

# Overview of Limited Liability Partnership



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LLP

# Agenda

- **Limited Liability Partnership - meaning**
- **Development**
- **History**
- **LLP Act 2008 – An Overview**
- **Conversion of CA firms into LLP**
- **Tax Treatment of LLPs**
- **An Analysis**
- **Latest Issues in LLP**

# What is LLP?

A Limited Liability Partnership firm (“LLP”) is

- a form of business organization
- with each partner’s liability limited
- to the contribution made by that partner
- in relation to the LLP,
- except in case of fraud, malpractice, wrongs, etc.,
- in which case liability that can attach to the relevant partner may be unlimited liability.
- LLPs are persons in the eyes of law

# Need for LLP

- There is a need for Multi Disciplinary Professionals Firm
- There is restriction on number of partners
- BIG Hurdle is the liability of all partners is unlimited
- SME can not cope up with corporate financial rigidity [i.e. Dividend, capital and related party transaction]
- SME can not cope up with compliance requirements in Company
- SME sector generally do not raise money from public

# Why LLP?

- Alternate Corporate Business Vehicle
- Members have the flexibility for organizing their internal structure as a partnership
- Operate in flexible, innovative and efficient manner, providing benefits of limited liability

# LLP best suited for

- Asset Holding Companies
- Best for Joint Venture entities
- All partnerships /AOP with long term objective
- Any company not having bank loans
- Professional Firms [CA/CS/CWA]
- Service sector/ Real Estate

# LLP No No for...

- Non profit making entities [NGO]
- Finance/ Investment entities [Till RBI recognises LLP ]

# Interesting Global History

- The concept of LLP originated in Italy.
- France is the first country which brought LLP under regulatory framework in 1673.
- In 1892, German Act on LLP extended the limited liability to all the partners.
- The Concept of Company is existing in UK since several Centuries.
- East India Company was formed in 1600BC
- First Joint Stock Companies Act was since 1844 in UK.

# Interesting Global History

- United States of America (US)
  - Concept of LLP has its origin in 1991 (Texas statute)
  - Now adopted by almost every state in the US
  - Other “hybrid” entities: LPs, LLCs
- United Kingdom (UK)
  - LLP Act, 2000
  - Incorporated entity for legal purposes
- Singapore - LLP Act, 2005 (Similar to the UK legislation)
- Indian LLP mainly based on UK and Singapore LLP statutes

# **The Limited Liability Partnership Act 2008**

- 14 Chapters
- 81 Sections
- Four Schedules

# LLP Act, 2008

- LLP Act, 2008 was notified on 31.03.2009
- LLP Rule, 2009 was notified on 1.04.2009
- Taxation for LLP Notified on 10.07.2009
- Conversion of Companies and Firms notified on 22.05.2009 with effect from 31.05.2009
- First LLP registered on 02.04.2009
- 9395 LLPs are registered as on 28<sup>th</sup> May 2012

# LLP Act, 2008 – An Overview

- An LLP is a **Body Corporate**.
- Individuals and even Body Corporates may be partners.
- **Restriction:**
  - Minimum two partners and two Designated Partners who must be individuals,
- **No Maximum Limit:**
  - No limit on the maximum number of partners.
- **Designated Partners**
  - Designated Partners are liable for compliance.
  - Of the two at least one shall be resident in India.
  - If any compliance is not carried out, they will be liable for all penalties.

# LLP Act, 2008 – An Overview

- **Business Carried on by LLP:**
  - LLP may carry on any lawful business, trade, profession, service or occupation.
- **Governance of Partners:**
  - Inter se relationship, rights and duties between partners is governed by LLP Agreement
  - In the absence of agreement principles set out in schedule 1 apply (general principles of equality, in terms of sharing of profits and losses, etc).
- **Registration of LLP**
  - The LLP Agreement is required to be registered.

# LLP Act, 2008 – An Overview

- **Name of LLP:**
  - The Name of the LLP must end with either the words 'Limited Liability Partnership' or the acronym 'LLP'
- **The Agency Relationship:**
  - Every partner is an agent of the LLP and not of the other partners
- **Consequences of any unauthorized acts by Partners:**
  - An LLP is not bound by unauthorized acts of any partner in dealing with a third person provided such third person
    - (a) is aware that the acts are unauthorized; or
    - (b) does not know or believe that the partner is a partner of the LLP

# LLP Act, 2008 – An Overview

- **Consequences of Wrongful Acts or Omissions:**
  - An LLP is liable for wrongful acts or omissions of partners in the course of business of the LLP or with its authority
  - The partner (s) committing such act or omission will be personally liable
  - Other partners not to be liable for such wrongful act or omission
- **Obligation of LLP:**
  - An obligation of the limited liability partnership is solely the obligation of the limited liability partnership
  - The liabilities of the limited liability partnership shall be met out of the property of the limited liability partnership.

# LLP Act, 2008 – An Overview

- **Annual Accounts:**
  - It is under an obligation to maintain annual accounts reflecting true and fair view of its affairs
- **Who can convert into LLP**
  - A firm,
  - Private company or
  - An unlisted company**is allowed to convert itself into LLP**
- **Winding up of LLP**
  - **Voluntary**
  - **By Tribunal**

# **LLP Act, 2008 – An Overview**

**Provisions of Indian Partnership Act, 1932 applicable to LLP?**

**No....Not applicable on LLP (Sec 4 of LLP Act, 2008)**

A photograph showing two silhouetted figures, a man and a woman, shaking hands in a firm grip. They are standing in front of a large, illuminated globe that shows the Americas. The man is on the left, wearing a suit and holding a briefcase. The woman is on the right, wearing a business suit and also holding a briefcase. The scene is brightly lit, creating a professional and positive atmosphere.

## **Incorporation of LLP**

# Incorporation of LLP

1. Registration of LLP
2. Obtaining Designated Partner Identification No by filing Form 7 online
3. Reserving name for proposed LLP by filing Form 1 by any Partner or any Designated Partner
4. Incorporation of LLP – Form 2 ("Incorporation Document and Statement") is filed with the Registrar along with necessary documents
5. Documents required to be filed along with Form 2
  1. Copy of authorization where the partner is a limited liability partnership, or company, or a limited liability partnership incorporated outside India or a company incorporated outside India.
  2. Proof of address of registered office of limited liability partnership.
  3. Details in respect of names of partners / witnesses and their signatures.
  4. Any other document as specified in the form

# Incorporation of LLP

6. The registration will happen within 14 days from the date of filing Form 2
7. A certificate of incorporation will be issued to LLP ( Form 16)
8. The following forms may be filed either along with Form 2 or within 30 days of incorporation of LLP
  1. Form 3 - Details of LLP agreement and
  2. Form 4 - Notice of Appointment of Partner/Designated Partner

# LLP Agreement

- LLP Agreement (S. 2(o)) means  
“Any written agreement between partners of LLP or LLP and its partners which determines the mutual rights & duties of the partners and their rights & duties in relation to that LLP”.
- LLP Agreement and any change to be filed in **Form 3** within 30 days from date of Agreement
- Agreement is theoretically optional.
- In absence of agreement, First Schedule to LLP Act would be applicable

# Drafting of LLP Agreement

## The basic contents of Agreement are:

- Name of LLP
- Name of Partners & Designated Partners
- Form of contribution
- Profit Sharing ratio
- Rights & Duties of Partners
- Proposed Business
- Rules for governing the LLP
- In case no agreement is entered into, the rights & duties as prescribed under Schedule I to the LLP Act shall be applicable.

# Imp. aspects of LLP Agreement

- Profit Sharing Pattern/ Voting/ Contribution may not be related
- Powers of DP and Partners to be specified
- Decision making process to be defined
- Exit mechanism / dispute resolution
- AOA of public co. can be the basis

# LLP Agreement, the charter document of a LLP

- To ensure security of the members' position in the LLP
- 
- To provide certainty regarding the consequences of any actions by the other members.
- For issue arising amongst the members in an LLP,
- Determining the mutual rights and duties of the partners

# Basic needs

As per Section 11:

Name

Proposed business

Registered Office Address

Name and address of partners and Designated Partners at time of incorporation

**Other information**

# Contents

1. Interpretation and Preliminary
2. Incorporation and Objects of LLP
3. Commencement and Duration
4. Registered Office and Place of Business
5. Partners and Designated Partners
6. Capital Accounts and Current Accounts
7. Profits and Losses / Revaluation of Assets
8. Drawings
9. Expenses
10. Advances to Members - Loan Accounts

# Contents

- 11. Financial Year
- 12. Banking Account
- 13. Books and Records
- 14. Financial Statements
- 15. Auditors
- 16. Good Faith
- 17. Management
- 18. Rights and Duties of Members
- 19. Voting and Resolutions
- 20. Indemnity
- 21. Operation of Bank Account
- 22. Amendment to LLP Agreement

# Contents

- 23. Insurance
- 24. Holiday Leave
- 25. Confidentiality
- 26. Voluntary Retirement
- 27. Involuntary Retirement
- 28. Expulsion
- 29. Former Members
- 30. Winding Up of LLP
- 31. Restriction on Activities
- 32. Breach
- 33. Arbitration

# Contents

- 34. Dispute Resolution
- 35. Whole Agreement - No Amendment
- 36. Governing Law and Jurisdiction
- 37. Counterparts
- 38. Notices
- 39. Costs
- 40. Liability of LLP to Indemnify the Partner
- 41. Liability of Partners to Indemnity LLP
- 42. Winding up

# Designated Partners, Partners

Acts, matters or things required to be done by a designated partner

Powers in relation to acts, matters, or things which the designated partner can exercise only with the consent of all the partners / requisite number or percentage of partners.

Obligation to contribute

Powers, duties, and authority of each partner

# Contents

Resolution of disputes

Between the partners

Between the partner and LLP

Liability of Partners

# Indemnity clause

- LLP indemnify partner
- For payments and personal liabilities
- During ordinary and proper conduct of the business
- Done for the preservation of the business or property of the LLP
- Partner indemnify LLP
- For loss caused by his fraud

# Duration of Limited Liability Partnership

Perpetual

Particular Event

Specific job

# Tax Angle

Interest on Capital – 40 (b)...subsequent amendment to law

Remuneration

On the first ` 300,000 of the book-profit, or in case of a loss	` 150,000 or at the rate of 90 per cent of the book profit , which ever is more;
On the balance book-profit	at the rate of 60 per cent

# Tax Angle

Remuneration to Non Designated Partner

Designated Partner vis-à-vis Working Partner

DP Responsible for the doing of all acts, matters and things as are required by LLP in respect of compliances and as may be specified in the limited liability partnership agreement;

# Partners to LLP

- Partners subscribers to incorporation documents
  - Minimum Partners required: 2,
  - Maximum: No limit
  - The provision of personal liability arises if the number falls below 2
  - A Partner can bind LLP
- 
- The rights & duties of partners to be governed by LLP agreement
  - Any notice of change of Partners or any change in address to be filed within 30 days in **Form 4**
  - Any admission or cessation will require amendment in the LLP Agreement

# Important/ New Concepts in LLP

- Designated Partner
- Contribution
- LLP Agreement

# Designated Partners

- Is a concept similar to officer in default
- Are like Directors with executive powers
- May be Partners Sharing Profit
- Partners if not designated will not be liable for any deeds of criminal offence committed by Designated Partners

# Contribution

- May not be capital , but capital is contribution
- Is similar to guarantee
- Need not be the basis for voting/ control
- Need not be the basis for profit sharing

# Important features of First Schedule

- No partner shall draw remuneration
- LLP shall indemnify partner against liabilities incurred in Ordinary Course
- Each Partner shall have one vote at the meeting
- New partner can be admitted with consent of all the Partners
- Decision taken at Partners Meeting should be minuted within 30 days
- New business can be started with consent of all Partners
- Partner shall not compete with LLP
- Partner can not derive any benefit from LLP without consent of Partners

# FDI framework - General

FDI generally understood to mean investments by way of equity shares, fully convertible preference shares and convertible debentures

Broadly, FDI permitted under 2 routes:

Automatic route - No prior permission, only requirement to inform RBI within 30 days of inflow / issue of shares

Approval route - prior approval of the Foreign Investment Promotion Board (FIPB), Ministry of Finance, Government of India (GOI) required

Until recently, FDI allowed into “Indian Company” only in its “capital instruments” i.e. Equity Shares, Compulsory Convertible Preference Shares (CCPS) and Compulsory Convertible Debentures (CCDs)

# FDI framework – Recent Developments

May 2011: Cabinet Committee on Economic Affairs (CCEA) of the GOI approves proposal to allow FDI on LLPs

Implementation in a calibrated manner, starting with “open” sectors and subject to conditions

May 2011: GOI issues Press Note 1 of 2011 for implementing the CCEA approval

# FDI framework – Recent Developments

Press Note No 1 of 2011

- 100% FDI permitted in LLP with prior approval of FIPB in sectors where 100% FDI is allowed under automatic route
- FDI in LLP not permitted in the following sector
  - FDI-linked performance condition is attached (minimum capitalization, lock-in period, etc)
  - Prohibited sectors like agricultural/ plantation activity, print media or real estate business
  - FII /FVCI not permitted to invest in LLPs
  - LLPs not permitted to avail External Commercial Borrowings (ECBs)
  - Conversion of company with FDI into LLP permitted, but prior approval of FIPB required and under similar conditions

# FDI framework – recent developments

- LLPs with FDI not eligible to make any downstream investments
- Indian companies with FDI permitted to make downstream investment in LLPs only if both the Indian company and the LLP operate in sectors where 100% FDI is permitted under automatic route and no FDI-linked conditions attached
- Capital contribution by partner only in cash
- Designated Partners (DPs) in LLPs with FDI
- For the purposes of appointing a DP, "resident in India" would have the meaning, as defined for "person resident in India", under FEMA
- Where an LLP wants to have a body corporate as a DP, only a company registered in India under the Companies Act, 1956 can be a DP
- DP responsible for compliance with the FDI conditions and liable for all penalties imposed on the LLP for any contravention.

# Opportunities for CAs

- Incorporation of LLP
- Drafting of LLP Agreement [V V IMP]
- Conversion of Partnerships into LLP
- Conversion of Private or Closely held Public Ltd cos' into LLP
- Compliance services for LLP
- Gearing up for Multi Disciplinary Practice

# Conversion to LLP



# Conversion to LLP

- All partners required to apply for conversion
- Intimation of conversion to be intimated to ROC in 14 days in **Form 14**
- Conversion shall not affect any rights or liabilities of erstwhile firm or company
- Registrar to give Certificate in **Form 19**

If rejected, appeal can be filed with NCLT

Every official correspondence after conversion shall be supported by a Statement bearing

Name of earlier firm/ company and

Registration number

for 12 months

Penalty for Non- Compliance

Min. 10,000

Max. 1,00,000

# Application Forms for Conversion to LLP

Application for Conversion

**Form 17** – From Partnership firm to LLP (Schedule II)

**Form 18** – From Private company to LLP (Schedule III)

**Form 18** – From unlisted public company to LLP (Schedule III)

**LLP**



**Firms**

# LLP and Partnership Firm

LLP	Firm
Governed by Limited Liability Partnership Act, 2008	Governed by Indian Partnership Act, 1932
Comes into existence by Law	Comes into existence by Agreement
Registration of LLP is compulsory under Law	Registration is Optional
LLP has a separate legal existence from its partners	Partners are collectively known as 'Firm'
Assets of Partnership are in the name of the Partners and not Firm	Assets of LLP are in the name of LLP and not partners
LLP has Perpetual Succession	Firm has no Perpetual Succession
Partners Liability is Limited	Partners Liability is Unlimited

# CONVERSION OF LLP

1	FIRM	To	LLP	Sec.55 LLP Act & Schedule II
2	COMPANY	To	LLP	Sec.56 & 57 LLP Act & Schedule III & IV

# HOW TO CONVERT A FIRM TO LLP

## Steps for Conversions

- I- Decide DP'S
- II- Apply DPIN & DSC (Form-7)
- III-Apply Name Reservation (Form-1)
- IV-File Incorporation Documents (Form-2)
- V-File Conversion Application (Form-17)
- VI-Obtain Conversion Certificate (Form-19)
- VII- Intimation of conversion (Form-14)  
to ROC/ROF

# LLP and Companies



# LLP and Companies

LLP	Companies
Governed by Limited Liability Partnership Act, 2008	Governed by Companies Act, 1956
The name should compulsorily end with 'LLP'	The name should compulsorily end with 'Ltd' or 'Pvt Ltd'
Where no specific appointment is made auditors shall be deemed to be reappointed	Auditors are appointed by specific resolution at every AGM
Common Seal is optional	There is Common Seal and its usage is compulsory
Structure of the Organization is Governed by LLP Agreement	Structure of the organization is governed by Companies Act

# CONVERSION OF COMPANY TO LLP

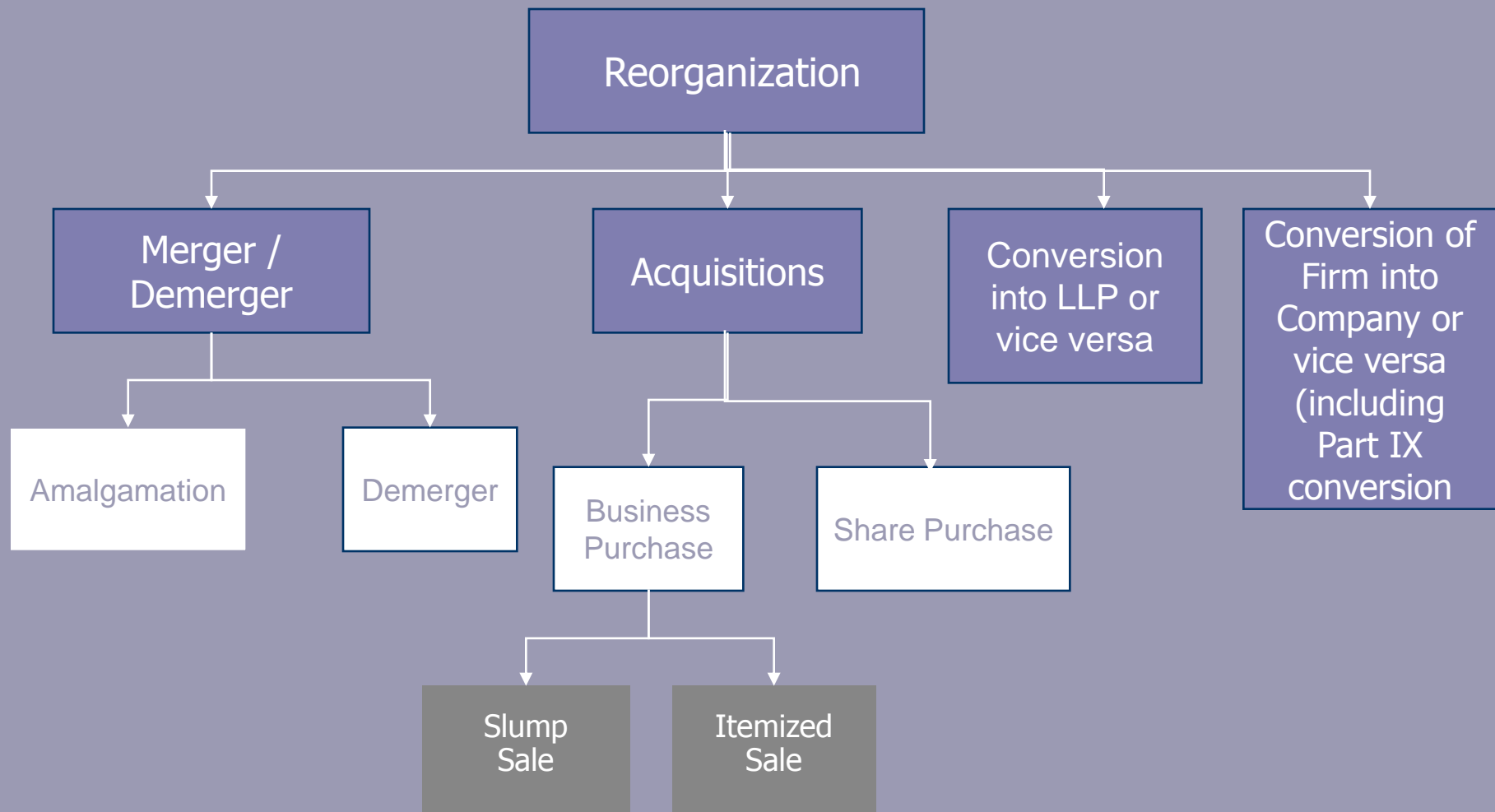
## Steps for Conversions

- I- Decide DP'S
- II- Apply DPIN & DSC (Form-7)
- III-Apply Name Reservation (Form-1)
- IV-File Incorporation Documents (Form-2)
- V-File Conversion Application (Form-18)
- VI-Obtain Conversion Certificate (Form-19)
- VII- Intimation of conversion (Form-14)  
to ROC/ROF

# Why Structuring?

- Enhance shareholder value
- Grow inorganically
- Overcome threat / competition
- Achieve economies of scale / synergies
- Exit non-core businesses
- Re-direct capital to core competencies
- As a part of global / group restructuring

# Modes of Reorganization in India



# Taxation Coverage

- Corporatization of corporate entity
- Conversion as per Part IX Route
- LLP conversion of unlisted corporate entity
- Explanatory Notes
- Alternate Minimum Tax (AMT)

# Corporatization of Corporate Entity

## oExemption u/s 47(xiii) 47(xiv) subject to fulfillment of certain conditions

oAll the partners of the firm become the shareholders of the company in the same proportion

oNo consideration other than issue of shares in the company

oAll the assets and liabilities of the proprietary concern or the firm are transferred

The aggregate shareholding of the proprietor or partners is not less than 50% of total voting power in the company and continue for period of five years

# Conversion as per Part IX Route

- Becomes corporate entity by process of law
- Held by various courts since no 'transfer' no tax implications
- Texspin Eng & Mfg Works (263 ITR 345) (Bom HC)
- Recent ruling of AAR in the case of Umicore Finance Luxembourg (318 ITR 78) (AAR)
- Stamp duty not payable?

# LLP Conversion of Unlisted corporate entity

## Condition for Capital Gain Exemption Sec 47 (xiiib) :

- All assets and liabilities of the company become the assets and liabilities of the LLP
- Shareholders of the company become partners of the LLP in the same proportions as their shareholdings in the company.
- No consideration other than share in profit and capital contribution in the LLP arises to partners.
- The erstwhile shareholders of the company continue to be entitled to receive at least 50 per cent of the profits of the LLP for the period of five years from the date of conversion.
- Total sales turnover or gross receipts in business of the company do not exceed Rs.60 lakh in any of the three preceding previous year.
- No amount is paid, either directly or indirectly to any partner to any partner out of the accumulated profit of the company for a period of three years from the date of conversion

# **Income-tax : Explanatory Notes to the provisions of the Finance Act, 2010**

the total sales, turnover or gross receipts in business of the company

[which are taxable under the head "Profits and gains of the business or profession"]

do not exceed sixty lakh rupees in any of the three preceding previous years; and

**[F.No. 142/1/2011-SO(TPL)]**

# Alternative Minimum Tax (AMT)

Where the regular income-tax payable for a previous year by a limited liability partnership is less than the alternate minimum tax payable for such previous year, **the adjusted total income** shall be deemed to be the total income of such limited liability partnership and it shall be liable to pay income-tax on such total income at the rate of eighteen and one-half per cent..

For the purpose of the above,

(i) "Adjusted total income" shall be the total income (Taxable Income) as increased by :

- a) the deductions claimed under any section included in Chapter VI-A under the heading "C – Deductions in respect of certain incomes " (pertaining to deductions for Infrastructure , Hotel, Industrial Undertaking etc) and
- b) deduction claimed under section 10AA (pertaining to Special Economic Zone);

# Comparison: AMT (LLP) and MAT (Company)

AMT	MAT
<ul style="list-style-type: none"><li>• Linked to total income as adjusted for deductions u/s 10AA and under Ch. VI-A</li><li>• Investment linked tax holiday cases protected</li><li>• Incomes exempt u/s 10 beyond purview of AMT</li><li>• Quantum of carried forward losses does not impact AMT</li></ul>	<ul style="list-style-type: none"><li>• Linked to 'Book Profit' as modified for specified downward / upward adjustments</li><li>• Investment linked tax holiday cases subject to MAT</li><li>• STT paid LTCG subject to MAT</li><li>• Restrictive set off of book losses of earlier years</li></ul>

# LLP AS A RESTRUCTURING TOOL

## DDT MITIGATION

DIRECT CONVERSION

DEFERRED CONVERSION

STRUCTURED CONVERSION

## MAT MITIGATION

DIRECT CONVERSION

STRUCTURED CONVERSION

# LLP Website and Contact Address

- **LLP Official Website** - <http://www.llp.gov.in>

- **Office of the Registrar,**

Limited Liability Partnerships  
Ministry of Corporate Affairs,  
3rd Floor, ""Paryavaran Bhawan"" ,  
CGO Complex, Lodhi Road,  
New Delhi (India)- 110003.

Phone - +91-11-66336666

Email: [llpsupport-mca@nic.in](mailto:llpsupport-mca@nic.in) , [oandm.dca@sb.nic.in](mailto:oandm.dca@sb.nic.in)

Email of Registrar: [santosh.kumar@mca.gov.in](mailto:santosh.kumar@mca.gov.in)



## **ICAI Council Guidelines for Conversion of CA Firms into LLP**

**(Guidelines No.1-CA (7)/03/2011, dated 4th November, 2011) –**  
**ICAI**

What are the guidelines for CA LLPs known as?

Council Guidelines for Conversion of CA Firms into LLPs -Guidelines No.1-CA (7)/03/2011, dated 4th November, 2011)

## Can a CA in practice constitute a separate LLP?

Yes, all members of ICAI in practice who want to constitute separate LLPs are required to follow the provisions of the Limited Liability Partnership Act, 2008 read with the Rules framed there under.

# What about existing CA firms with regard to constitution of LLP?

- All existing CA firms who want to convert themselves into LLPs are required to follow the provisions of Chapter-X of the Limited Liability Partnership Act, 2008 read with Second Schedule to the said Act containing provisions of conversion from existing firms into LLP.

# What if the name of LLP of CA firm resemble with any other non CA entity?

- If the proposed name of LLP of CA firm resemble with any other non-CA entity as per the naming Guidelines under LLP Act and its Rules, the proposed name of LLP of CA firms may include the word `Chartered Accountant' or `Chartered Accountants', as the case may be in the name of the LLP itself and the Registrar, LLP may allow the same name, subject to compliance to Rule 18(2) (xvi) of LLP Rules

## Can a LLP of a CA firm carry the name Chartered Accountants as a part of its name?

In terms of Rule 18(2) (xvi) of LLP Rules- 2009, if the proposed name of LLP includes the words 'Chartered Accountant' or chartered Accountants, as the case may be, as part of the proposed name, the same shall be referred to the Institute of Chartered Accountants of India (ICAI) by the Registrar of LLP and it shall be allowed by the Registrar only if the Secretary, ICAI approves it.

## Any name reservations exist for LLP's of CA Firms?

Yes, the names of the CA firms registered with the ICAI shall remain reserved for the partners as one of the options for LLP names subject to the provisions of LLP Act, 2008.

# What are regulations applicable to LLP's of CA Firms?

The provisions of CA Act, 1949, Chartered Accountants Regulations, 1988 and Code of Ethics issued by ICAI shall be applicable to all partners of the converted CA firms into LLP jointly and severally.

## Forms in which application for registration of LLP with ICAI filed by CA Firms

The partners of the firm shall apply in ICAI Form No. '117' and the ICAI Form No. '18' along with copy of name registration received from the Registrar of LLP and submit the same with the concerned Regional office of the ICAI

## Approved suffixes to LLP of a CA firm by ICAI?

The name of the LLP may be like 'X & Co. LLP' or 'X & Associates LLP' and no other suffix shall be approved and registered by ICAI.

## Restriction in the nature of service by newly registered CA LLPs?

The newly converted CA LLPs registered with ICAI shall be allowed to work only in terms of Section 2(2) of the Chartered Accountants Act, 1949 and the object of LLP to be incorporated in Form-2 and Form 17 of the LLP rules, 2009 or in LLP agreement, shall be in the nature of Professional Services allowed under Section 2(2) of the Chartered Accountants Act, 1949.

# LLP registration numbers with ICAI

The registration number (with minimum 6 numbers) of LLP with ICAI, shall remain the same Firm Registration Number (FRN) allotted to the firm before the conversion by ICAI with the Regional Code like `W' for Western, `E' for Eastern, `S' for Southern, `N' for Northern and `C' for Central Region

# What if there is any dispute on these guidelines?

In case of any dispute in respect of these guidelines, the same shall be referred to the committee of the Institute and the decision of that committee shall be final and binding on the members of the Institute.

# When does this guideline come into force?

These Guidelines shall come into force w.e.f.  
4th November, 2011.

# About the Author

*CA. Rajkumar S Adukia is an eminent business consultant, academician, writer, and speaker. He is the senior partner of Adukia & Associates.*

*In addition to being a Chartered Accountant, Company Secretary, Cost Accountant, MBA, Dip IFR (UK), Mr. Adukia also holds a Degree in Law and Diploma in Labor Laws and IPR.*

*Mr. Adukia, a rank holder from Bombay University completed the Chartered Accountancy examination with 1st Rank in Inter CA & 6th Rank in Final CA, and 3rd Rank in Final Cost Accountancy Course in 1983.*

*He started his practice as a Chartered Accountant on 1st July 1983, in the three decades following which he left no stone unturned, be it academic expertise or professional development.*

# About the Author

*He has been coordinating with various Professional Institutions, Associations, Universities, University Grants Commission and other Educational Institutions.*

*Authored more than 50 books on a vast range of topics including Internal Audit, Bank Audit, SEZ, CARO, PMLA, Anti-dumping, Income Tax Search, Survey and Seizure, IFRS, LLP, Labour Laws, Real estate, ERM, Inbound and Outbound Investments, Green Audit etc.*

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# THANK YOU

