

LIMITED LIABILITY PARTNERSHIP ACT, 2008

- 2 (1) (d) Body corporate
- (e) Business
- (j) Designated Partner
- (k) Entity
- (l) Financial Year
- (m) Foreign LLP
- (n) Limited Liability Partnership
- (o) Limited Liability Partnership Agreement
- (q) Partner
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PENALTIES

1) Section 11 = If the statement made during incorporation turns out to be false, then :-

- Imprisonment = upto 2 years AND
- Fine = Rs. 10,000 to Rs. 5,00,000

2) Section 13 = If any default is made in complying with requirements of Section 13, then :-

- Fine → LLP = Rs. 500/day to Rs. 5,000/day [Max. = ₹ 50,000]
- Every Partner = Rs. 500/day to Rs. 5,000/day [Max. = ₹ 50,000]

3) Section 25 = If contravention is made by :-

Section 25(4) LLP, of provisions of Section 25(2), then

- Fine = ₹ 10,000

Section 25(5) Any partner, of provisions of Section 25(1), then

- Fine = ₹ 10,000

4) Section 30 = If any fraudulent activity is carried on by a partner or partners, then :-

Section 30(2) Punishment to partner/partners involved in the fraud :-

- Imprisonment = upto 5 years AND
- Fine = ₹ 50,000 to ₹ 5,00,000

5) Section 34 = If a LLP fails to comply with :-

Section 34(s) Provisions of Section 34(3), then

• Fine $\left\{ \begin{array}{l} \rightarrow \text{LLP} = \text{Rs. } 100/\text{day} \text{ [max = ₹ 1,00,000]} \\ \rightarrow \text{Designated Partners} = \text{Rs. } 100/\text{day} \text{ [max = ₹ 50,000]} \end{array} \right.$

Section 34(6) Provisions of Section 34(1), 34(2) & 34(4), then

• Fine $\left\{ \begin{array}{l} \rightarrow \text{LLP} = \text{₹ } 25,000 \text{ to } \text{₹ } 5,00,000 \\ \rightarrow \text{Every Designated Partner} = \text{₹ } 10,000 \text{ to } \text{₹ } 1,00,000 \end{array} \right.$

6) Section 35 = If a LLP fails to file its annual return, then :-

• Fine $\left\{ \begin{array}{l} \rightarrow \text{LLP} = \text{Rs. } 100/\text{day} \text{ [max = ₹ 1,00,000]} \\ \rightarrow \text{Designated Partners} = \text{Rs. } 100/\text{day} \text{ [max = ₹ 50,000]} \end{array} \right.$

Incorporation [Section 22]

Incorporation Document

- Name
- Registered Office
- Object
- Particulars of subscribers to ID
- Particulars of Designated partners
- Such other Particulars as may be prescribed

M T W T F S S	
File No	YOUVA
Date	

↓ given by

• Person engaged in incorporation of LLP

• At least 1 subscribers to LLP
↓ which says

"All requirements of this act has been complied with in relation to incorporation of LLP."

Incorporation Process

Step 1: Reservation of Name = Applicant has file ~~Form~~ e-Form 1, for ascertaining availability and reservation of name. The chosen name is reserved for 3 months by ROC.

Step 2: Incorporate LLP = The Applicant has to file e-Form 2 for incorporating a new LLP, which contains details of LLP to be incorporated partner's/designated partner's details and consent of partner's/designated partner to act as one.

Step 3: LLP Agreement = After incorporation, LLP Agreement is to executed [mandatory as per Section 23]. Within 30 days of incorporation, LLP Agreement is to be filed under e-form 3.