**General Partnership**

A General Partnership is a business structure in which two or more individuals manage and operate a business in accordance with the terms and objectives set out in the Partnership Deed. This structure is thought to have lost its relevance since the introduction of the Limited Liability Partnership (LLP) because its partners have unlimited liability, which means they are personally liable for the debts of the business. However, low costs, ease of setting up and minimal compliance requirements make it a sensible option for some, such as home businesses that are unlikely to take on any debt. Registration is optional for General Partnerships.

### Benefits of a Partnership

Minimum Compliance

For General Partnerships, there is no need for an auditor to be appointed or, if the company is still in the process of registration or incase unregistered, annual accounts filing with the registrar is not necessary either. When compared to LLP, annual compliances are also fewer. Further, taxes depending on turnover, service and sales tax also need not be filed in General Partnerships.

Simple to Begin

General Partnerships can begin simply with an unregistered deed of the partnership within 2-4 business days. However, having registration for the same has its own perks and advantages. The primary advantage for having a registered firm is that it will allow you to book lawsuits in courtrooms opposing another business or the business associates in the firm for the administration of rights addressed in the Partnership Act.1932

Comparatively Economical

In comparison to LLP, a General Partnership is much cheaper to begin. Even in the longer run, it will still work out inexpensive as the compliance requirements are very minimal. For example, there is no need for an auditor. Therefore, Home businesses still opt for this, although

**How to Register a Partnership Firm in India**

1. Choose a partnership name. ...
2. Create a partnership deed. ...
3. Consider whether additional clauses are needed. ...
4. Do the partnership deed in the appropriate form. ...
5. Decide whether or not to register the partnership firm. ...
6. Register. ...
7. Sign the application. ...
8. Expect the registration process to proceed formally.

## Documents Required for Partnership Registration

* ID proof of all the Partners - ( Aadharcard Of Each Partner )
* One Partnership Deed between the partners which show the share of each partners
* Name of the company and nature of business.
* 10 Rupees Affidavit
* Passport Size Photo Of Each Partner
* Email Id Of Each Partner
* Mobile Number Of Each Partner
* Rent Agreement Notary Attested/ Ownership Proof Registry Of Property
* Copy of electricity bill, telephone bill or water bill (not more than 3 months

### Essential Facts on Partnership

#### What is a partnership firm?

A partnership firm is a business structure in which two or more individuals manage and operate a business in accordance with the terms and objectives set out in a Partnership Deed that may or may not be registered. In such a business, the members are individually partners and share the liabilities as well as profits of the firm in a predetermined ratio.

#### Why should I set up a partnership firm?

A partnership firm is best for small businesses that plan to remain small. Low costs, ease of setting up and minimal compliance requirements make it a sensible option for such businesses. Registration is optional for General Partnerships. It is governed by Section 4 of the Partnership Act, 1932. For larger businesses, it has lost its relevance with the introduction of the Limited Liability Partnership (LLP). This is because an LLP retains the low costs of a partnership while providing the benefit of unlimited liability, which means that partners are not personally liable for the debts of the business.

#### Is a partnership firm a separate entity?

The partners in a partnership firm are the owners, and thus, are not a separate entity from the firm. Any legal issues or debt incurred by the firm is the responsibility of its owners, the partners.

#### How many partners can there be?

A partnership must have at least two partners. A partnership firm in the banking business can have up to 10 partners, while those engaged in any other business can have 20 partners. These partners can divide profits and losses equally or unequally.

#### Is partnership firm registration necessary?

No, registration of a partnership is not necessary. However, for a partner to sue another partner or the firm itself, the partnership should be registered. Moreover, for the partnership to bring any suit to court, the firm should be registered. For this reason, it is recommended that larger businesses register the partnership deed.

#### What are the main aspects of a partnership deed?

The deed should contain names of the partners and their addresses, the partnership name, the date of commencement of operation of the firm, any capital invested by each partner, the type of partnership and profit-sharing matrix, rules and regulations to be followed for intake of partners or removal.

## Common Partnership Policie

#### 4 BUSINESS DAYS

Once we receive your request, our representatives will contact you to better grasp your specifications. Additionally, If other information is needed, we will reach out to you once again. Our lawyers and legal experts will carry out your requests. Once they are done, it will be sent for your viewing and verification within 4-5 business days. However, you can always contact us if there are changes needed.

#### 4 BUSINESS DAYS

If there are any changes required to the agreement, our experts will have them altered. As agreed upon iteration changes twice is covered in the original cost.

**Open This link of Quotation for Partnership Registration Firm**

<http://www.kbmanagementservice.com/service/Company%20Registration#products>

Download the Form of Partnership Registration Firm

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