IPA-C03 - 9 PROVISIONS

Internal Rights, Duties and Property

Indian Partnership Act, 1932

Full local statutory text **Finin2min implementation edition** **CA Nikhil Gupta and Kajri Singh**

Finin2min Summary - Chapter in 2 Minutes

Purpose

This unit converts internal rights, duties and property into statutory, transaction, evidence and remedy decisions.

Who is covered

Businesses, contracting parties, partners, buyers, sellers, principals, agents and litigants affected by this chapter.

Main obligations

Read the transaction documents and actual conduct against every statutory limb, exception and connected law.

Key timelines

Record event, breach, refusal, notice, acknowledgment and filing dates; apply the correct Limitation Act article.

Forms and evidence

Use the chapter evidence checklist and State/UT forms where registration or public notice applies.

Top risk

Wrong classification, missing authority, weak evidence, ineffective notice, unverified State process or wrong remedy.

Remedy

Preserve rights, mitigate loss, quantify exposure and confirm forum, arbitration, limitation and interim relief.

Finin2min takeaway

Classify - map law - verify authority - prove performance - quantify consequence - select remedy and forum.

Section-by-section provision map

Provision	Title	Status	Decision theme
s.9	General duties of partners	operative	partnership authority and liability
s.10	Duty to indemnify for loss caused by fraud	operative	validity and consent
s.11	Determination of rights and duties of partners by contract between the partners	operative	partnership authority and liability

s.12	The conduct of the business	operative	commercial rights and obligations
s.13	Mutual rights and liabilities	operative	commercial rights and obligations
s.14	The property of the firm	operative	title, property and risk
s.15	Application of the property of the firm	operative	title, property and risk
s.16	Personal profits earned by partners	operative	partnership authority and liability
s.17	Rights and duties of partners after a change, expiry of term or additional undertakings	operative	partnership authority and liability

Legal status, amendments and source protocol

Act: Indian Partnership Act, 1932; Act 9 of 1932; commencement 1 October 1932; section 69 from 1 October 1933.

Source protocol: Complete central provision text is reproduced locally. Local public-domain central Act transcription reconciled to India Code structure. Official India Code and Gazette instruments prevail if any discrepancy is identified.

Full statutory text and Finin2min decode

Section 9 - General duties of partners

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. Official India Code source prevails.

Current statutory text

Partners are bound to carry on the business of the firm to the greatest common advantage, to be just and faithful to each other, and to render true accounts and full information of all things affecting the firm to any partner or his legal representative.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	Partners are bound to carry on the business of the firm to the greatest common advantage, to be just and faithful to each other, and to render true accounts and full information of all things affecting the firm to any partner or his legal representative.	Test this main limb within the partnership authority and liability framework. Operational focus: partners are bound to carry on the business of the firm to the greatest common advantage, to be.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 9 is a partnership authority and liability provision dealing with general duties of partners. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Reconcile the deed, ordinary course, internal limits, third-party knowledge, firm-name execution, admissions and holding out. Internal restrictions may not defeat external liability.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 10 - Duty to indemnify for loss caused by fraud

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source] prevails.

Current statutory text

Every partner shall indemnify the firm for any loss caused to it by his fraud in the conduct of the business of the firm.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	Every partner shall indemnify the firm for any loss caused to it by his fraud in the conduct of the business of the firm.	Test this main limb within the validity and consent framework. Operational focus: every partner shall indemnify the firm for any loss caused to it by his fraud in the conduct.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 10 is a validity and consent provision dealing with duty to indemnify for loss caused by fraud. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Preserve negotiations, disclosures and approvals. Test capacity, free consent, lawful object, severability, restitution and ratification as separate questions.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 11 - Determination of rights and duties of partners by contract between the partners

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. Official India Code source prevails.

Current statutory text

(1) Subject to the provisions of this Act, the mutual rights and duties of the partners of a firm may be determined by contract between the partners, and such contract may be express or may be implied by a course of dealing. Such contract may be varied by consent of all the partners, and such consent may be express or may be implied by a course of dealing.
(2) Notwithstanding anything contained in section 27 of the Indian Contract Act, 1872, such contracts may provide that a partner shall not carry on any business other than that of the firm while he is a partner.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
(1)	Subject to the provisions of this Act, the mutual rights and duties of the partners of a firm may be determined by contract between the partners, and such contract may be express or may be implied by a course of dealing. Such contract may be varied by consent of all the partners, and such consent may be express or may be implied by a course of dealing.	Test this (1) within the partnership authority and liability framework. Operational focus: subject to the provisions of this act, the mutual rights and duties of the partners of a firm.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(2)	Notwithstanding anything contained in section 27 of the Indian Contract Act, 1872, such contracts may provide that a partner shall not carry on any business other than that of the firm while he is a partner.	Test this (2) within the partnership authority and liability framework. Operational focus: notwithstanding anything contained in section 27 of the indian contract act, 1872, such contracts may provide that a.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 11 is a partnership authority and liability provision dealing with determination of rights and duties of partners by contract between the partners. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Reconcile the deed, ordinary course, internal limits, third-party knowledge, firm-name execution, admissions and holding out. Internal restrictions may not defeat external liability.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 12 - The conduct of the business

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. Official India Code source prevails.

Current statutory text

Subject to contract between the partners-
(a) every partner has a right to take part in the conduct of the business;
(b) every partner is bound to attend diligently to his duties in the conduct of the business;
(c) any difference arising as to ordinary matters connected with the business may be decided by a majority of the partners, and every partner shall have the right to express his opinion before the matter is decided, but no change may be made in the nature of the business without the consent of all the partners; and
(d) every partner has a right to have access to and to inspect and copy any of the books of the firm.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	Subject to contract between the partners-	Test this main limb within the commercial rights and obligations framework. Operational focus: subject to contract between the partners-.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(a)	every partner has a right to take part in the conduct of the business	Test this (a) within the commercial rights and obligations framework. Operational focus: every partner has a right to take part in the conduct of the business.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(b)	every partner is bound to attend diligently to his duties in the conduct of the business	Test this (b) within the commercial rights and obligations framework. Operational focus: every partner is bound to attend diligently to his duties in the conduct of the business.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

(c)	any difference arising as to ordinary matters connected with the business may be decided by a majority of the partners, and every partner shall have the right to express his opinion before the matter is decided, but no change may be made in the nature of the business without the consent of all the partners; and	Test this (c) within the commercial rights and obligations framework. Operational focus: any difference arising as to ordinary matters connected with the business may be decided by a majority of.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(d)	every partner has a right to have access to and to inspect and copy any of the books of the firm.	Test this (d) within the commercial rights and obligations framework. Operational focus: every partner has a right to have access to and to inspect and copy any of the books.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 12 is a commercial rights and obligations provision dealing with the conduct of the business. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Translate the provision into an owner, trigger, approval, evidence, deadline, exception and remedy control, then test connected law and State variation.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 13 - Mutual rights and liabilities

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. Official India Code source prevails.

Current statutory text

Subject to contract between the partners-
(a) a partner is not entitled to receive remuneration for taking part in the conduct of the business;
(b) the partners are entitled to share equally in the profits earned, and shall contribute equally to the losses sustained by the firm;
(c) where a partner is entitled to interest on the capital subscribed by him, such interest shall be payable only out of profits;
(d) a partner making, for the purposes of the business, any payment or advance beyond the amount of capital he has agreed to subscribe, is entitled to interest thereon at the rate of six per cent per annum;
(e) the firm shall indemnify a partner in respect of payments made and liabilities incurred by him-
(i) in the ordinary and proper conduct of the business; and
(ii) in doing such act, in an emergency, for the purpose of protecting the firm from loss, as would be done by a person of ordinary prudence in his own case under similar circumstances; and
(f) a partner shall indemnify the firm for any loss caused to it by his wilful neglect in the conduct of the business of the firm.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	Subject to contract between the partners-	Test this main limb within the commercial rights and obligations framework. Operational focus: subject to contract between the partners-.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(a)	a partner is not entitled to receive remuneration for taking part in the conduct of the business	Test this (a) within the commercial rights and obligations framework. Operational focus: a partner is not entitled to receive remuneration for taking part in the conduct of the business.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(b)	the partners are entitled to share equally in the profits earned, and shall contribute equally to the losses sustained by the firm	Test this (b) within the commercial rights and obligations framework. Operational focus: the partners are entitled to share equally in the profits earned, and shall	Contract/deed, authority, chronology, notices, performance and

		contribute equally to the losses.	payment records tied to this limb.
(c)	where a partner is entitled to interest on the capital subscribed by him, such interest shall be payable only out of profits	Test this (c) within the commercial rights and obligations framework. Operational focus: where a partner is entitled to interest on the capital subscribed by him, such interest shall be payable.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(d)	a partner making, for the purposes of the business, any payment or advance beyond the amount of capital he has agreed to subscribe, is entitled to interest thereon at the rate of six per cent per annum	Test this (d) within the commercial rights and obligations framework. Operational focus: a partner making, for the purposes of the business, any payment or advance beyond the amount of capital.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(e)	the firm shall indemnify a partner in respect of payments made and liabilities incurred by him-	Test this (e) within the commercial rights and obligations framework. Operational focus: the firm shall indemnify a partner in respect of payments made and liabilities incurred by him-.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(i)	in the ordinary and proper conduct of the business; and	Test this (i) within the commercial rights and obligations framework. Operational focus: in the ordinary and proper conduct of the business; and.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(ii)	in doing such act, in an emergency, for the purpose of protecting the firm from loss, as would be done by a person of ordinary prudence in his own case under similar circumstances; and	Test this (ii) within the commercial rights and obligations framework. Operational focus: in doing such act, in an emergency, for the purpose of protecting the firm from loss, as would.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(f)	a partner shall indemnify the firm for any loss caused to it by his	Test this (f) within the commercial rights and obligations framework.	Contract/deed, authority, chronology, notices,

	wilful neglect in the conduct of the business of the firm.	Operational focus: a partner shall indemnify the firm for any loss caused to it by his wilful neglect in the.	performance and payment records tied to this limb.

Finin2min implementation explanation

Section 13 is a commercial rights and obligations provision dealing with mutual rights and liabilities. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Translate the provision into an owner, trigger, approval, evidence, deadline, exception and remedy control, then test connected law and State variation.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 14 - The property of the firm

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source]() prevails.

Current statutory text

Subject to contract between the partners, the property of the firm includes all property and rights and interests in property originally brought into the stock of the firm, or acquired, by purchase or otherwise, by or for the firm, or for the purposes and in the course of the business of the firm, and includes also the goodwill of the business. Unless the contrary intention appears, property and rights and interests in property acquired with money belonging to the firm are deemed to have been acquired for the firm.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/ control
Main rule	Subject to contract between the partners, the property of the firm includes all property and rights and interests in property originally brought into the stock of the firm, or acquired, by purchase or otherwise, by or for the firm, or for the purposes and in the course of the business of the firm, and includes also the goodwill of the business. Unless the contrary intention appears, property and rights and interests in property acquired with money belonging to the firm are deemed to have been acquired for the firm.	Test this main limb within the title, property and risk framework. Operational focus: subject to contract between the partners, the property of the firm includes all property and rights and interests.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 14 is a title, property and risk provision dealing with the property of the firm. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Prepare a title-risk timeline covering identification, appropriation, notice, delivery, documents of title, reservation of disposal and good-faith third-party rights.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 15 - Application of the property of the firm

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. Official India Code source prevails.

Current statutory text

Subject to contract between the partners, the property of the firm shall be held and used by the partners exclusively for the purposes of the business.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	Subject to contract between the partners, the property of the firm shall be held and used by the partners exclusively for the purposes of the business.	Test this main limb within the title, property and risk framework. Operational focus: subject to contract between the partners, the property of the firm shall be held and used by the.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 15 is a title, property and risk provision dealing with application of the property of the firm. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Prepare a title-risk timeline covering identification, appropriation, notice, delivery, documents of title, reservation of disposal and good-faith third-party rights.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 16 - Personal profits earned by partners

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. Official India Code source prevails.

Current statutory text

Subject to contract between the partners-
(a) if a partner derives any profit for himself from any transaction of the firm, or from the use of the property or business connection of the firm or the firm name, he shall account for that profit and pay it to the firm;
(b) if a partner carries on any business of the same nature as and competing with that of the firm, he shall account for and pay to the firm all profits made by him in that business.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	Subject to contract between the partners-	Test this main limb within the partnership authority and liability framework. Operational focus: subject to contract between the partners-.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(a)	if a partner derives any profit for himself from any transaction of the firm, or from the use of the property or business connection of the firm or the firm name, he shall account for that profit and pay it to the firm	Test this (a) within the partnership authority and liability framework. Operational focus: if a partner derives any profit for himself from any transaction of the firm, or from the use.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(b)	if a partner carries on any business of the same nature as and competing with that of the firm, he shall account for and pay to the firm all profits made by him in that business.	Test this (b) within the partnership authority and liability framework. Operational focus: if a partner carries on any business of the same nature as and competing with that of the.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

> Section 16 is a partnership authority and liability provision dealing with personal profits earned by partners. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.
>
> **Implementation control:** Reconcile the deed, ordinary course, internal limits, third-party knowledge, firm-name execution, admissions and holding out. Internal restrictions may not defeat external liability.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Section 17 - Rights and duties of partners after a change, expiry of term or additional undertakings

Local statutory-text source control: Local public-domain central Act transcription reconciled to India Code structure. [Official India Code source] prevails.

Current statutory text

Subject to contract between the partners-
(a) where a change occurs in the constitution of a firm, the mutual rights and duties of the partners in the reconstituted firm remain the same as they were immediately before the change, so far as may be;
(b) where a firm constituted for a fixed term continues to carry on business after the expiry of that term, the mutual rights and duties of the partners remain the same as they were before the expiry, so far as they may be consistent with the incidents of partnership at will; and
(c) where a firm constituted to carry out one or more adventures or undertakings carries out other adventures or undertakings, the mutual rights and duties of the partners in respect of the other adventures or undertakings are the same as those in respect of the original adventures or undertakings.

Finin2min clause-by-clause decode

Clause	Statutory requirement	Finin2min meaning	Evidence/control
Main rule	Subject to contract between the partners-	Test this main limb within the partnership authority and liability framework. Operational focus: subject to contract between the partners-.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(a)	where a change occurs in the constitution of a firm, the mutual rights and duties of the partners in the reconstituted firm remain the same as they were immediately before the change, so far as may be	Test this (a) within the partnership authority and liability framework. Operational focus: where a change occurs in the constitution of a firm, the mutual rights and duties of the partners.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.
(b)	where a firm constituted for a fixed term continues to carry on business after the expiry of that term, the mutual rights and duties of the partners remain the same as they	Test this (b) within the partnership authority and liability framework. Operational focus: where a firm constituted for a fixed	Contract/deed, authority, chronology, notices, performance and

	were before the expiry, so far as they may be consistent with the incidents of partnership at will; and	term continues to carry on business after the expiry of that.	payment records tied to this limb.
(c)	where a firm constituted to carry out one or more adventures or undertakings carries out other adventures or undertakings, the mutual rights and duties of the partners in respect of the other adventures or undertakings are the same as those in respect of the original adventures or undertakings.	Test this (c) within the partnership authority and liability framework. Operational focus: where a firm constituted to carry out one or more adventures or undertakings carries out other adventures or.	Contract/deed, authority, chronology, notices, performance and payment records tied to this limb.

Finin2min implementation explanation

Section 17 is a partnership authority and liability provision dealing with rights and duties of partners after a change, expiry of term or additional undertakings. Identify the actor, trigger, cumulative or alternative conditions, provisos, exceptions and legal consequence before reaching a conclusion.

Implementation control: Reconcile the deed, ordinary course, internal limits, third-party knowledge, firm-name execution, admissions and holding out. Internal restrictions may not defeat external liability.

Section-level practical application

Transaction test

Apply this provision to the event-date facts and record every satisfied, disputed or inapplicable limb.

Consequence and remedy

Identify how it changes validity, title, authority, liability, payment, rejection, recovery, registration, evidence or relief.

Practical examples and calculations

Chapter scenario

A live transaction raises issues concerning internal rights, duties and property. Freeze the event date, map each statutory condition, preserve authority and performance evidence, quantify exposure and choose remedy only after limitation and forum review.

Calculation	Method	Evidence
Price / consideration	Reconcile base amount, GST/tax, credits, retention, deductions and payment terms.	Contract, invoice, ledger, tax documents and bank proof.
Loss / compensation	Separate direct loss, consequential loss, avoided cost, mitigation, restitution, interest and stipulated sum.	Loss model, market evidence and mitigation log.
Partner settlement	Reconcile capital, current accounts, loans, drawings, profit share, assets, liabilities and goodwill.	Deed, ledgers, bank records and valuation.
Limitation	Record accrual, breach/refusal, notice, acknowledgment, exclusion and filing date.	Chronology and limitation memorandum.

Practical transaction application

1. Identify the transaction, relationship, parties and event date.
2. Map every provision to the contract/deed and actual conduct.
3. Record conditions satisfied, disputed, waived, excused or prevented.
4. Reconcile authority, delivery/performance, acceptance, payment and notices.
5. Quantify exposure and choose cure, termination, recovery, settlement or litigation strategy.

Authority, consent and execution controls

Authority

- Correct legal entities and counterparties.
- Board, partner, power-of-attorney or delegated authority.
- Ordinary-course and implied-authority limits.
- Third-party knowledge of restrictions.

Consent

- Offer, acceptance and agreed version.
- Capacity, free consent and disclosures.
- Conditions precedent and approvals.
- No unauthorised post-execution alteration.

Execution

- Complete schedules and annexures.
- Witnessing, attestation and e-sign audit trail.
- Counterparts, date and place.
- Original and certified-copy custody.

Stamp duty and registration alerts

Stamp duty is State/UT-specific. Classify the true instrument, place of execution or receipt, consideration and property. Registration is a separate enquiry. Insufficient stamping may require impounding; non-registration may affect property and third-party enforceability.

Instrument	Alert
Commercial agreement	Do not default to a generic article if the substance is indemnity, guarantee, security, transfer, lease or another specifically charged instrument.
Partnership deed/ reconstitution	Check capital contribution, immovable property, retirement/dissolution and Registrar filing separately.
Sale of movable goods	Coordinate contract, invoice, GST/e-invoice, transport and sectoral records.
Property-related relief	Check compulsory registration, title, court fee and decree-registration effects.

Evidence and document-retention checklist

Core file

- Executed deed and amendments
- Partner identity and authority records
- Capital, current account and drawings ledger
- Profit-sharing and remuneration approvals
- Firm property and goodwill register
- Bank mandate and signing matrix
- Admission, retirement or expulsion documents
- Registrar filings and public notice evidence

Electronic evidence

- Native email/message and metadata.
- Version history and e-sign certificate.
- System logs and acknowledgements.
- Legal hold and defensible export.

Retention

- Executed originals and amendments.
- Authority and entity records.
- Tax, payment and accounting records.
- Claims and litigation records through final disposal.

Forms, registers and operational records

Record/form	Control
State registration statement	Form and fee are prescribed by the relevant State/UT rules under section 71.
Change intimation	State forms commonly apply to firm name, principal place, branches, partner changes and dissolution.
Public notice evidence	Registrar notice plus Official Gazette and vernacular-newspaper publication where section 72 requires it.

Performance, delivery and payment controls

Stage	Control	Proof
Obligation matrix	List each reciprocal obligation, owner, due date, dependency and consequence.	Signed matrix tied to contract sections.
Delivery/ performance	Record dispatch, carrier, title/risk point, milestones, inspection and acceptance/rejection.	Delivery documents, certificates and correspondence.
Payment	Reconcile invoice, tax, credit, retention, set-off, due date and bank receipt.	Invoice, e-invoice, ledger and bank proof.
Change/cure	Use authorised variation and cure procedures; avoid informal waiver.	Change order, approval and cure closure.

Breach, loss, mitigation and remedy framework

1. Identify the exact obligation and legally material breach.
2. Confirm causation, remoteness, foreseeability and proof of loss.
3. Record mitigation, avoided cost and substitute performance.
4. Test damages, price, restitution, lien, stoppage, accounts, dissolution, specific performance, injunction, rescission, rectification, cancellation or declaration.
5. Check remedy election, double recovery, caps/exclusions and public policy.

Limitation and forum controls

Control	Analysis
Accrual	Classify cause of action and record breach, refusal, knowledge, demand and continuing-obligation dates.
Limitation	Apply the correct article; test acknowledgment, part-payment, exclusion and disability.
Jurisdiction	Check territorial/pecuniary rules, Commercial Courts threshold, exclusive forum and special court.
Interim relief	Assess preservation, injunction, receiver, security and evidence protection.
Appeal/ enforcement	Map decree/award challenge, execution, interest and cross-border enforcement.

Arbitration and mediation interface

- Validate agreement, signatories, scope, seat, rules and appointment mechanism.
- Separate substantive rights from forum selection and identify non-arbitrable issues.
- Check interim measures, consolidation, joinder and multi-contract issues.
- Preserve limitation during negotiation or mediation.
- Record settlement authority, confidentiality, tax, stamp and enforceability.

Company, partnership, GST and tax overlays

Overlay	Questions
Companies Act	Authority, objects, approvals, related-party, loan/guarantee/security and disclosure requirements.
Partnership/LLP	Deed/LLP authority, current constitution and public records.
GST	Supply, time/place/value, invoice/e-invoice, ITC, credit note, advance, damages and settlement treatment.
Income tax/TDS	Withholding, partner remuneration/interest, capital/revenue, bad debt, settlement and transfer consequences.
IBC/FEMA/ consumer	Moratorium and avoidance, cross-border payment/governing law, consumer and e-commerce protection.

Binding and foundational judicial principles

Authority	Principle	Verification
Cox v. Hickman	Profit sharing is relevant but mutual agency is the decisive partnership test.	Verify official judgment and later treatment.
Dulichand Laxminarayan v. CIT	A firm is not a separate legal person in the same sense as a company; statutory context controls treatment.	Verify official judgment and later treatment.
Addanki Narayanappa v. Bhaskara Krishnappa	A partner has a right to a share in partnership assets and profits, not ownership of a specific item of firm property during subsistence.	Verify official judgment and later treatment.
Jagdish Chandra Gupta v. Kajaria Traders	Section 69 disabilities are construed with the statutory nature of the claim and firm registration status.	Verify official judgment and later treatment.

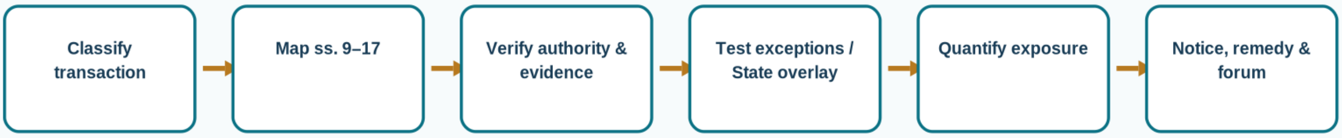
Central and State/UT variation alerts

> Partnership Rules, forms, fees, Registrar portals, stamp duty and public-notice practice are State/UT-specific.

Use the State/UT variation register in the data folder for the live source checklist.

Chapter-specific decision flowchart

IPA-C03 · Finin2min decision path



Good faith, accounts, management, remuneration, indemnity, losses and firm property. Verify the current official source before professional reliance.

Finin2min Q&A

What decision does IPA-C03 help a business make?

It determines how internal rights, duties and property should be classified, documented, performed and enforced under sections 9-17 of the Indian Partnership Act, 1932.

Which provision should be read first in IPA-C03?

Begin with section 9 (General duties of partners) and then read the connected definitions, exceptions and remedy provisions in sequence.

What is the principal implementation risk in IPA-C03?

Applying a commercial label without proving the statutory conditions for internal rights, duties and property, or acting without authority, notice, performance and payment evidence.

Which execution checks are specific to IPA-C03?

Confirm the correct entities, signatory authority, consent, complete annexures, stamp and registration treatment, digital audit trail and approvals relevant to internal rights, duties and property.

How should evidence be indexed for IPA-C03?

Link every section in the chapter with the contract or deed, authority, chronology, notices, performance, delivery, payment, loss and remedy evidence supporting it.

What calculation should be retained for IPA-C03?

Retain the relevant price, tax, interest, partner-account, loss, mitigation, restitution or relief working with sources and assumptions, not only the final number.

How does limitation affect IPA-C03?

Classify the precise cause of action associated with internal rights, duties and property, record accrual, refusal, notice, acknowledgment and exclusion dates, and apply the correct Limitation Act article.

Can arbitration resolve every dispute arising under IPA-C03?

Arbitration may govern the forum, but it does not validate illegality, remove mandatory rules or make a non-arbitrable subject arbitrable. Check scope, seat and interim relief.

Which tax and entity overlays should be checked for IPA-C03?

Check Companies Act authority and related-party controls, partnership constitution, GST supply and invoice consequences, withholding, accounting and insolvency effects.

What is the final professional sign-off for IPA-C03?

Confirm the current statutory source, section conclusions, State variation, authority, calculation, limitation, remedy, forum and complete evidence trail.

Why is section 17 important to IPA-C03?

Section 17 (Rights and duties of partners after a change, expiry of term or additional undertakings) completes the chapter control and must be tested independently.

Official sources and verification status

- Indian Partnership Act, 1932 - India Code
- Official Gazette and applicable State/UT Gazette, Registrar and court portals.
- Review date: 2026-07-18.