



Frequently Asked Questions on LLP Settlement Scheme, 2020 issued by the Ministry of Corporate Affairs, Government of India

Q. 1. What is LLP Settlement Scheme, 2020?

A. 1. "LLP Settlement Scheme, 2020" is a scheme to give a Onetime relaxation in additional fees to the defaulting LLPs to make good their default by filing pending documents viz. Form Nos 3, 4, 8 and 11 and to serve as a compliant LLP in future. Refer General Circular No 2/2020 available at the link –
http://www.mca.gov.in/Ministry/pdf/GeneralCircular06_04032020.pdf

Q. 2. What is the objective of this Scheme?

A. 2. The Ministry of Corporate Affairs, as part of Government's constant efforts to promote ease of doing business, has decided to introduce a scheme namely "LLP Settlement Scheme, 2020", by allowing a One-time condonation of delay in filing statutorily required documents with the Registrar

Q. 3. Whether this Scheme is permanent?

A. 3. No. It is one time relaxation, as part of Government's constant efforts to promote ease of doing business it has been decided to give a Onetime relaxation in additional fees to the defaulting LLPs to make good their default by filing certain pending documents and to serve as a compliant LLP in future.

Q. 4. What is the time period of the Scheme?

A. 4. The Scheme shall come into force on the 16th March, 2020 and shall remain effective up to 13th June, 2020 (both days inclusive).

Q. 5. What is defaulting LLP as per the Scheme?



A. 5. "Defaulting LLP" means a LLP registered under the Limited Liability Partnership Act, 2008 which has made a default in filing of documents on the due date(s) specified under the LLP Act, 2008 and rules made there under.

Q. 6. Whether an LLP is required to file an application to the Registrar to avail the Scheme?

A. 6. No, the defaulting LLPs may themselves avail of the scheme for filing documents which have not been filed or registered in time on payment of additional fee and statutory fee.

Q. 7. What shall be the manner of payment of fees and additional fee on filing belated document for seeking immunity under the Scheme?

A. 7. Under the scheme, for the belated documents, [the LLP](#) shall pay

- Statutory filing fees as prescribed under [the LLP](#) Act and rules made there under along with
- an additional fee of Rs 10 per day, provided that such payment of additional fee shall not exceed Rs. 5,000/- per document.

Q. 8. Whether additional fee of Rs. 10 per day is for all forms in aggregate or individually?

A. 8. Additional fee of Rs 10 per day is payable per document and not in aggregate. Thus, if there is there is delay of 300 days for one form and 330 days for another form, then for the form where delay is 300 days, additional fee will be Rs. 3,000 and for another form where delay is for 330 days, additional fee will be Rs. 3,300.

Q. 9. Whether cap of Rs. 5,000/- on additional fee is for all forms in aggregate or individually?



A. 9. Cap on additional fee of Rs 5,000 is applicable per document and not in aggregate. Thus, if there is there is delay of 900 days, then additional fee for the form at the rate of Rs. 10 per day works out to Rs. 9,000 which is more than Rs. 5,000 and therefore additional fee will be Rs. 5,000 for the form.

Q. 10. On which filing the Scheme shall be applicable?

A. 10. Scheme shall be applicable inly on filing of following documents:

- i. Form-3- Information with regard to limited liability partnership agreement and changes, if any, made therein;
- ii. Form-4- Notice of appointment, cessation, change in name/ address/ designation of a designated partner or partner and consent to become a partner/ designated partner;
- iii. Form-S; Statement of Account & Solvency (Annual or Interim);
- iv. Form-11- Annual Return of Limited Liability Partnership (LLP).

Q. 11. The Scheme shall be applicable for delay in submission of any form applicable to LLP?

A. 11. No. The Scheme is not applicable to any form other than Form No. 3, Form No. 4, Form No. 8 and Form No. 11.

Q. 12. For which LLPs this Scheme is not applicable?

A. 12. This Scheme shall not apply to LLPs which have made an application in Form 24 to the Registrar, for striking off its name from the register as per provisions of Rule 37(1) of the LLP Rules, 2009.

Q. 13. Documents for which period in the past, a defaulting LLP is permitted to file?



A. 13. "defaulting LLP" is permitted to file belated documents, which were due for filing till 31st October, 2019 in accordance with the provisions of this Scheme.

Q. 14. Is there any immunity from prosecution in respect of document(s) filed under the scheme?

A. 14. Yes, the defaulting LLPs, which have filed their pending documents till 13th June 2020 and made good the default, shall not be subjected to prosecution by Registrar for such defaults.

Q. 15. What action Registrar can take on the defaulting LLPs which have not availed this Scheme after conclusion of the same?

A. 15. On the conclusion of the Scheme, the Registrar shall take necessary action under the LLP Act, 2008 against the LLPs which have not availed this Scheme and are in default in filing of documents as required under the provisions of LLP Act, 2008 in a timely manner. The defaulting LLPs may be subjected to prosecution by Registrar for such defaults.
