



A “limited liability partnership (LLP)” is a partnership in which some or all partners have limited liability. It therefore exhibits both elements of partnerships and corporations and offers the dual advantage of combining the organizational flexibility of partnership firm with the feature of limited liability for its partners.

It has separate legal entity from its partners like a private limited company. It also has perpetual succession and a common seal unlikely traditional partnership firms.

In an LLP one partner is not responsible or liable for another partner's misconduct or negligence but unlike the corporate shareholders, the partners have the right to manage the business directly.

The “Limited Liability Partnership Act, 2008 (the Act)” has come into the force from 31st March 2009 after getting assent of President on 7th January 2009. It is a well-timed and welcome initiative taken by the govt. to accentuate corporate growth, reform and regulation through synergized knowledge management. It is based on three broad principles:

1. Limited Liability
2. Corporate personality
3. Partnership flexibility

Process to Start LLP

Limited Liability Partnership-Registration and Tax Issues

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Monday, 07 June 2010 05:30



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