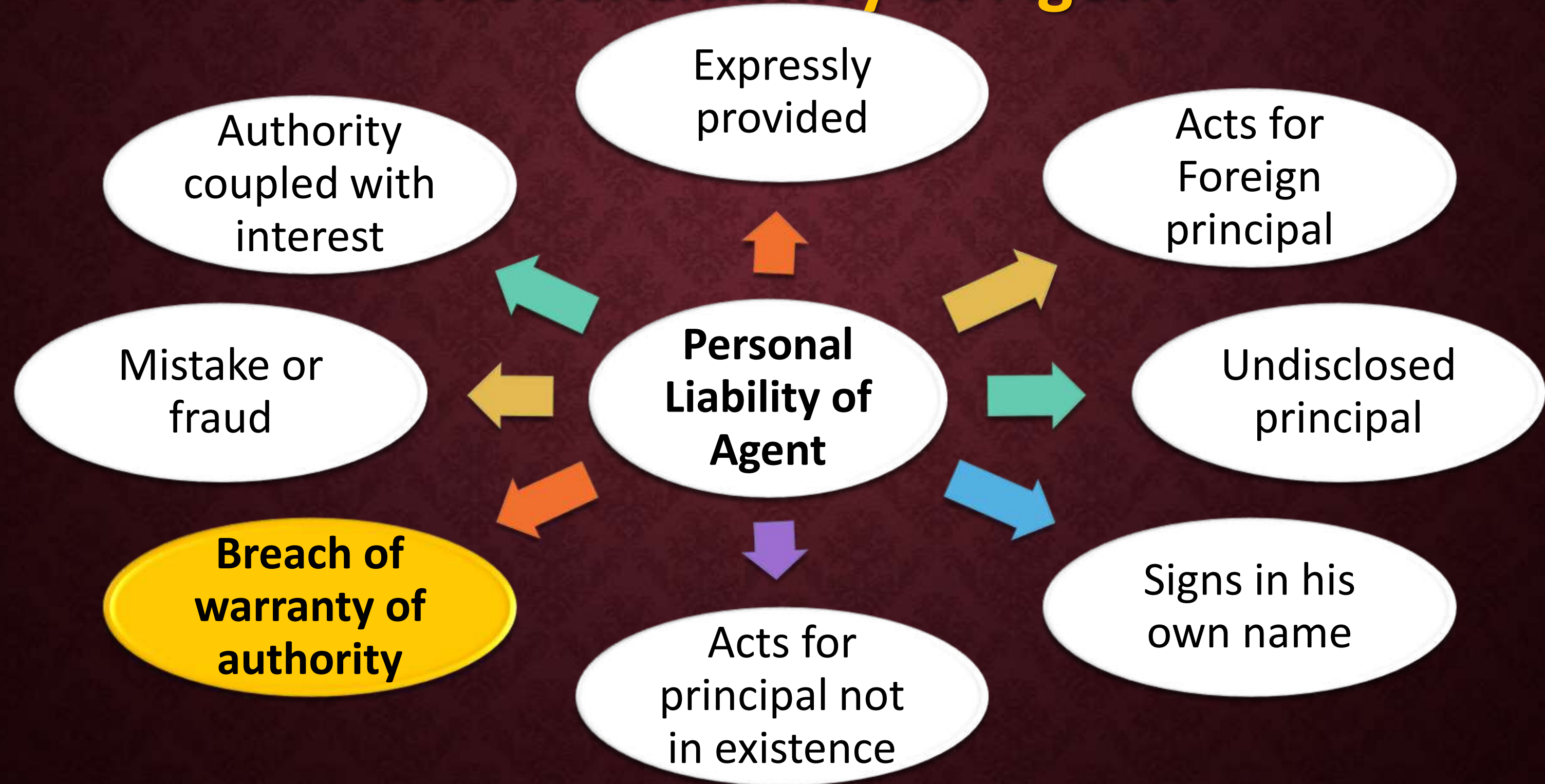
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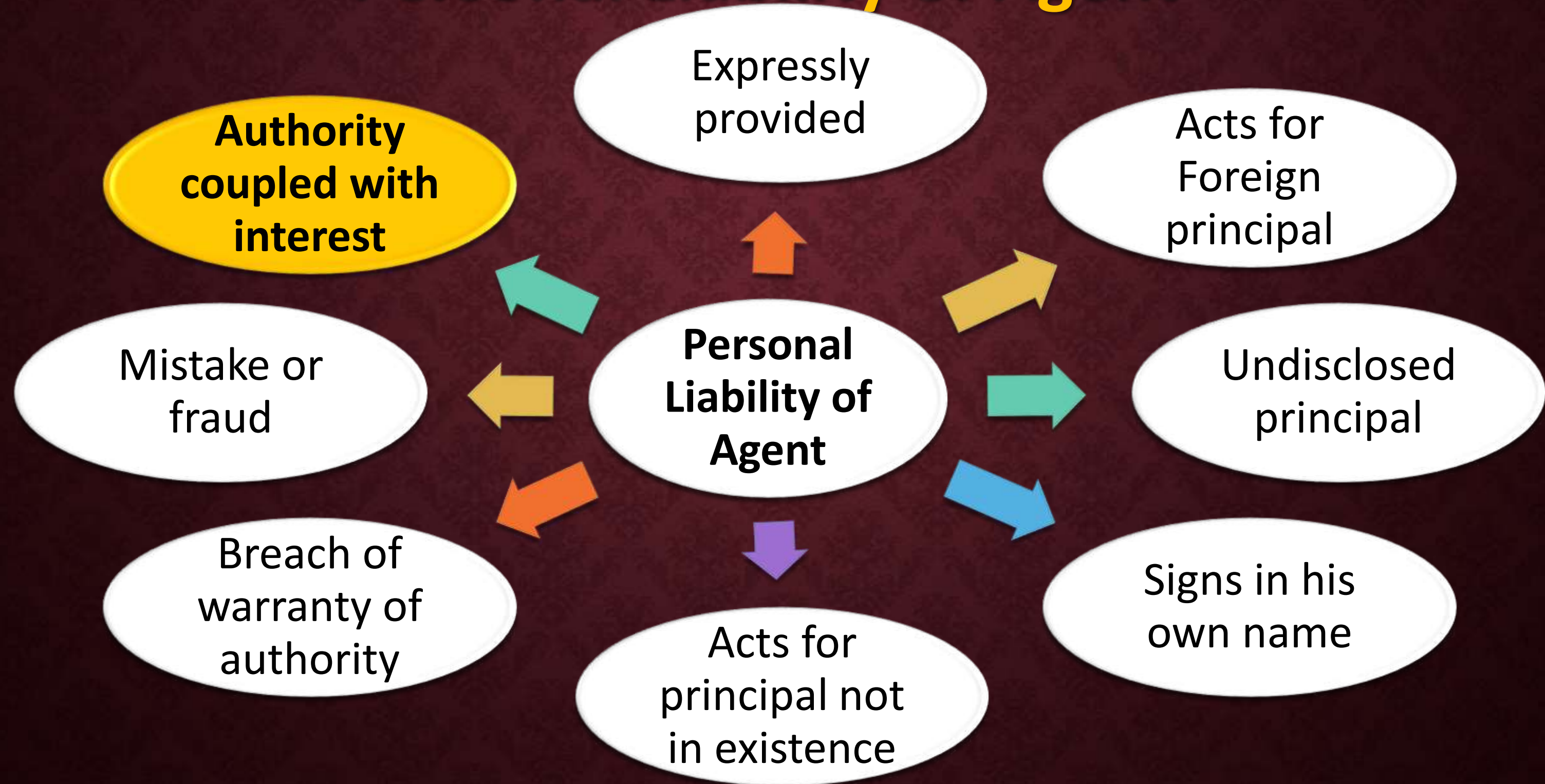
## Personal Liability of Agent





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## Personal Liability of Agent



# Review Questions

1. An independent contractor is personally liable for the acts done by him while working for his employer. **True or False**
2. Who is liable for the contracts entered on behalf of the company before its incorporation?
  - a. Board of directors
  - b. Promoter
  - c. Company
  - d. All of the above
3. An agent is personally liable in which of the following cases;
  - a. Acts for foreign principal
  - b. Acts for an undisclosed principal
  - c. Acts for a principal not in existence
  - d. All of the above



# Answer

1. An independent contractor is personally liable for the acts done by him while working for his employer.

**Answer:** True

2. Who is liable for the contracts entered on behalf of the company before its incorporation?

**Answer:** b. Promoter

3. An agent is personally liable in which of the following cases;

**Answer:** d. All of the above

# Thank You