

Limited Liability Partnership (LLP) under the LLP Act 2008

General	
Governing Law	Limited Liability Partnership Act, 2008
Governing Authority	Registrar of LLP, New Delhi
Foreign Investment	Allowed with FIPB Approval
LLP Taxation	30.90% (Surcharge is not applicable)
Our time to establish	07-10 Days
Minimum State Fees	Rs 1000 (Excluding Stamping Fee)
Partners & Designated Partners	
Minimum/Maximum number of Partners	2/Unlimited
Minimum/Maximum number of Designated Partners	2/Unlimited
Locals Required	One of the Designated Partner should be resident in India.
Designated Partner Identification Number	For each of the Designated Partner must have DIN
Digital Signatures	Any Designated partner who has the authority for signing must have the DSC

Contribution	
Standard Currency	Rupee (Rs)
Minimum Contribution	Re. 1
Company Secretary	
Required	No
Books of Accounts & Audit	
Requirement to prepare	Yes
Audit Requirement	Yes with exception
Applicability of Accounting Standards	Yes with exception
Requirement to file accounts	Yes
Available for Public	Yes
Compliances	
Meeting Requirement	As per the convenience of Partners
Location of Meeting	As per the convenience of Partners
Annual Filing Requirement	Yes
Others	
Registered Office	Yes
Availability of Shelf LLP	Yes

LLP INFORMATION

Limited Liability Partnership

As per the Limited Liability Partnership Act, 2008 Limited Liability Partnership, have the following features:

1. Minimum 2 Partners
2. Minimum 2 Designated Partners.
3. LLP governance as per LLP Agreement.
4. Partnership Status, as far as Taxation of LLP is concerned.

Foreign Investment

As per LLP Act 2008, Foreign Investment is allowed in LLP. And under Foreign Direct Investment (FDI) Policy, Foreign Investment in Limited Liability Partnership is allowed under approval route. However, FDI in LLPs is allowed only under those sectors where 100% FDI is allowed under automatic route.

LLP Taxation

1. **Income-tax:** 30% of total income with edu cess of 3%. Effective tax rate is 30.90%
2. **Surcharge:** No Surcharge would be levied on LLPs taxable amount.

Incorporation Requirement:

1. Minimum 2 Partners are required, without any requirement of being resident in India.
2. Minimum 2 Designated Partners are required, of whom one shall be resident in India.
3. Every Designated Partner should have Designated Partner Identification Number.
4. Any of the Designated partner who has got the authority for signing will have the DSC.

5. No requirement of Minimum Contribution
6. Registered Office Proof is required
7. LLP Name requirement:
 - a. Name may be similar /identical to existing registered company and existing LLP provide the Non Objection certificate is obtained from such company or LLP
 - b. Name should not contains prohibited words like National, Union, Central etc
 - c. Use of certain words like Banks, Venture Capital, requires approval of prescribed authority in India.
 - d. Name should end with suffix, LLP or Limited Liability Partnership.

Designated Partners

Designated Partners are the partners, who have been named in the incorporation document as such and who are responsible for compliance of the provisions of the LLP Act and the terms and conditions of the LLP Agreement.

Incorporation Procedure:

1. Designated Partner shall obtain Designated Partner Identification Number, if they don't have.
2. Any of the Designated partner so authorized for signing purpose must have the Digital Signature, if not previously held.
3. Application for name approval shall be filed to Registrar of LLP.
4. After name approval, incorporation documents containing the details of partners and the Designated Partners and consent of all designated partner/partner would be filed with the Registrar of LLP.
5. Registrar of LLP will issue certificate of incorporation, which will evidence of LLP incorporation.

6. LLP Agreement to be filed with Registrar of LLP within 30 days of Incorporation.

Documents required for obtain Designated Partner Identification Number & Digital Signatures:

1. Self attested and Notarized copy of Identity & Residential Proof in English language.
2. Photograph of Partner

Books of Accounts

LLPs are required to maintain proper book of account according to double entry system and accrual basis of accounting. At the end of each financial year, LLPs are required to prepare Balance Sheet and Profit & Loss Account for that financial year.

Audit Requirement

Limited Liability Partnership whose contribution exceed Rs. 25 Lakh or the Limited Liability Partnership whose turnover exceed Rs. 40 Lakh are required to annually get their accounts audited by Statutory Auditor of the LLP. Only Chartered Accountant in practice can be appointed as Statutory Auditor.

Annual Filling Requirement

LLPs are required to file Statement of Account and Solvency covering Balance Sheet, Profit & Loss Account and Auditors Report (if applicable) and Annual Return, separately, with the Registrar of LLP, in each calendar year.

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