

**Process Re-engineering of LLP-Incorporation related forms –  
Precautions to be taken by professionals and users**

In the wake of successfully initiating Ease of Doing Business(EoDB) reforms by introducing game changing, simplified and integrated procedures viz. SPICe (Simplified Proforma for Incorporating Company electronically), Reserve Unique Name(RUN) for starting a business in India, the Ministry of Corporate Affairs has now launched another major reform by way of process reengineering of incorporation of Limited Liability Partnership(LLP) as well on a big scale.

**2. LLP (Second Amendment) Rules, 2018:** The much awaited Limited Liability Partnership (Second Amendment) Rules 2018 containing the relevant revised rules and incorporation related eform layouts have been notified on 18th September 2018 which would come into effect from 02<sup>nd</sup> October 2018. The said amendment rules contain changes as detailed below:

- (i) Introduction of a Web Service titled ‘**RUN-LLP** (Reserve Unique Name – Limited Liability Partnership)’ replacing the erstwhile Form 1 (Application for reservation or change of name).
- (ii) Introduction of a new integrated Form christened **FiLLiP** (Form for incorporation of Limited Liability Partnership) replacing the erstwhile Form 2 (Incorporation document and subscriber’s statement) combining therein 3 services i.e.,
  - a) Name reservation.
  - b) Allotment of Designated Partner Identification Number(DPIN/DIN).
  - c) Incorporation of the LLP.

**3. Change in the Processing of eForms:** The applications which would be submitted using the web-service/eForms viz. RUN-LLP, FiLLiP, Form 17, Form 18 and Form 5 would be processed at a Centralised location by the Registrar, Central Registration Centre(CRC) for and on behalf of the jurisdictional Registrar. The centralized registration process is likely to bring down the processing time to D+1 Day akin to Companies’ Incorporation forms and thus spur the growth of business in our country.

**4. RUN-LLP (Reserve Unique Name – Limited Liability Partnership):**

- (i) RUN-LLP would be a simple and easy to use Web Service for reserving a name for a new LLP or for Change of Name of any existing LLP with only 4 relevant fields. The new web service would replace the existing Form 1 which contains 15 fields (4 pages) for reservation of name/change of name of LLP.
- (ii) This is a 'post-login' service and existing users would need to login into their account using their credentials. New users are required to create a login account first before using the service.

**RUN-LLP**

**Reserve Unique Name-LLP**

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**LLP details**

New Request
  Resubmission

**SRN**

**New Incorporation / Conversion**

**CIN**

**LLPIN**

**Proposed Name 1**

**Proposed Name 2**

**Comments**

No file chosen

Once you have submitted the name reservation request it will then be checked and, if found feasible, approved by the Central Registration Centre (CRC). You will receive an email from the CRC advising the outcome of the name reservation request.

- (iii) As shown above the service contains following simple fields apart from radio buttons for choosing 'New Service or Resubmission':
  - a) New Incorporation/ Conversion: User has to select whether name reservation is for New incorporation/ Conversion of firm into LLP/Conversion of private company/unlisted public company into LLP.

- b) LLPIN/CIN: User shall enter LLPIN in case of name reservation for change of existing name of LLP. CIN shall be entered in case of Conversion of private company/unlisted public company into LLP.
- c) Proposed name 1 and 2: User may enter up to **two** proposed names for reservation.
- d) Comments: User needs to mention the objects of the proposed LLP and any other relevant comments.

*Note: DPIN/DIN/DSC would no more be a pre-requisite for Name reservation through RUN-LLP.*

## **5. Form for incorporation of Limited Liability Partnership (FiLLiP) (vis-à-vis existing Form 2):**

- (i) New field 'whether name is already approved by Registrar of Companies' is introduced to accommodate names approved through RUN-LLP and reservation of name through FiLLiP.
- (ii) New field 2(a) 'Type of incorporation' inserted to enables users to prefill/enter the type of incorporation (New incorporation/ Conversion of firm into LLP/Conversion of private company/unlisted public company into LLP).
- (iii) New field introduced to enable the user to enter the number of designated partners/partners in a tabular format. Based on the number in the table, relevant section shall be enabled to provide the details.
- (iv) Each category of partner/designated partner (except non-individual partner/designated partner is divided into two types, one having DIN/DPIN and another not having DIN/DPIN.
- (v) In case of Body Corporate Designated Partners / Body Corporate Partners, count needs to be entered in the column for 'not having DIN/DPIN'.
- (vi) In case of Body Corporate Designated Partner, details of having DIN/DPIN or not having DIN/DPIN shall also be provided for the 'Nominee of Bodies Corporate Designated Partners'
- (vii) In case individual designated partner/nominee of Body Corporate designated partner is not having DIN/DPIN, all the relevant details pertaining to DIN/DPIN allotment shall be entered in the relevant section.
- (viii) Maximum of **two** DINs/DPINs can be allocated through FiLLiP.

- (ix) In case FiLLiP is getting filed for name reservation, user need to enter 'proposed name' (only **one** name is allowed) and other relevant details of name reservation.
- (x) Relevant attachments pertaining to the name reservation/DIN allotment through FiLLiP got included in the form.
- (xi) In case none of the Designated Partners have DIN/DPIN, the form can now be signed by providing PAN details of the Designated Partner.

#### **6. Changes done in other form fields:**

- (i) Relevant form layout and validation changes to accommodate RUN-LLP SRN in Form 17, Form 18, Form 2A and Form 5.
- (ii) Form 5 Shall now be processed under Non-STP mode.

*Note: Please refer to the revised eforms notified vide Limited Liability Partnership (Second Amendment) Rules dated 18<sup>th</sup> September 2018 for more clarity.*

#### **7. Precautions to be taken by users/Professionals for successful submission of RUN-LLP/FiLLiP:**

- (i) The same user login ID which was used for reserving the name through RUN-LLP has to be used for submitting and uploading FiLLiP.
- (ii) Names already approved in Form 1 can be used while Incorporating an LLP through FiLLiP.
- (iii) It is advisable to be familiar with the Limited Liability Partnership Rules 2009, as amended, and conduct your own Name and Trade Mark search, (the links for which are available under 'MCA Services' of the portal).
- (iv) Ensure to attach the No Objection Certificates(NOCs)/Central Government approval wherever necessary as per the LLP Rules, 2009.
- (v) In case of conversion of company into LLP, ensure that the proposed LLP name is same as the Company name.

**Conclusion:** Further, users and professionals are also advised to take note of the following changes at a glance captured in the Table:

### Process Re-engineering Of LLP Incorporation Related Forms

S No.	Existing eForm	New eform	Change Proposed	To be processed by
1	Form 1(Application for reservation or change of name)	LLP-RUN(Reserve Unique Name) Web Service	Web Service RUN will replace Form 1	Central Registration Centre(CRC) under Non-STP
2	Form 2(Incorporation document and Subscriber's statement)	FiLLiP (Form for incorporating LLP)	I. FiLLiP will be an integrated form offering multiple services viz. allotment of DIN/Reservation of Name and Incorporation of LLPs. II. Consequent upon notification of FiLLiP, existing Form 2 will be deprecated.	Central Registration Centre(CRC) under Non-STP
3	Addendum to Form 2(Details in respect of designated partners and partners of Limited Liability Partnership)	Addendum to FiLLiP (Details in respect of designated partners and partners of Limited Liability Partnership)	I. RUN-LLP SRN to be substituted for Form 1 SRN in relevant field II. PAN is allowed to be entered in DSC section	Central Registration Centre(CRC) under Non-STP
4	Form 5 (Notice for change of name)	Same form with minor modifications	I. Details which were hitherto getting prefilled in the form (based on Form 1 SRN) shall now be entered by the user. II. RUN-LLP SRN to be substituted for Form 1 SRN in relevant field	Central Registration Centre(CRC) under Non-STP
5	Form 17(Application and statement for the conversion of a firm into LLP)	Same form with minor modifications	I. RUN-LLP SRN to be substituted for Form 1 SRN in relevant field II. PAN is allowed to be entered in DSC section	Central Registration Centre(CRC) under Non-STP
6	Form 18(Application and Statement for conversion of a Private Company/Unlisted Public Company into LLP)	Same form with minor modifications	I. RUN-LLP SRN to be substituted for Form 1 SRN in relevant field II. PAN is allowed to be entered in DSC section	Central Registration Centre(CRC) under Non-STP

Following process flow changes are proposed to enable the LLP incorporation process reengineering:

- All Form 1 and Form 2 (along with Form 17/18/Addendum) which are pending processing from the date of notification of revised forms, shall be marked under Resubmission.
- All forms which have to be resubmitted, must be submitted again in the new web service/new forms only.
- All names which have been approved and against which Incorporation form is not filed till the date of notification of revised forms, shall be allowed to be used to file form FiLLiP for incorporation.;
- All names which have been approved and against which Change of name Form 5 is not filed till the date of notification of revised forms, shall be allowed to be used to file in revised Form 5.]