



### **Just 1 point ~ PARTNERSHIP LAW**

The Supreme Court has recently held that a Hindu Undivided Family (HUF) cannot be a partner in a partnership firm.

The Indian Banking Association, based on the said judgments, has advised banks not to permit opening of bank accounts by firms where an HUF is a partner. Further, for existing accounts, no further credit facilities will be given by banks.

In case there are any partnership firms in your group where an HUF is a partner, there is an urgent need to consider restructuring of the firm.

Please contact the person-in-charge of your account with us for specific restructuring advice in this matter.