CHAPTER VIII SUPPLEMENTAL

72. Mode of giving public notice

73. [Repealed]

74. Savings

72. Mode of giving public notice

A public notice under the Act shall be given by publication in the Official Gazette and in at least one vernacular newspaper circulating in the district of the firm's place or principal place of business. Where it concerns the retirement or expulsion of a partner, the dissolution of a registered firm, or the election of a former minor partner, it shall also be given by notice to the Registrar of Firms.

> A public notice under this Act is given-
>
> (a) where it relates to the retirement or expulsion of a partner from a registered firm, or to the dissolution of a registered firm, or to the election to become or not to become a partner in a registered firm by a person attaining majority who was admitted as a minor to the benefits of partnership, by notice to the Registrar of Firms under section 63, and by publication in the Official Gazette and in at least one vernacular newspaper circulating in the district where the firm to which it relates has its place or principal place of business, and
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> (b) in any other case, by publication in the Official Gazette and in at least one vernacular newspaper circulating in the district where the firm to which it relates has its place or principal place of business.

Section 72 of the Indian Partnership Act, 1932 sets out how "public notice" is given wherever the Act requires one. The requirement matters because outsiders dealing with a firm are entitled to assume its constitution is unchanged until they are properly informed. A retiring partner stays liable to third parties for acts of the firm done before public notice of retirement is given (s. 32(3)), and the same rule applies to an expelled partner (s. 33(2)). Partners stay liable for acts done after dissolution until public notice of the dissolution is given (s. 45). A person admitted to the benefits of partnership as a minor must give public notice of his election within six months of attaining majority, or of learning that he was admitted, whichever is later. If he fails to do so, he becomes a partner and is personally liable for the firm's

acts (s. 30(5)). If the firm is registered, the section requires more in these four situations. Besides publication in the Gazette and a vernacular newspaper, notice must also go to the Registrar under s. 63, so that the Register of Firms, which the public may inspect (s. 66), shows the change. In every other case, and for unregistered firms, which have no entry with the Registrar, publication in the Gazette and a local vernacular newspaper is enough. Private notice to some customers, or a notice only in an English-language paper, does not satisfy the section. For example, A, B and C are partners in a registered firm with its principal place of business in Patna, and A retires. If A informs the Registrar under s. 63 and publishes the retirement in the Bihar Gazette and in a Hindi newspaper circulating in Patna district, he is not liable for debts the firm incurs after that notice. If he only tells a few regular customers, a supplier who later deals with the firm without knowing of the retirement may hold A liable as a partner.

74. Savings

The commencement of this Act shall not affect past rights, liabilities, proceedings and acts, unrepealed partnership laws, insolvency rules relating to partnership, or any rule of law consistent with this Act.

> Nothing in this Act or any repeal effected thereby shall affect or be deemed to affect,-
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> (a) any right, title, interest, obligation or liability already acquired, accrued or incurred before the commencement of this Act, or
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> (b) any legal proceeding or remedy in respect of any such right, title, interest, obligation or liability, or anything done or suffered before the commencement of this Act, or
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> (c) anything done or suffered before the commencement of this Act, or
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> (d) any enactment relating to partnership not expressly repealed by this Act, or
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> (e)any rule of insolvency relating to partnership, or
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> (f) any rule of law not inconsistent with this Act.

Section 74 of the Indian Partnership Act, 1932 is a savings clause that keeps the Act, and the repeal it made, from disturbing the existing legal position. Before 1932, partnership in India was governed by Chapter XI (ss. 239 to

266) of the Indian Contract Act, 1872, which the new Act repealed and replaced. Section 74 makes this change prospective. Under clauses (a) and (c), any right, title, interest, obligation or liability already acquired, accrued or incurred before the Act came into force, and anything done or suffered before then, continue unaffected. Under clause (b), legal proceedings and remedies relating to those matters are also saved, so a pending suit continues and an existing remedy can still be pursued under the earlier law. Under clause (d), other enactments relating to partnership survive unless the Act expressly repeals them. Under clause (e), the rules of insolvency relating to partnership, such as how the debts of the firm and of individual partners are treated when a firm or a partner becomes insolvent, remain governed by insolvency law and are not displaced by this Act. Under clause (f), general rules of law, such as principles of common law, equity and contract, continue to apply to partnerships wherever they are consistent with the Act; the Act is therefore not an exhaustive code, and s. 3 similarly keeps the unrepealed provisions of the Contract Act applicable to firms. The Act came into force on 1 October 1932, except s. 69, which came into force on 1 October 1933, and that is the cut-off date for these savings. For example, suppose A, B and C carried on business in partnership, the firm borrowed ₹10,000 from D in 1931, and D sued for recovery in early 1932. When the Act came into force while the suit was pending, the partners' liability to D, which had already been incurred, was not affected (clause (a)), and D's suit continued and was decided under the earlier law (clause (b)). Similarly, if a dispute arises today on a point the Act does not address, such as an equitable principle governing a partner's conduct in a particular transaction, the court may apply that general principle under clause (f), provided it does not conflict with any provision of the Act.