

PARTNERSHIP DEED

THIS DEED OF PARTNERSHIP is made in the city of and entered into this by and among the following: -

1., S/o aged about Years, permanently residing at (Hereinafter called the **FIRST PARTY**);
2.S/o aged about years, permanently residing at (Hereinafter called the **SECOND PARTY**)
3. **S/o** aged about years, permanently residing at, (Hereinafter called the **THIRD PARTY**)

WHEREAS, the above-named parties were desirous to start business of Infrastructural Projects and any other operation and maintenance work in the name of “.....”, **w. e. f.** under partnership. Therefore, it was deemed fit to reduce in writing all the terms and conditions on which the business of the partnership shall be carried on therefore, this indenture of partnership deed is witnessed as under: -

1. **NAME**

The name of the firm shall be The name of the firm, however, can be changed at any time with the consent of all the parties.

2. COMMENCEMENT:

The partnership shall be deemed to have been commenced **w.e.f.**

3. PRINCIPAL PLACE OF BUSINESS AND BRANCHES:

The head office of the firm shall be at Jaipur. However, the principal address of the firm can be changed at any time with the consent of all the parties. The current principle address of the firm will be The firm has no branch offices.

4. REMUNERATION TO WORKING PARTNERS:

All the parties have agreed to devote their time and attention to the business of the partnership. They will look after the professional work of the firm as specified hereunder. It is hereby agreed that in consideration of the devotion of their time and attention to the business of the partnership firm they will be entitled to draw remuneration as under: -

- i. The remuneration payable to the above named parties shall be calculated as per the provisions of section 40(b) of Income Tax Act or other direct tax law as in force time to time and the same shall be calculated as percentage of the book Profits for each accounting period in the manner provided in taxation law applicable in relevant financial year.
- ii. For the purpose of the above calculation, the book profit means the net profit as shown in the profit & loss account for the relevant previous year computed in the manner laid down in the chapter IV or any other applicable provisions as may be in force for the Income Tax Assessment of the partnership firm for relevant accounting period as increased by the aggregate amount of the remuneration paid or payable to partners of the firm.
- iii. The remuneration calculated as mentioned in Para (i) above shall be paid to individual partner as under: -

a.%
b.%
c.%
- iv. The remuneration mentioned above is maximum remuneration payable by the firm to its working partners. However, the partners shall be entitled to increase or reduce the above remuneration inter se. The partners hereto may also agree to revise the mode of calculation the above said remuneration as may be agreed by and among the partners from time to time.

5. INTEREST ON CAPITAL:

The funds required for the purpose of the partnership business shall be contributed or arranged by the partners in such manner as may be mutually agreed upon. Interest at the simple rate of 12% p. a. or such rate as prescribed under Sec. 40(b)(iv) of the Income tax Act, 1961 or any other applicable provision as may be in force for the Income tax assessment of the partnership firm for the relevant accounting period, shall be payable by the partnership on the amount standing to the credit of the account of the partners. Similarly, the partners of the firm shall be liable to pay interest to the firm on their debit balance in capital account at the simple rate of 12% p. a. or at such rate as may be prescribed under Sec. 40 (b) (iv) of the Income Tax Act, 1961 or any other applicable

provisions as may be in force of the Income Tax assessment of the partnership firm for the relevant accounting period.

6. MODIFICATION IN TERMS:

The partners shall be entitled to modify the above terms relating to remuneration, interest, etc. payable to the partners by mutual consents or by executing a supplementary deed and/or any such deed when executed shall have effect unless otherwise provided from the first day of the accounting period in which such supplementary deed is executed and to the same shall form part of this deed of partnership.

7. PROFIT SHARING RATIO:

The net profit of the partnership business as per the accounts maintained by the partners after deduction of all expenses including rent, salaries and other establishment expenses as well as interest and remuneration payable to the partners in accordance with this deed of partnership or any supplementary deed as may be executed by the partners shall be divided and distributed amongst the partners in the following proportion: -

a.%
b.%
c.%

The loss, if any, including loss of capital suffered in any year shall also be apportioned in the above proportion.

8. DURATION OF FIRM:

The duration of the partnership shall be at will.

9. BOOKS OF ACCOUNTS:

- a) The accounts of the firm shall be maintained at Jaipur Head Office.
- b) During the continuance of partnership business, at the close of every year on March ending, the final accounts of the firm for the year shall be made out and yearly profits and loss account and Balance sheet of the firm shall be drawn up.

10. ACCOUNTING YEAR:

The accounting year of the firm shall be the financial year and books of accounts shall be closed on 31st March of each year.

11. BANK ACCOUNT:

A bank account will be opened in the name of the firm and the Bank Account shall be operated by the any of the two partners of the firm.

12. RETIREMENT:

Any partner may retire: -

- a) with the consent of all the partners;
- b) in accordance with an express agreement in writing by all the partners, or
- c) by giving notice in writing to all the other partners of his intention to retire.

13. RIGHTS AND DUTIES OF PARTNERS:

- a) No partner shall without the consent in writing of all the other partners: -
 - i) introduce any person into the partnership as a partner;
 - ii) assign, transfer, or otherwise dispose of or mortgage or charge his share in the partnership or any part thereof or make any other person partner with him therein;
 - iii) do any act or thing whereby the assets of the partnership or his interests therein becomes liable for any private debt of him;
- b) Each partner shall be diligent and faithful towards other partners and shall keep each other informed of the business activities;
- c) Every partner shall indemnify the firm for any loss caused to it by his fraud in the conduct of the business of the firm.
- d) In case, firm is dissolved, the whole of the assets, including name of the firm and goodwill will be passed on to all the parties. All the Parties individually will not be entitled to take the benefits.

14. EXPELMENT:

A partner shall not be expelled by the majority of the partners save in exercise in good faith of powers conferred by contract among the partners.

15. DEATH OF PARTNER:

That notwithstanding any thing contained in the Indian Partnership Act. It is hereby mutually agreed to by and between the partners that in case of death of any partner, the firm shall not be dissolved but shall continue to be carried on by and between the surviving partners and the legal-heirs and or representatives of the deceased partner, as a continuing concern, on the same terms and conditions as incorporated in this deed or on such terms and condition as may be agreed to be and between them from time to time. It is hereby further clarified that it shall be deemed as change in constitution and not succession. If the legal representative or heir of the deceased partner does not exercise the above option, the capital of the deceased partner after making accounts up to date, remuneration, interest and profit or loss, as the case may be, will be refunded to the legal heir of the deceased partner.

16. MATTERS NOT PROVIDED:

With respect to any matter not specifically provided for here in above, the parties may act and arrange for, as may be mutually agreed upon by and among themselves from time to time.

17. ARBITRATION:

In case of any dispute in between and amongst the partners the matter shall be referred to the arbitrator/arbitrators and award thereof, whatever it may be shall be final and finding on all the partners.

IN WITNESS WHEREOF THIS INDENTURE OF PARTNERSHIP DEED is signed on this
.....

SIGNATURES:

a.

b.

c.

WITNESSES:

1)

2)