

The Indian Partnership Act, 1932.

The Indian Partnership Act 1932 defines a partnership as a relation between two or more persons who agree to share the profits of a business run by them all or by one or more persons acting for them all.

Nature of Partnership

1) Two or more persons - There should be at least two persons coming together to form the partnership for a common goal.

(2) Agreement - The partnership is an agreement

between two or more persons who decided to do business and share its profits and losses.

Unit 1 - THE INDIAN PARTNERSHIP ACT

Nature of partnership organization, re character of partnership and rights of partners & its scope.
Dissolution of firms

3) Business — To carry on some business there should be an agreement. The business must also be legal in nature, a partnership to carry out illegal business is not valid.

4) Mutual Agency — The business of a partnership firm may be carried on by all the partners or any of them acting for all.

5) Sharing profits — The agreement between partners must be to share profits and losses of a business.

6) Liability of Partnership: — Each partner is liable jointly with all the other partners.

2018
October

2018
October

RFB-II

300-065 / WK 43
SATURDAY

27

Unit 1 - INDIAN PARTNERSHIP ACT 1932.

Nature of partnership and certain similar
organizations, co ownership, joint Hindu Family,
partnership deed, rights and liabilities of partners
retiring and deceased partners, implied authority
of partners & its scope, Registration of firms,
Dissolutions of firms & of the partnership.