ZAMBIA BATA SHOE COMPANY LIMITED v VIN-MAS LIMITED (1994) S.J. 35 (S.C.)

SUPREME COURT GARDNER, SAKALA AND CHIRWA, JJ.S. 11TH NOVEMBER, 1993 AND 8TH JUNE 1994 S.C.Z. JUDGMENT NO. 4 OF 1994 APPEAL NO. 47 OF 1992

Flynote

Contract of sale - Specific performance - Where authorised agents act on behalf of company -

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Headnote

The managing director of the appellant company instructed one of his subordinates, one Mr. Mbewe to advertise some of the company's houses for sale. Mr. Mbewe issued the advertisements. The managing director then left the country but while he was away Mr. Mbewe went ahead and soldone of the company houses to a prospective buyer. Upon his return, the managing director was suprised to find that the house had been sold and told Mr. Mbewe that he was not authorised to sell the house as that power rested in the Board of Directors. Mr. Mbewe consequently resigned. The appellant company attemted to overturn the contract of sale but the trial court dismissed the action and on appeal it was

Held:

(i) That the company's authorised agents bound the company to comply with the contract and such liability cannot be avoided

Cases referred

- 1. Irvine v Union Bank of Australia 1887 A.C 366
- 2. Royal British Company v Turguand (1856) 6 and 8.327
- 3. Mahony v East Holyford Mining Company (1875) L R 7 H L 869

For the appellant: K.M Maketo of Christopher Russel Cook and Co. For the respondent: H.B Nyirenda of Gzugha Musonda and Company

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Judgement	 	 -