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EFFECT OF NON-REGISTRATION OF FIRM UNDER PARTNERSHIP ACT. 1932

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ABSTRACT

1. "No suit to enforce a right arising from a contract or conferred by this Act shall be instituted in any Court by against the firm or any person alleged to be or to have been a partner in the firm unless the firm is registered and the person suing is or has been shown in the Register of Firms as a partner in the firm".

2. "No suit to enforce a right arising from a contract shall be instituted in any court by or on behalf of a firm against any third party unless the firm is registered and the persons suing are or have been shown in the Register of Firms as

partners in the firm".

3. The provisions of sub-sections (1) shall apply also to a claim of set-off or other proceeding to enforce a right arising from a contract, but shall not affect (a) "The enforcement of any right to sue for the dissolution of a firm or for accounts of a dissolved firm, or any right or power to realize the property of a dissolved firm, or (b) The powers of an official assignee, receiver or Court under the Insolvency (Karachi Division and Dacca) Act, 1909, or the Provincial Insolvency Act, 1920, to realize the property of an insolvent partner.

4. This section shall not apply (a) "To firms or to partners in firms which have no place of business in Pakistan are situated in areas to which by notification under (section 56,) this Chapter does not apply", or (b) "To any suit or claim or set-off not exceeding one hundred rupees in value which is not of a kind specified in the Second Schedule to the Provincial Small Gause Courts Act, 1887, or to any proceeding in execution or other proceeding incidental to or aris-

ing from any such suit or claim".