**Input Fields:**

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| **#** | **Particular to be inserted** |
| 1 | Place of Agreement |
| 2 | Date of Agreement |
| 3 | Name of First Partner |
| 4 | Father’s Name of First Partner |
| 5 | Residence Address of First Partner |
| 6 | Name of Second Partner |
| 7 | Father’s Name of Second Partner |
| 8 | Residence Address of Second Partner |
| 9 | Name of Partnership Firm |
| 10 | Date of Commencement of Partnership |
| 11 | Nature of business for carrying Partnership |
| 12 | Address of Partnership Firm |
| 13 | Capital Contribution by First partner |
| 14 | Capital Contribution by Second partner |
| 15 | Profit Sharing Ratio of First Partner |
| 16 | Profit Sharing Ratio of Second Partner |
| 17 | Remuneration to First Partner |
| 18 | Remuneration to Second Partner |
| 19 | Percentage of Interest on Capital |

**PARTNERSHIP DEED**

This partnership deed is made at ……1……….. on this …………2…………., by and between:

**…………3………….** Son/daughter of …………4………., resident of ………………5………………… hereinafter referred to as **the party of First Part**, which term shall where the context so admits include its legal heirs, assignees, successors in interest.

AND

**…………6………….** Son/daughter of …………7………., resident of ………………8………………… hereinafter referred to as **the party of Second Part**, which term shall where the context so admits include its legal heirs, assignees, successors in interest.

Whereas both the parties have shown their interest in the business of ………11…………….. and accordingly all the parties of this deed have agreed to become partners for the business of …………11…………... Both the parties have agreed to the terms and conditions of partnership. To avoid any apprehension of dispute or misunderstandings regarding the partnership affairs in future and to have an authentic record thereof, the term and conditions are here by reduced in writing: -

# NOW THIS DEED WITNESSETH AS UNDER: -

1. That the partnership firm shall be run under the name and style of M/s **…………9……………….** (Hereinafter called the FIRM)
2. That the partnership shall be deemed to have started its commercial operations with effect from ……10……….
3. That the business of the firm shall be **………………11…………………..** or **any other business** as may be mutually decided upon.

1. That the business of the firm shall be run at ………………12……………. or such other place or places as may be deemed convenient by the partners from time to time.
2. No partner can open any such store in the name of M/s **………9…………..** in PAN India, without having mutual understanding or prior approval.
3. That the partnership shall be at will.
4. That the initial capital of the firm shall be Rs …………sum of 13+14…………… (Rupees ………………. only) which shall be contributed by both the partners in following manner for the business purpose and any further funds required for the purpose of partnership business shall be contributed or arranged by partners equally or in such manner as may be mutually agreed upon.

First Part Rs. ……13…….

Second Part Rs. ……14…….

1. That it is agreed by and between hereto that simple interest at the rate of ……19 %…….. p.a. or at such other rate as may be mutually agreed upon or prescribed u/s 40(b) of the Income Tax Act, shall be payable by the FIRM on the amount standing to the credit of capital of the partners on yearly basis. The partners shall be at liberty to increase or reduce the above rate of interest from time to time as provided for in the Income Tax Act, 1961.
2. That the Profits and Losses of the partnership business as per the accounts maintained by the Partnership after deduction of all expenses relating to business including rent, salaries, depreciation and other establishment expenses as well as interest payable to the partners in accordance with this deed of partnership or any supplementary deed as executed by the partners shall be divided and distributed by the partners in the following manner :

First Part …15…..%

Second Part …16…..%

1. That the Firm shall pay salary/remuneration, commission or bonus as mutually agreed among the partners but subject to availability of profits and the limits prescribed under the Income Tax Act as amended from time to time. The minimum monthly remuneration payable to partners is as under:

First Part Rs. …17…..

Second Part Rs .…18…..

1. That the partnership firm shall open bank account/ accounts with any scheduled bank and/or non scheduled bank in the name of the firm, which shall be operated jointly and severally. Provided that in the event of insolvency or withdrawal of any partner, the surviving partner shall have full control over any money then & thereafter standing to the credit of the firm and securities pledged, hypothecated or held with the bank.
2. That the accounting period of the partnership shall be financial year i.e 1st Day of April to 31st Day of March every year. However the first accounting year will be from the date of commencement of this partnership upto upcoming 31st March. A profit & Loss account and Balance sheet shall be prepared every year after the closure of accounts for that year, reflecting the affairs of the partnership business for the respective accounting year.
3. That all the necessary & proper books of account & vouchers shall be maintained regularly at the Principal place of business. That at the end of each accounting year a Balance Sheet and a Profit & Loss shall be prepared and the Net Profit / Loss shall be ascertained & credited or debited as the case may be, to the partners respective capital accounts. That Balance Sheet & Profit & Loss Account referred to above shall be signed by all the partners in token of their acceptance. Once the accounts are signed by the partners, no dispute shall be raised there after regarding those account by them unless some manifest error is discovered within Three months, when such error shall be rectified. Every partner shall have access to the books of account and the right to inspect the same and also to take notes & copies there from.

1. That both parties shall have a right to take part in the conduct of the business, review the working from time to time.
2. The partners shall be entitled to modify the terms relating to Interest etc. payable to the partners by executing a supplementary deed and any such deed when executed shall have effect, unless otherwise provided, from the day of the execution of the said deed is executed and the same shall from part of this deed of partnership.
3. That the partners shall have such drawing accounts as may be agreed upon by them from time to time in anticipation of profits for their use excluding the taxes, if any, on the share of income from the partnership.
4. That both partner shall be entitled to be indemnified by the firm in respect of any payment made or liabilities incurred by him in the ordinary course and properly conduct of the business of the firm and in doing such acts in an emergency, for the purpose of protecting the firm from loss or preserving goodwill, as would be done by a person of ordinary prudence, in his own case under similar circumstances and in the event of the failure of the other partners to make payment to such partner of the amount due in that connection within 30 days of the date on which the partner informs the other partners of the expenditure or liabilities incurred by him, interest at the rate 12% P.A. or any other rate as mutually decided , shall be payable to such partner on that amount from the date of his informing to other partners of his having incurred the expenditure or liabilities, for protecting the business or the goodwill of the firm, to the date of the repayment of the amount to him.
5. That no partner of the firm shall transfer its interest in the firm either absolutely or by mortgage or by the creation by him of a charge upon such interest without the consent in writing of the other partners and if any partner does that against these provisions, it shall be deemed to have voluntarily retired from the partnership on the date on which the fact of such transfer of his interest becomes known to any other partners or is bought by this to the notice of the other partners.
6. That insolvency of a partner shall not operate as dissolution of the partnership.
7. That in case of any of the Partner desire to retire from Partnership firm, firm shall pay an amount equal to 50% of Goodwill as calculated on the basis of average profit of preceding three complete financial years to the retiring partner over and above all other Terms & Conditions as stated above.
8. That the term of partnership may be varied altered, changed, amended or modified as and when mutually agreed upon amongst the parties to this deed and such variation, alteration, changes, amendment or modification shall be governed by the partnership deed.
9. That in case of any difference of dispute arising between the partners and legal representatives of any partner regarding the business of the partnership firm or in relation to the construction of this partnership, it shall be referred for arbitration in accordance with the provisions of the Indian Arbitration Act 1940, or any other enactment, or legal recourses for the time being enforce or as mutually agreed person to act as arbitrator.
10. That any matter not provided for in this deed shall be governed by the Indian Partnership Act, 1932 as in force.

IN WITNESS WSHEREOF, the said partners have affixed their respective signature on this deed of partnership in that presence of witnesses on this ……………2………...

**WITNESSES:**  **Signatures of the parties**

1.

(**FIRST PART**)

2.

(**SECOND PART**)