

**Academic year: 2020-21**

**EXTENSION LECTURER: M RAJVEER,**

**DEPT. OF COMMERCE, KGC, WARANGAL K.U**

**Collaborated with dept of Commerce, GDC Mahabubabad**

**Name of the Topic: -" LIMITED LIABILITY PARTNERSHIP**

**Conducted on 15th Feb 2021 Number of Students attended: 30**

**Extension Lecture to B. Com I & II Year Students.**

**He was explained the meaning, importance and merits & demerits in detail**

### **An Introduction to Limited Liability Partnership**

Any kind of business partnership form is prone to suffer from unlimited liability. The liabilities of the partners involved in the business tend to extend to their personal assets. And this, in turn, makes the partnerships undesirable for many entrepreneurs. However, there exists a solution for this kind of issue which is known as limited liability partnerships, which is referred to as the LLPS full form. Let us discuss LLP and Private Limited and how to change from LLP to Private Limited Company.

LLPs are actually very common, and it is not like one needs to be an accountant or a lawyer to actually grasp the meaning behind it. LLPs are very common due to the fact that it deals with limited liabilities. This means a sort of business partnership where all the liabilities a person has been restricted to the money he/she invests only. This means that in case the person is unable to get profitable returns, creditors cannot seize their personal assets.

### **Limited Liability Partnerships**

Partners of the partnership firms possess unlimited liability for their total debts and legal consequences. In this, their assets are liable to get attached to meet the debts and liabilities of the firm. However, the LLP formation solved this issue.

LLPS have all the primary features of a partnership firm, except that of the unlimited liability of the partners involved and same legal entity status. Also, llps include legal existence and the identities are separate from their partners.

### **LLP Meaning**

The Limited Liability Partnership Act was passed by the Parliament of India in the year 2008 for governing the LLP businesses in the country. The Section 2 of this law states that the LLP is a type of partnership which is registered under this act. Also, the LLP agreement refers

to the written agreement between either the LLP partners or the LLP itself and its partners. This agreement tends to define the duties, liabilities, rights and powers of the partners in the LLP.

Since this Limited Liability Partnership Act typically governs the LLPs in India, the Indian Partnership Act, 1932 provisions are not applicable to the Limited Liability Partnerships. They are only applicable to the traditional partnership businesses.

### **Nature of Limited Liability Partnership**

The Limited Liability Partnership consists of the features mentioned below:

#### **1. Distinct Legal Entity**

The Limited Liability Partnerships, unlike the traditional partnership firms, are considered as separate legal entities. LLPs may own assets and incur the liabilities in their names. Also, they can enter into the contracts and can sue and be sued in their names.

#### **2. Limited Liability of the Partners Involved**

The liabilities of the partners in an LLP are limited and separate. Their personal assets are not liable to the attachment if the LLP is suffering or winding up legal consequences of debt or repayments.

However, the liability of the partners could become unlimited in certain offensive cases like frauds, illegal and wrongful acts, or commission of offences.

#### **3. Profit Sharing**

All the partners of the Limited Liability Partnership would share business profit similar to the partners of the traditional firms. However, they are free to decide the profit ratios amongst themselves.

#### **4. Partners of Limited Liability Partnerships**

The partners of the LLPs can be either body corporations or individuals. Also, an individual cannot be a partner in an LLP in case he or she is insolvent or does not have a sound mind.

The LLPs should have at least two partners during all the times. Furthermore, the number of the partners that can be involved is unlimited, whereas in the regular partnership firms the partners are restricted to a number of 50 people. If, in case, the number of LLP partners get less than two and if the sole partner carries the business for over six months, then under these circumstances, their liability towards the business's firm would be unlimited.



**Number of students attended: 40**

**List of Students Attended (121)**

Sl. No	Name of the Student	Course and Year
1	BHUKYA NAVEEN	B.Com I Year
2	BHUKYA SRIKANTH	B.Com I Year
3	BODA KANTHI	B.Com I Year
4	KUNJA SREE RAM PRASAD	B.Com I Year
5	MARUTHI HEMANTH	B.Com I Year

6	NAGABELLI SHIRISHA	B.Com I Year
7	PASHAM PRAVEEN	B.Com I Year
8	PERUMALLAPALLI VISHNU	B.Com I Year
9	SANKOORI SAIKIRAN	B.Com I Year
10	SHAIK NAZEEM PASHA	B.Com I Year
11	SURUGU SWAPNA KUMARI	B.Com I Year
12	VAJJA NAVYA	B.Com I Year
13	BANOTH LALITHA	B.Com I Year
14	BANOTH SANDEEP	B.Com I Year
15	ANANTHAGIRI YAMUNA	B.Com I Year
16	AREPALLI MADHAVI	B.Com I Year
17	BANOTH DIVYA	B.Com I Year
18	BANOTH VAMSHI	B.Com I Year
19	BANOTHU MANASA	B.Com I Year
20	BHUKYA SARITHA	B.Com I Year
21	BODA ALIVELU	B.Com I Year
22	BODDU MAHESH	B.Com I Year
23	BODDU NANDU	B.Com I Year
24	BOYAPOTHULA ANVESH	B.Com II Year
25	CHEKKALA PRAKASH	B.Com II Year
26	CHINNALA VIJAY KUMAR	B.Com II Year
27	DHARAVATH NARENDAR NAIK	B.Com II Year
28	DHARAVATH RAMLAL	B.Com II Year
29	DHARAVATH SONIYA	B.Com II Year
30	EESAM JYOTHI	B.Com II Year
31	GUGULOTH VIJAY KUMAR	B.Com II Year
32	JALLE NARSIMHA SWAMY	B.Com II Year
33	JATOTH HARIKRISHNA	B.Com II Year
34	KALE RAJU	B.Com II Year
35	KAMPELLY SHESHU	B.Com II Year
36	KANDE RAVALI	B.Com II Year

37	KANDIPATI PRADEEP KUMAR	B.Com II Year
38	KANDIPATI SANDEEP	B.Com II Year
39	KORNI AKHILA	B.Com II Year
40	MAHAMMAD RAFIPASHA	B.Com II Year