

law ka provision bhulana chaoge, phir bhi
bhula na paoge

Business Law, CA Foundation
6 marks in 2 min.



CONSEQUENCES OF NON-REGISTRATION (SECTION 69)

Indian Partnership Act

MEMORIZE WITH THIS MNEMONIC!



“TENU (Non-Registered Firm)
SAT SUIT SUIT karta”

- S** – Set-off not available
- A** – Action by partner not allowed
- T** – Third party can sue
- SUIT** – Firm cannot file suit
- SUIT** – Partner can file suit for dissolution/accounts

NO SET-OFF!



Set-off of claim is not available to partners against the firm or other partners.

PARTNER ACTION BLOCKED!



An aggrieved partner cannot bring legal action against another partner or the firm.

THIRD PARTY CAN SUE!



A third party can sue the firm.

FIRM'S HANDS TIED!



Suit cannot be filed in a civil court by the firm or its partners against a third party.

EXCEPTION: DISSOLUTION/ACCOUNTS!



Suit may be filed by a partner for dissolution of the firm or for accounts.

