CA FOUNDATION

LET'S LEARN LAW

THE INDIAN PARTNERSHIP ACT, 1932- Unit 01

Learn Module Keywords

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PURPOSE

CHANKYA NITI SERIES – UNDERSTANDING CONCEPT

LET'S LEARN LAW SERIES – LEARNING KEYWORDS

NOTE :- WATCH THIS SERIES AFTER UNDERSTANDING ALL THE CONCEPTS. AS THE PURPOSE OF THIS SERIES IS TO HELP STUDENTS LEARN KEYWORDS

Topic : LEARNING OUTCOMES

After studying this unit, you would be able to understand-

- The concept of partnerships and be clear about its essentials.
- The 'principal - agent relationship' among the partners.
- Points of difference between partnership and other various forms of organization.
- Types of Partners

Topic : UNIT OVERVIEW

Pg. No. 4.1

General Nature of Partnership

- What is Partnership
  - Essential elements
  - True test of partnership
- Distinction with other forms of organisation
  - Vs. Joint Stock Company
  - Vs. Club
  - Vs. HUF
  - Vs. Co-ownership
  - Vs. Association
- Type of Partners

Topic : DEFINITION OF 'PARTNERSHIP', 'PARTNER', 'FIRM' AND 'FIRM NAME' (Sec. 4)

'Partnership' is the relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all.

Persons who have entered into partnership with one another are called individually 'partners' and collectively 'a firm', and the name under which their business is carried on is called the 'firm name'.

Topic : ELEMENTS OF PARTNERSHIP

The definition of the partnership contains the following five elements which must co-exist before a partnership can come into existence.

- Partnership is an association of two or more persons.
- The partnership must be a result of an agreement entered into by all persons concerned.
- Partnership is organised to carry on some business
- The agreement must be to share the profits of the business.
- The business must be carried on by all or any of them acting for all.

We shall now discuss the aforestated elements one by one.

Topic : ELEMENTS OF PARTNERSHIP

1. ASSOCIATION OF TWO OR MORE PERSONS: Partnership is an association of 2 or more persons. Again, only persons recognized by law can enter into an agreement of partnership. Therefore, a firm, since it is not a person recognized in the eyes of law cannot be a partner. Again, a minor cannot be a partner in a firm, but with the consent of all the partners, may be admitted to the benefits of partnership.

   The partnership Act is silent about the maximum number of partners but section 464 of the Companies Act, 2013 has now put a limit of 50 partners in any association/partnership firm.

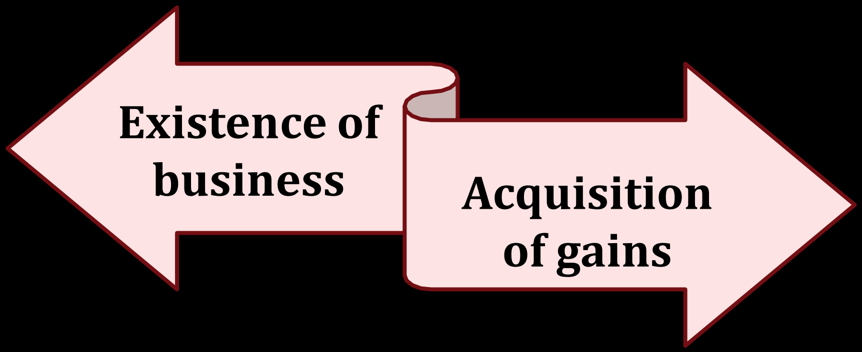
Topic : ELEMENTS OF PARTNERSHIP

2. AGREEMENT: It may be observed that partnership must be the result of an agreement between two or more persons. There must be an agreement entered into by all the persons concerned. This element relates to voluntary contractual nature of partnership. Thus, the nature of the partnership is voluntary and contractual.

An agreement from which relationship of Partnership arises may be express. It may also be implied from the act done by partners and from a consistent course of conduct being followed, showing mutual understanding between them. It may be oral or in writing.

Topic : ELEMENTS OF PARTNERSHIP

3. BUSINESS: In this context, we will consider two propositions. First, there must exist a business. For the purpose, the term 'business' includes every trade, occupation and profession. The existence of business is essential. Secondly, the motive of the business is the "acquisition of gains" which leads to the formation of partnership. Therefore, there can be no partnership where there is no intention to carry on the business and to share the profit thereof.



Topic : ELEMENTS OF PARTNERSHIP

4. AGREEMENT TO SHARE PROFITS: The sharing of profits is an essential feature of partnership. There can be no partnership where only one of the partners is entitled to the whole of the profits of the business. Partners must agree to share the profits in any manner they choose.

But an agreement to share losses is not an essential element. It is open to one or more partners to agree to share all the losses. However, in the event of losses, unless agreed otherwise, these must be borne in the profit-sharing ratio.

Topic : ELEMENTS OF PARTNERSHIP

Example 1: Co-owners who share amongst themselves the rent derived from a piece of land are not partners, because there does not exist any business.

Example 2: No charitable institution or club may be floated in partnership [A joint stock company may, however, be floated for non-economic purposes].

Example 3: X and Y buy certain bales of cotton which they agree to sell on their joint account and to share the profits equally. In these circumstances, X and Y are partners in respect of such cotton business.

Topic : ELEMENTS OF PARTNERSHIP

5. BUSINESS CARRIED ON BY ALL OR ANY OF THEM ACTING FOR ALL: The business must be carried on by all the partners or by anyone or more of the partners acting for all. This is the cardinal principle of the partnership Law. In other words, there should be a binding contract of mutual agency between the partners.

   An act of one partner in the course of the business of the firm is in fact an act of all partners. Each partner carrying on the business is the principal as well as the agent for all the other partners. He is an agent in so far as he can bind the other partners by his acts and he is a principal to the extent that he is bound by the act of other partners.

Topic : ELEMENTS OF PARTNERSHIP

It may be noted that the true test of partnership is mutual agency rather than sharing of profits. If the element of mutual agency is absent, then there will be no partnership.

Example 4: A, B and C are partners in ABC Associates, a partnership firm. If A made certain purchases for the purpose of business from Mr. K, then Mr. K can recover the money from A, B or C as all partners are liable for any act done on behalf of firm.

Topic : ELEMENTS OF PARTNERSHIP

In KD Kamath & Co.

The Supreme Court has held that the two essential conditions to be satisfied are that:

(1) there should be an agreement to share the profits as well as the losses of business; and

(2) the business must be carried on by all or any of them acting for all, within the meaning of the definition of 'partnership' under section 4.

Topic : ELEMENTS OF PARTNERSHIP

The fact that the exclusive power and control, by agreement of the parties, is vested in one partner or the further circumstance that only one partner can operate the bank accounts or borrow on behalf of the firm are not destructive of the theory of partnership provided the two essential conditions, mentioned earlier, are satisfied.

Note:- The 'Partnership Agreement' is also known as 'Partnership Deed'.

Topic : TRUE TEST OF PARTNERSHIP

Mode of determining existence of partnership (Section 6): In determining whether a group of persons is or is not a firm, or whether a person is or not a partner in a firm, regard shall be had to the real relation between the parties, as shown by all relevant facts taken together.

For determining the existence of partnership, it must be proved.

1. There was an agreement between all the persons concerned;
2. The agreement was to share the profits of a business and
3. the business was carried on by all or any of them acting for all.

Topic : TRUE TEST OF PARTNERSHIP

1. Agreement: Partnership is created by agreement and not by status (Section 5). The relation of partnership arises from contract and not from status; and in particular, the members of a Hindu Undivided family carrying on a family business as such, or a Burmese Buddhist husband and wife carrying on business as such are not partners in such business.

Topic : TRUE TEST OF PARTNERSHIP

2. Sharing of Profit: The sharing of profits or of gross returns arising from property by persons holding a joint or common interest in that property does not of itself make such persons partners.

   The receipt by a person of a share of the profits of a business, or of a payment contingent upon the earning of profits or varying with the profits earned by a business, does not of itself make him a partner with the persons carrying on the business; and in particular, the receipt of such share or payment-

Topic : TRUE TEST OF PARTNERSHIP

(a) by a lender of money to persons engaged or about to engage in any business,

(b) by a servant or agent as remuneration,

(c) by a widow or child of a deceased partner, as annuity, or

(d) by a previous owner or part owner of the business, as consideration for the sale of the goodwill or share thereof, does not of itself make the receiver a partner with the persons carrying on the business.

Topic : TRUE TEST OF PARTNERSHIP

Where there is an express agreement between partners to share the profit of a business and the business is being carried on by all or any of them acting for all, there will be no difficulty in the light of provisions of Section 4, in determining the existence or otherwise of partnership.

Topic : TRUE TEST OF PARTNERSHIP

As discussed earlier, sharing of profit is an essential element to constitute a partnership. But, it is only a prima facie evidence and not conclusive evidence, in that regard. The sharing of profits or of gross returns accruing from property by persons holding joint or common interest in the property would not by itself make such persons partners. Although the right to participate in profits is a strong test of partnership, and there may be cases where, upon a simple participation in profits, there is a partnership, yet whether the relation does or does not exist must depend upon the whole contract between the parties.

Topic : TRUE TEST OF PARTNERSHIP

But the task becomes difficult when either there is no specific agreement or the agreement is such as does not specifically speak of partnership. In such a case for testing the existence or otherwise of partnership relation, Section 6 has to be referred.

According to Section 6, regard must be had to the real relation between the parties as shown by all relevant facts taken together. The rule is easily stated and is clear but its application is difficult. Cumulative effect of all relevant facts such as written or verbal agreement, real intention and conduct of the parties, other surrounding circumstances etc., are to be considered while deciding the relationship between the parties and ascertaining the existence of partnership.

Topic : TRUE TEST OF PARTNERSHIP

3. Agency: Existence of Mutual Agency which is the cardinal principle of partnership law, is very much helpful in reaching a conclusion in this regard. Each partner carrying on the business is the principal as well as an agent of other partners. So, the act of one partner done on behalf of firm, binds all the partners. If the elements of mutual agency relationship exist between the parties constituting a group formed with a view to earn profits by running a business, a partnership may be deemed to exist.

Topic : TRUE TEST OF PARTNERSHIP

Santiranjan Das Gupta Vs. Dasyran Murzamull (Supreme Court)

In Santiranjan Das Gupta Vs. Dasyran Murzamull, following factors weighed upon the Supreme Court to reach the conclusion that there is no partnership between the parties:

(a) Parties have not retained any record of terms and conditions of partnership.

(b) Partnership business has maintained no accounts of its own, which would be open to inspection by both parties.

(c) No account of the partnership was opened with any bank.

(d) No written intimation was conveyed to the Deputy Director of Procurement with respect to the newly created partnership.

Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership Vs. Joint Stock Company

Basis	Partnership	Joint Stock Company
Legal status	A firm is not legal entity i.e. it has no legal personality distinct from the personalities of its constituent members.	A company is a separate legal entitydistinct from its members (Salomon v. Salomon).
Agency	In a firm, every partner is an agent of the other partners as well as of the firm.	In a company, a member is not an agent of the other members or of the company, his actions do notbind either.
Distribution ofprofits	The profits of the firm must be distributed among the partners according to the terms of the partnership deed.	There is no such compulsion to distribute its profits among its members. Some portion of the profits, but generally not the entire profit, become distributable among the shareholders only when dividends are declared.

Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership Vs. Joint Stock Company

Basis	Partnership	Joint Stock Company
Extent ofliability	In a partnership, the liability of the partners is unlimited. This means that each partner is liable for debts of a firm incurred in the course of the business of the firm and these debts can be recovered from his private property, if the joint estate isinsufficient to meet them wholly.	In a company limited by shares, the liability of a shareholder is limited to the amount, if any, unpaid on his shares, but in the case of a guarantee company, the liability is limited to the amount for which he has agreed to be liable. However, there may be companies where the liability of members is unlimited.
Property	The firm's property is that which is the "joint estate" of all the partners as distinguished from the 'separate' estate of any of them and it does not belong to a body distinct in lawfrom its members.	In a company, its property is separate from that of its members who can receive it back only in the form of dividends or refund of capital.

Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership Vs. Joint Stock Company

Basis	Partnership	Joint Stock Company
Transfer ofshares	A share in a partnership cannot be transferred without the consent of all the partners.	In a company a shareholder may transfer his shares, subject to the provisions contained in its Articles. In the case of public limited companies whose shares are quoted on the stock exchange, the transfer is usually unrestricted.
Management	In the absence of an express agreement to the contrary, all the partners are entitled to participate in the management.	Members of a company are not entitled to take part in the management unless they are appointed as directors, in which case they may participate. Members, however, enjoy the right of attending general meeting and voting where they can decide certain questions such as election of directors, appointment of auditors, etc.

Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership Vs. Joint Stock Company

Basis	Partnership	Joint Stock Company
Registration	Registration is not compulsory inthe case of partnership.	A company cannot come into existence unless it is registered under the Companies Act, 2013.
Winding up	A partnership firm can be dissolvedat any time if all the partners agree.	A company, being a legal person is either wind up by the National Company Law Tribunal or its name is struck of by the Registrar of Companies.
Number of membership	According to section 464 of the Companies Act, 2013, the number of partners in any association shall not exceed 100. However, the Rule given under the Companies *(Miscellaneous) Rules, 2014* restrict the present limit to 50.	A private company may have as many as 200 members but not less than two and a public company may have any number of members but not less than seven. A private Company can also be formed by one person known as one person Company.
Duration of existence	Unless there is a contract to the contrary, death, retirement or insolvency of a partner results in the dissolution of the firm.	A company enjoys a perpetualsuccession.

Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership Vs. Club

Basis of Difference	Partnership	Club
Definition	It is an association of persons formed for earning profits from a business carried on by all or any one of them acting for all.	A club is an association of persons formed with the object not of earning profit, but of promoting some beneficial purposes such as improvement of health or providing recreation for the members, etc.
Relationship	Persons forming a partnership are called partners and a partner is anagent for other partners.	Persons forming a club are called members. A member of a club isnot the agent of other members.
Interest in the property	Partner has interest in the propertyof the firm.	A member of a club has no interestin the property of the club.
Dissolution	A change in the partners of the firmaffect its existence.	A change in the membership of aclub does not affect its existence.

Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership vs. Hindu Undivided Family

Basis of difference	Partnership	Joint Hindu family
Mode of creation	Partnership is created necessarilyby an agreement.	The right in the joint family is created by status means itscreation by birth in the family.
Death of a member	Death of a partner ordinarily leads to the dissolution of partnership.	The death of a member in the Hindu undivided family does not give rise to dissolution of the family business.
Management	All the partners are equally entitled to take part in the partnership business.	The right of management of joint family business generally vests in the Karta, the governing male member or female member of the family.[1]

Joint Hindu Family: The amendment in the Hindu Succession Act, 2005, entitled all adult members – Hindu males and females to become coparceners in a HUF. They now enjoy equal rights of

Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership vs. Hindu Undivided Family

Basis of difference	Partnership	Joint Hindu family
Authority to bind	Every partner can, by his act, bindthe firm.	The Karta or the manager, has the authority to contract for the familybusiness and the other members inthe family.
Liability	In a partnership, the liability of apartner is unlimited.	In a Hindu undivided family, only the liability of the Karta is unlimited, and the other coparcener are liable only to the extent of their share in the profits of the family business.
Calling for accounts onclosure	A partner can bring a suit against the firm for accounts, provided he also seeks the dissolution of the firm.	On the separation of the joint family, a member is not entitled toask for account of the familybusiness.
Governing Law	A partnership is governed by theIndian Partnership Act, 1932.	A Joint Hindu Family business isgoverned by the Hindu Law.
Minor's capacity	In a partnership, a minor cannot become a partner, though he can be admitted to the benefits of partnership, only with theconsent of all the partners.	In Hindu undivided family business, a minor becomes a member of the ancestral business by the incidence of birth. He does not have to wait for attaining majority.

Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership vs. Hindu Undivided Family

Basis of difference	Partnership	Joint Hindu family
Continuity	A firm subject to a contract between the partners gets dissolved by death or insolvency of a partner.	A Joint Hindu family has the continuity till it is divided. The status of Joint Hindu family is not thereby affected by the death of a member.
Number of Members	In case of Partnership number ofmembers should not exceed 50.	Members of HUF who carry on a business may be unlimited in number.
Share in thebusiness	In a partnership, each partner has a defined share by virtue of an agreement between the partners.	In a HUF, no coparceners has a definite share. His interest is a fluctuating one. It is capable of being enlarged by deaths in thefamily diminished by births in the family.

inheritance due to this amendment. On 1st February 2016, Justice Najmi Waziri gave a landmark judgement which allowed the eldest female coparceners of an HUF to become its Karta.

Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership Vs. Co-Ownership or joint ownership i.e. the relation which subsists between persons who own property jointly or in common.

Basis of difference	Partnership	Co-ownership
Formation	Partnership always arises out of acontract, express or implied.	Co-ownership may arise either from agreement or by the operation of law, such as by inheritance.
Implied agency	A partner is the agent of the otherpartners.	A co-owner is not the agent ofother co-owners.
Nature ofinterest	There is community of interest which means that profits and losses must have to be shared.	Co-ownership does not necessarily involve sharing of profits and losses.
Transfer ofinterest	A share in the partnership is transferred only by the consent of other partners.	A co - owner may transfer his interest or rights in the property without the consent of other co-owners.

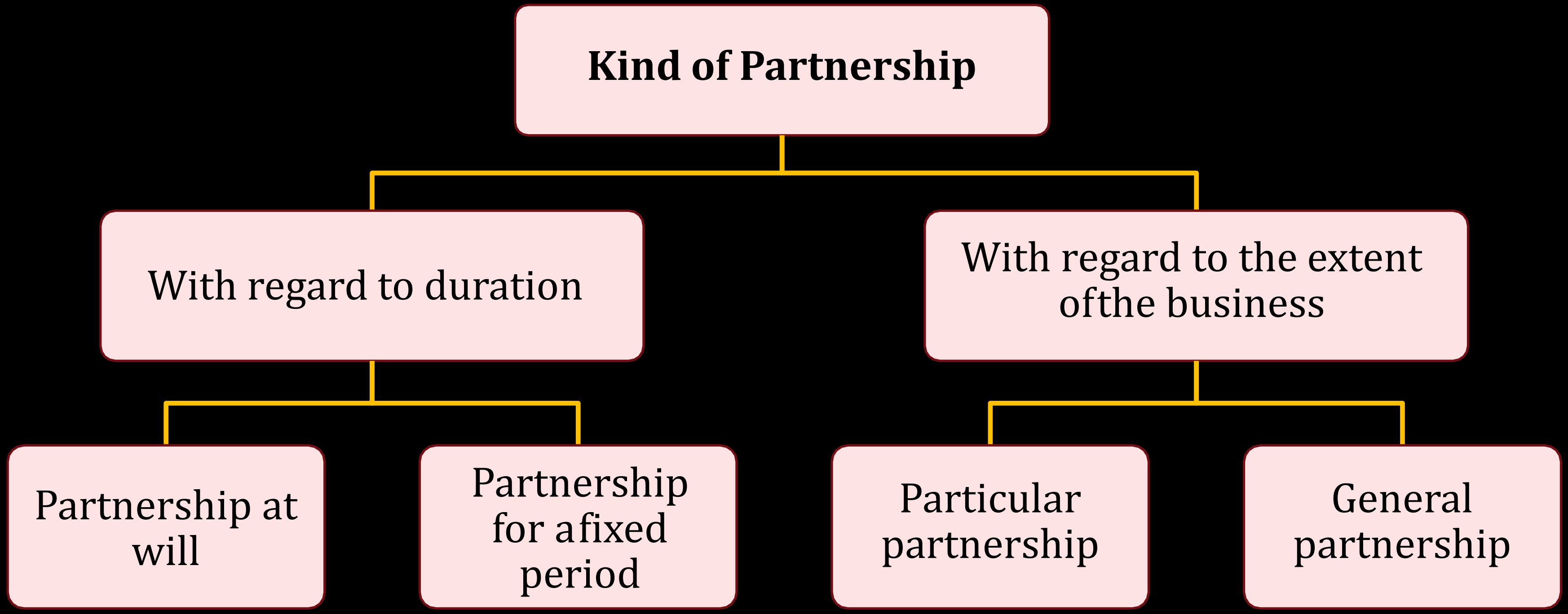
Topic : Partnership Distinguished From Other Forms Of Organisation

Partnership vs. Association

Basis of difference	Partnership	Association
Meaning	Partnership means and involves setting up relation of agency between two or more persons who have entered into a business for gains, with the intention to share the profits of such a business.	Association evolves out of social cause and there is no necessarily motive to earn and share profits. The intention is not to enter in a business for gains.
Examples	Partnership to run a business andearn profit thereon.	Members of charitable society or religious association or an improvement scheme or building corporation or a mutual insurance society or a trade protection association.

Topic : KINDS OF PARTNERSHIPS

The following chart illustrates the various kinds of partnership:



Topic : KINDS OF PARTNERSHIPS

The various kinds of partnership are discussed below:

1. Partnership at will according to Section 7 of the Act, partnership at will is a partnership when:

a. no fixed period has been agreed upon for the duration of the partnership; and

b. there is no provision made as to the determination of the partnership.

These two conditions must be satisfied before a partnership can be regarded as a partnership at will. But, where there is an agreement between the partners either for the duration of the partnership or for the determination of the partnership, the partnership is not partnership at will.

Topic : KINDS OF PARTNERSHIPS

Where a partnership entered into for a fixed term is continued after the expiry of such term, it is to be treated as having become a partnership at will.
A partnership at will may be dissolved by any partner by giving notice in writing to all the other partners of his intention to dissolve the same.

2. Partnership for a fixed period: Where a provision is made by a contract for the duration of the partnership, the partnership is called 'partnership for a fixed period'. It is a partnership created for a particular period of time. Such a partnership comes to an end on the expiry of the fixed period.

Topic : KINDS OF PARTNERSHIPS

3. Particular partnership: A partnership may be organized for the prosecution of a single adventure as well as for the conduct of a continuous business. Where a person becomes a partner with another person in any particular adventure or undertaking the partnership is called 'particular partnership'.

   A partnership, constituted for a single adventure or undertaking is, subject to any agreement, dissolved by the completion of the adventure or undertaking.

Topic : KINDS OF PARTNERSHIPS

4. General partnership: Where a partnership is constituted with respect to the business in general, it is called a general partnership. A general partnership is different from a particular partnership. In the case of a particular partnership, the liability of the partners extends only to that particular adventure or undertaking, but it is not so in the case of general partnership. General partnership is different from limited liability partnership.

Topic : KINDS OF PARTNERSHIPS

Partnership Deed

Partnership is the result of an agreement.

No particular formalities are required for an agreement of partnership.

It may be in writing or formed verbally.

But it is desirable to have the partnership agreement in writing to avoid future disputes.

The document in writing containing the various terms and conditions as to the relationship of the partners to each other is called the 'partnership deed'.

It should be drafted with care and be stamped according to the provisions of the Stamp Act, 1899.

Where the partnership comprises immovable property, the instrument of partnership must be in writing, stamped and registered under the Registration Act.

Topic : KINDS OF PARTNERSHIPS

Partnership deed may contain the following information:-

1. Name of the partnership firm.
2. Names of all the partners.
3. Nature and place of the business of the firm.
4. Date of commencement of partnership.
5. Duration of the partnership firm.
6. Capital contribution of each partner.
7. Profit Sharing ratio of the partners.
8. Admission and Retirement of a partner.

Topic : KINDS OF PARTNERSHIPS

9. Rates of interest on Capital, Drawings and loans.
10. Provisions for settlement of accounts in the case of dissolution of the firm.
11. Provisions for Salaries or commissions, payable to the partners, if any.
12. Provisions for expulsion of a partner in case of gross breach of duty or fraud

A partnership firm may add or delete any provision according to the needs of the firm.

Topic : TYPES OF PARTNERS

Based on the extent of liability, the different classes of partners are:

Types of Partners

- Active or Ostensible
- Nominal
- Sub-partner
- Outgoing Partner
- Sleeping or Dormant
- Partner in Profits only
- Incoming Partner
- Partner by Holding out

Topic : TYPES OF PARTNERS

Active or Actual or Ostensible partner:

It is a person

- Who has become a partner by agreement, and
- Who actively participates in the conduct of the partnership

He acts as an agent of other partners for all acts done in the ordinary course of business. In the event of his retirement, he must give a public notice in order to absolve himself of liabilities for acts of other partners done after his retirement.

Topic : TYPES OF PARTNERS

Sleeping or Dormant Partner:

It is a person
- Who is a partner by agreement, and
- Who does not actively take part in the conduct of the partnership business

They are called as ‘sleeping’ or ‘dormant’ partners. They share profits and losses and are liable to the third parties for all acts of the firm. They are, however not required to give public notice of their retirement from the firm.

Topic : TYPES OF PARTNERS

Nominal Partner: A person who lends his name to the firm, without having any real interest in it, is called a nominal partner.He is not entitled to share the profits of the firm. Neither he invests in the firm nor takes part in the conduct of the business. He is, however liable to third parties for all acts of the firm.

- Lend his name to the firm
- Without having any real interest in firm
- Not entitled to share the profits
- Does not take part in the conduct of the business
- Liable to third parties for all acts of the firm

Topic : TYPES OF PARTNERS

Partner in profits only: A partner who is entitled to share the profits only without being liable for the losses is known as the partner for profits only and also liable to the third parties for all acts of the profits only.

- Entitled to share the profits only
- Not liable for the losses
- Liable to the third parties for all acts of the profits only

Topic : TYPES OF PARTNERS

Incoming partners: A person who is admitted as a partner into an already existing firm with the consent of all the existing partners is called as “incoming partner”.

Such a partner is not liable for any act of the firm done before his admission as a partner.

Example 5: Mr. A joined as a partner on 10th September, 2021 in a firm MNQ Associates which was existing from 10th July, 2017. Mr. A will not be liable for any acts of the firm done before his date of joining i.e. 10th September, 2021

Topic : TYPES OF PARTNERS

Outgoing partner:

A partner who leaves a firm in which the rest of the partners continue to carry on business is called a retiring or outgoing partner.

Such a partner remains liable to third parties for all acts of the firm until public notice is given of his retirement.

Topic : TYPES OF PARTNERS

Partner by holding out (Section 28):

Partnership by holding out is also known as partnership by estoppel.

Where a man holds himself out as a partner, or
allows others to do it,
he is then stopped
from denying the character he has assumed and
upon the faith of which
creditors may be presumed to have acted.

Topic : TYPES OF PARTNERS

Partner by holding out (Section 28): Partnership by holding out is also known as partnership by estoppel. Where a man holds himself out as a partner, or allows others to do it, he is then stopped from denying the character he has assumed and upon the faith of which creditors may be presumed to have acted.

When a person representhimself, or

Knowingly permits himself,

to be represented as a partner in a firm (when in fact he is not)

he is liable, like a partnerin the firm

to anyone who on the faith of such representation has givencredit to the firm.

Topic : TYPES OF PARTNERS

A person may himself, by his words or conduct have induced others to believe that he is a partner or he may have allowed others to represent him as a partner. The result in both the cases is identical.

Example 6: X and Y are partners in a partnership firm. X introduced A, a manager, as his partner to Z. A remained silent. Z, a trader believing A as partner supplied 100 T.V sets to the firm on credit. After expiry of credit period, Z did not get amount of T.V sets sold to the partnership firm. Z filed a suit against X and A for the recovery of price. Here, in the given case, A, the Manager is also liable for the price because he becomes a partner by holding out (Section 28, Indian Partnership Act, 1932).

Topic : TYPES OF PARTNERS

It is only the person to whom the representation has been made and who has acted thereon that has right to enforce liability arising out of 'holding out'.

You must also note that for the purpose of fixing liability on a person who has, by representation, led another to act, it is not necessary to show that he was actuated by a fraudulent intention.

The rule given in Section 28 is also applicable to a former partner who has retired from the firm without giving proper public notice of his retirement. In such cases a person who, even subsequent to the retirement, give credit to the firm on the belief that he was a partner, will be entitled to hold him liable.

Topic : TYPES OF PARTNERS

Example 7: A partnership firm consisting of P, Q, R and S. S retires from the firm without giving public notice and his name continues to be used on letterheads. Here, S is liable as a partner by holding out to creditors who have lent on the faith of his being a partner.

LAWS KE GOD

CORPORATE AND OTHER LAWS

- CA Inter : Ranked 23rd in India (1st in Maharashtra)
- CA Final : Ranked 25th in India
- Specialization: Expert in teaching law with basics and with variety of examples
- Professional Background: Former Grade A Officer at Indian Oil Corporation Limited, a prestigious Fortune 500 company.
- Teaching Impact: Empowering over 50,000 CA students with practical knowledge and success strategies

CA GURPREET SINGH

Thank you