Deed Of Retirement

**(To be executed on Rs. ………. Non Judicial Stamp Paper)**

**THIS AGREEMENT** executed at .................. this [Date, Month, Year], between A, son of ....................residing at .............................. having PAN………………………(hereinafter referred to as 'the Retiring Partner,' of the FIRST PART); B, son of ........................... residing at ............................... having PAN………………………… and C, son of ........................... residing at ............................... having PAN………………………… (hereinafter collectively referred to as the "Continuing Partners") of the SECOND PART; (which respective expressions shall, unless repugnant to the contrary to the subject or the context, mean and include their respective heirs, successors, executors, administrators, nominees, representatives, and assigns of the respective parties)

**WHEREAS,** the parties hereto have been conducting a business partnership M/s. ................................................... at .................. as per Deed of Partnership dated ............, registered with ………………….. having unique registration, no…………………since.............

**AND WHEREAS** the Retiring Partner has provided notice to the Continuing Partners of his intent to retire from the said partnership effective from the \_\_\_\_ day of \_\_\_\_.

**AND WHEREAS** accounts have been prepared of the assets, debts, liabilities, and profits earned until the said date, and a sum of Rs. \_\_\_\_ is found to be due and payable to the Retiring Partner in lieu of his/her share.

**AND WHEREAS** it is now proposed to execute this Deed of Retirement documenting the terms and conditions of such retirement.

NOW, THEREFORE, IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

* 1. The Retiring Partner hereby retires and shall be deemed to have retired from the said Partnership firm M/s. \_\_\_\_ from the \_\_\_\_ day of \_\_\_\_. The Continuing Partners have given the consent for the same;
  2. The Continuing Partners shall be entitled to continue carrying on the said business in partnership on such terms as may be agreed upon between them and the Retiring Partners have no objection for the same;
  3. The Retiring Partner hereby releases, all his share, rights, title, and interest in the business of the said partnership, its assets including goodwill, all licenses and permits held by the said Firm, its outstanding dues and receivables, and outstanding contracts, which shall belong to the Continuing Partners alone and shall no longer have any rights therein;
  4. The Continuing Partners agree to settle all the debts and liabilities of the said Firm and to indemnify and keep indemnified the Retiring Partner against all such debts and liabilities, and all loss, costs, charges, and expenses that the Retiring Partner may incur or suffer on account thereof;
  5. The Retiring Partner confirms that as a result of the accounts being settled, a sum of Rs. \_\_\_\_ is due and payable to him in lieu of his share, right, title, and interest in the said partnership business, including its assets and goodwill, and he has no other claim against the Continuing Partners in respect of the said Firm;
  6. The Continuing Partners covenant to pay the said sum of Rs. \_\_\_\_ to the Retiring Partner by monthly instalments of Rs. \_\_\_\_, the first of such instalments to be paid on the \_\_\_\_ day of \_\_\_\_, and each subsequent instalment on the \_\_\_\_ day of each succeeding month until the whole amount is paid in full. If there is any default in payment of any two instalments, then the whole of the said amount or any part thereof then remaining due shall become payable forthwith, and the Retiring Partner will also be entitled to charge interest at \_\_\_\_ percent per annum on delayed instalments, and until payment of the said amount in full, it will remain a charge on the assets of the said partnership.
  7. The Retiring Partner agrees and undertakes that he will not use the name of the Firm and will not engage in the same or similar business as presently carried on by the Firm for a period of two years from now and within a radius of four kilometres from the place where the business of the Firm is conducted.
  8. For convenience, the Retiring Partner appoints the Continuing Partners jointly and severally as his attorneys with authority or power to take legal action and to do all other acts and things necessary to recover the debts and liabilities due to the Firm in respect of the transactions or business done up to now.
  9. The Retiring Partner agrees and undertakes to execute any document or papers as may be required to give complete effect to his retirement from the said partnership.
  10. The retirement of the Retiring Partner shall be advertised in the Official Gazette and in the local newspapers as required by law, and the registration entry of the Firm in the records of the Registrar of Firms will be amended accordingly. The Retiring Partner agrees to sign any application or papers required for this purpose.
  11. The income tax payable by the Firm will be paid by the Continuing Partners, and the Retiring Partner will pay the income tax on his income and other moneys received from the Firm.

IN WITNESS WHEREOF, the Partners have put their respective hands the day and year first above written.

Signed and delivered by the within-named Retiring Partner Mr. A, in the presence of \_\_\_\_

Signed and delivered by the within-named Continuing Partners B & C, in the presence of \_\_\_\_