

# LLP Act, 2008

## Sec 38 Power of Registrar to obtain info

Registrar may require any person - former partner, DP, Employee of LLP to answer any question/make declaration/supply any details in writing within reasonable period.



If the person does not do what Registrar asks him to do, then Registrar has a power to summon that person to appear before him/inspector/public offices which registrar designate to ans/declare/supply details



If the person without lawful excuse fails to comply summons/requisition of Registrar, then Fine: Min ₹2000 upto ₹25000.

## Sec 39 Compounding of Offences

- RD/Officer not below rank of RD authorised by CG may compound any offence under this Act.

Hence punishment will be only fine

↓  
Can be extended to max amt but cannot be < min. amt.

⊛ But if the person/LLP commits same

offence within 3 yrs, then no compounding

- Application for compounding → Registrar  
↓  
Forward the application to RD/offices with its comments to not below rank of RD  
↓  
After compounding, intimate Registrar within 7 days.

- If the compounding happens

Before institution of any prosecution  
↓

No prosecution shall be instituted

After institution of prosecution  
↓

Registrar has to bring such compounding to notice in writing to the court in which prosecution is pending  
↓

Then the offender shall be discharged by court.

- For the purpose of compounding, RD/offices not below rank of RD may by an order, direct any partner/DP/Employee of LLP

to file returns/A/c/ Documents within such time prescribed on payment of fees/additional fees.



If the person fails to comply with the order then the fine shall become 2x Max fine.

(C/A/R)

Compromise/Arrangement/Reconstruction of LLP (sec 60 to 62)

- Sec 60 & 61 Compromise/Arrangement  
Application for C/A can be proposed to Tribunal by LLP/Co/Partners/Liquidator of LLP

C/A between  
(i) LLP & Co  
(ii) LLP & its partners

↓  
in case LLP is being wound up

↓  
Tribunal may order a meeting of Co/partners and the meeting will be held/conducted in such manner as Tribunal prescribes



If  $\frac{3}{4}$ th in value of Co/partners agree to any C/A, if sanctioned by

the Tribunal, by order shall be binding on all Crs/partners and LLP and if LLP is being wound up then binding on liquidators & contributors of LLP.

⊛ Tribunal shall sanction order of C/A only after being satisfied that LLP & Crs/P/liquidators have disclosed all material facts related to LLP incl latest fin. position of LLP & investigation proceedings in relation to LLP. Decl can be done by affidavit or otherwise.

↓  
Order of Tribunal shall be filed by LLP with ROC within 30 days from the date of order  
[If not filed with ROC then  
Penalty: ₹10000 + ₹100 per day  
max: ₹1L to LLP & ₹50000 to DP

⊛ If C/A application is made to Tribunal, then then Tribunal may STAY the commencement/continuation of any suit against LLP till the application is disposed off.

Sec 61 When Tribunal is making any C/A order as above,

Tribunal has a power to

supervise the carrying out of C/A

At the time/after making such order, order any modification in C/A as it may consider necessary.

But if Tribunal is satisfied that C/A order sanctioned above cannot be worked satisfactorily with/without modifications,

Tribunal may suo moto or application made by interested person

↓  
May order for winding up of LLP.

## ● Sec 62 Reconstruction/Amalgamation of LLPs

If the application for sanctioning C/A as above is made to Tribunal in connection with scheme of

- Reconstruction of LLP
- Amalgamation of LLPs

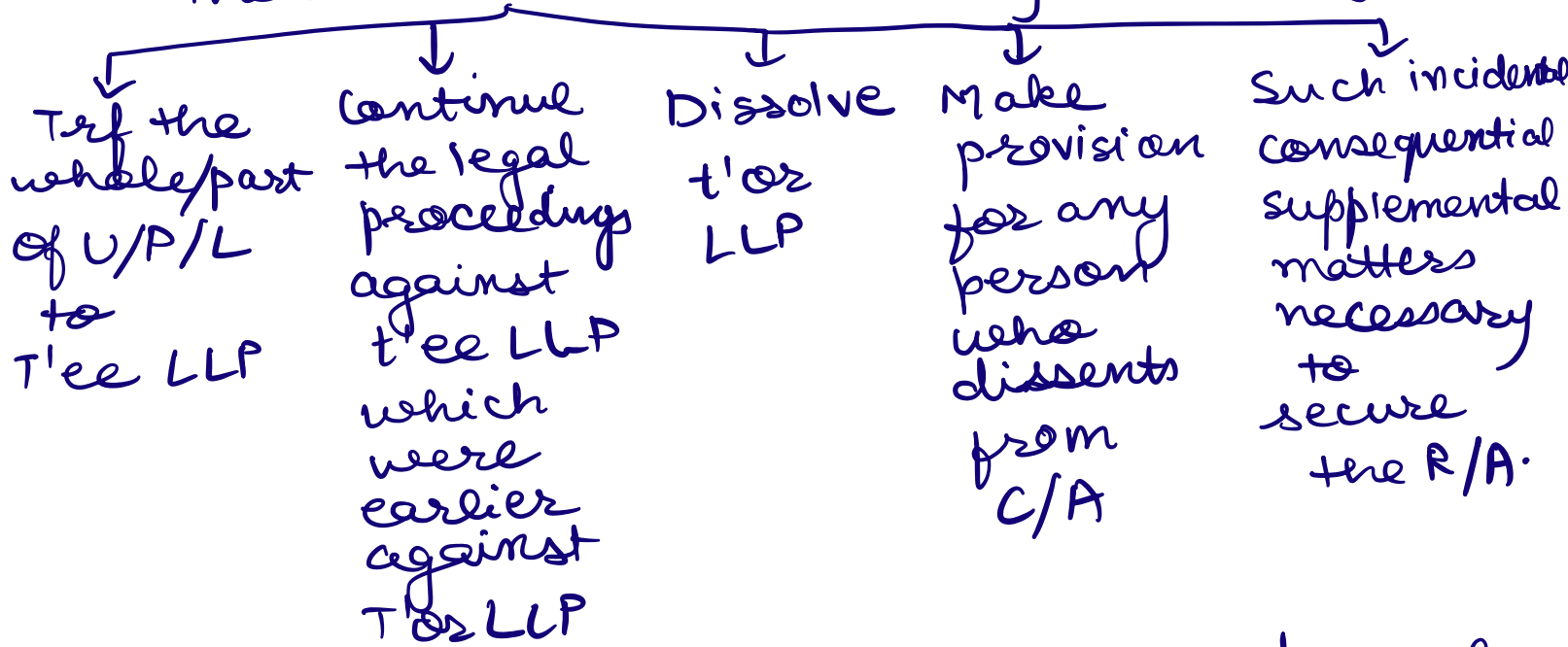
and

under that scheme, the whole/part of undertakings/property/liabilities



of under any part of the  
of LLP are to be transferred  
to another LLP,

then the Tribunal may do all/any of foll:-



★ But Tribunal can pass above order only after receiving report from Registrar that the affairs of LLP have not been conducted in a manner prejudicial to the interest of its partners or to public interest

★ If Tribunal passes an order of dissolution of the LLP, then it can be done only after taking a report from Official Liquidator regarding scrutiny of books & papers of LLP

↓  
After Tribunal's order of transfer,  
Property/Liabilities transferred to the LLP  
and if the order directs

then the  
property will  
be free of chg.



LLP has to file certified copy of  
order of Tribunal to ROC  
within 30 days of passing such order.

⊛ If it is not filed with ROC, then

Penalty: ₹10,000 + ₹100 per day

max: ₹1 lac for LLP & ₹50,000 for DP

⊛ LLP shall not be amalgamated  
with a Company.