Partnership Deed and Business Agreement Formats

These are general formats for guidance. Stamp duty and registration rules differ by state. Have the final document checked by a lawyer or CA before signing.

PARTNERSHIP DEED

This Deed of Partnership is made at [place] on [date] between:

1. [Name], son / daughter of [father's name], aged [age], residing at [address], PAN [ ] (First Partner)
2. [Name], son / daughter of [father's name], aged [age], residing at [address], PAN [ ] (Second Partner)

The partners have agreed to carry on business in partnership on the following terms:

3. **Name:** The firm shall be called [firm name].
4. **Business:** The business of the firm shall be [nature of business] and any other business the partners agree upon in writing.
5. **Place:** The principal place of business shall be [address]. Branches may be opened with mutual consent.
6. **Commencement and duration:** The partnership starts on [date] and shall be at will.
7. **Capital:** The capital shall be contributed as follows: First Partner ₹[ ], Second Partner ₹[ ]. Additional capital as mutually agreed.
8. **Profit and loss sharing:** Net profit or loss after interest and remuneration shall be shared as: First Partner [ ]%, Second Partner [ ]%.
9. **Interest on capital:** Each partner shall be allowed interest on capital at [ ]% per year, within the limit allowed under the Income-tax Act.
10. **Remuneration:** Working partners [names] shall be paid remuneration as decided by the partners, within the limits allowed under the Income-tax Act.
11. **Drawings:** Each partner may withdraw up to ₹[ ] per month against their share of profit.
12. **Bank account:** The firm's bank account shall be operated by [jointly / either partner / named partner].
13. **Books of account:** Proper books shall be kept at the principal place of business and closed on 31 March every year.
14. **Duties:** Each partner shall work diligently for the firm and shall not carry on a competing business without written consent.
15. **Admission and retirement:** A new partner may be admitted, and a partner may retire with [ ] months' written notice, with the consent of all partners.
16. **Death:** On the death of a partner, the firm shall not dissolve; the legal heirs shall be paid the deceased partner's capital and share of profit up to the date of death.
17. **Dispute resolution:** Disputes shall be settled by mutual discussion, failing which by arbitration under the Arbitration and Conciliation Act, 1996.
18. **Governing law:** Matters not covered here shall be governed by the Indian Partnership Act, 1932.

In witness whereof the partners have signed this deed on the date first written above.

_____ _____

First Partner Second Partner

Witnesses: 1. [Name, address, signature] 2. [Name, address, signature]

SUPPLEMENTARY DEED: ADMISSION OF A NEW PARTNER

This supplementary deed made on [date] between the existing partners of [firm name], [names], and [new partner name, address, PAN].

19. The new partner is admitted from [date] with a capital of ₹[ ].
20. The new profit sharing ratio shall be: [names and percentages].
21. All other terms of the original deed dated [date] continue to apply.

_____	_____	_____
Existing Partner	Existing Partner	New Partner

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Start or change a partnership the right way: a full partnership deed with 16 clauses, supplementary deeds for admitting and retiring partners, a mutual NDA and a service agreement.

- Partnership deed: 16 clauses
- Admission and retirement deeds: When partners change
- NDA and service agreement: For clients and vendors
- Word + PDF: Edit and print

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