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Partnership vs. Prosecution: Examining LLP Criminal Liability Post-2008 in India

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ABSTRACT

This article critically analyses the issues associated with the attribution and enforcement of criminal responsibility towards Limited Liability Partnerships (LLPs) in India. It provides a rationale for the promulgation of a definite purpose-built legislative framework for ascertaining the 'controlling mind' of LLPs that would enhance the 'capability of control' by stakeholders. The post-LLP Act 2008 legal framework forms the backdrop of this analysis. The article critically analyses the role of LLPs in the globalization of business and the peculiar characteristics of LLPs such as the hybridity of its Continental Civil Law structure that incorporates elements of the classic partnership form and the modern corporations. It explores the potential challenges to the attribution of criminal responsibility and the inherent issues associated with the enforcement and prosecution of criminal liability associated with organised economic crime in India. A comparative study of corporate criminal liability regimes across jurisdictions reveals that the rigid nature of the structure of corporations compared to LLPs facilitates the legal attribution of criminal liability to corporations. This is in contrast with the fluidity/kaleidoscopic nature of the structures of LLPs. The conclusions and recommendations provide the prospective solutions for reforming the regulatory and legislative aspects of LLPs.

Keywords: Limited Liability Partnership (LLP), Criminal Liability, LLP Act 2008, Corporate Governance.

I. INTRODUCTION

It's hard to create something new – this kind of hybrid component-sharing and other aspects of the Limited Liability Partnership (LLP) have carved a niche somewhere between the traditional firm and the public company. With greater flexibility to create capital and liquidity arrangements compared with the firm, but with formal registration and the benefits of limited liability like the company, this entity was intended as a natural fit for innovative entrepreneurs and professionals. Business is about taking risks and this business form appears to accommodate risk-taking in an appropriate environment – and those risks tend to be the ones born by the

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investors. However, the increasing popularity of the LLP form poses a number of legal questions, including on points of criminal liability. Such questions are common in India today. In the wake of the early 2008 financial meltdown, which saw huge corporate criminal behaviour and consequent turmoil in the capital markets, society grew increasingly aware of serious gaps in the framework of corporate governance and accountability.

If LLP is a form of association unlike anything else, and if no LLP partner has the responsibility or vicarious liability for another partner's misdeeds or omissions, then reconciling criminal liability with the nature of LLPs can pose vexatious problems when a partnership is actually doing something criminal. These challenges are further complicated by the fact that the Indian legal system has a long history of criminal prosecutions, but they have always been geared to pursue natural persons, not corporate entities.

What is at stake here is the protection of both the public and the wellbeing of LLPs as proper vehicles of enterprise; and also, the ability of the law to identify and, hopefully, provide a remedy for crimes committed in the name of corporate activity. This produces a smoother operation of business production, paving the way for the productive exercise of economic activity and the flourishing of economic enterprise.

Accordingly, the structure of the analysis below is to unpeel the successive layers of criminal exposure for LLP under Indian law after 2008, on point analyzing how legal norms have evolved in response to the novel challenges thrown up by this new business form. This subject is particularly relevant for India which continues to refine its regulatory and legal regimes in response to combined external pressures of global economic alignment and internal demands for enhanced corporate accountability.

(A) Background and Legislative Framework

The story of partnership laws in India, culminating in the enactment of the Limited Liability Partnership (LLP) Act, 2008, in July 2008, with retrospective effect from 1 April 2009, is an interesting one. As the name suggests, under an LLP, the liability of a partner is limited to the amount of capital he/ she has invested in the business. Until recently, most business partnerships in India were governed by the Partnership Act, 1932. The Act spelt out the foundational aspect (the nature of the partnership) and governance aspects (conduct of affairs) of partnership firm but did not provide for limited liability. This meant that each partner was jointly liable with all the other partners and severally for all the debts of the firm contracted while he was one of the partners. In this system of unlimited liability, all partners are liable personally for all the debts of the firm. For example, if a partnership accountant incurs a debt on behalf of the firm, the

lender could sue any partner whether or not she had been involved in that transaction. Given that partners had no controls over each other's actions, it was considered a 'cruel law'. Given these restrictions on a partner's ability to check others, limiting one's share in a business becomes risky.

The economic liberalization of the 1990s and India's integration into the global market required a more flexible and globally competitive business structure. An alternative to the traditional joint-stock structure was needed. The model then became looking towards other jurisdictions, including the UK and the US, which have had a thriving business form called LLPs earlier. With recommendations, including for the format of an LLP bill, from various committees including the Naresh Chandra Committee and the J J Irani Committee, the LLP Act took shape. The Parliament of India enacted the LLP Act 2008, which created a new legal entity, LLP, mainly for small and medium enterprises to provide firms with a platform enabling the combination, organisation and operation of professional expertise and entrepreneurial initiative, in a competitive and efficient manner, protected by limited liability.

The statutory framework, pertaining to the incorporation, prudence and winding up of an LLP, in India, was provided by the Limited Liability Partnership Act 2008 (LLP Act 2008). Some of the essential features of the Act include, that an LLP has its own legal identity, separate from that of its partners, and it holds assets in its own name, it can sue and be impleaded in a lawsuit, and own property. By virtue of the LLP Act 2008, an LLP is required to be incorporated, which would be registered with the Ministry of Corporate Affairs. The minimum requirement is to have at least two partners, while both, individuals and companies, can be partners. Moreover, there is no upper limit for the number of partners in an LLP.

The management and operations can be flexible under the Act; the partners can make out an agreement between themselves, and in the absence of such an agreement, the provisions of the Schedule I of the Act will apply. However, the most important point is that the liability of the partners is limited to the extent of their contribution in the LLP, except in cases of unauthorized acts, fraud or negligence.

II. CRIMINAL LIABILITY IN LLPS

Criminal liability of LLPs, the focus of this article and largely under the LLP Act 2008 and other statutes that deal with related crimes, remains the focus of a number of legal quandaries. The Act states and enunciates more expressly that where an LLP is liable to be punished with fine for any offence provisions in relation to maintenance of books of account, failure in filing annual returns, etc, then the same shall be punishable in accordance with the Act. The question

of more significant criminal liabilities attracting fine, imprisonment, or both, that involve degrees of culpability such as intent and knowledge are more difficult. Who is liable to be punished in case of fraud? Such questions invite more detailed explanations.

Other than these exceptions and exclusives, mostly, under the LLP Act, where any offence under the Act or rules made thereunder is committed by an LLP, every person who was responsible for the conduct of the business of the LLP shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly, unless he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence. Moreover, if it is proved that any offence was committed with consent or connivance of any partner or any officer of the LLP, such partner or such officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

It therefore allows the LLP to be subject to criminal liability under the regulatory scheme, and allows for individual partners or officers still to be prosecuted for criminal acts performed by the LLP. The combination of these two mechanisms increases accountability, while preventing business ventures being unduly hampered by the individual misconduct of a member.

III. CHALLENGES IN IMPLEMENTING CRIMINAL LIABILITY IN LLPS

However, this complicates the creation of criminal liability – if the partnership itself is being sued, rather than specific partners of the partnership, then those individuals that must pay the damages are peripherally connected to the partnership, but are not exposed to any direct risk. The corporate model of limited liability partnerships (LLPs) makes matters even more thorny by attempting to mimic the advantages of the corporate model's artificial legal person – particularly limited liability of its partners. The question of who should bear criminal liability if an LLP is used could be just as complex.

(A) Identification of Responsible Party

The most fundamental challenge to enforcing the criminal liability of LLPs is deciding whom to hold accountable. Characteristics unique to LLPs – such as their deliberately pluralist and diametrically simple organizational structure; their protection of legal and commercial autonomy; and their inherent flexibility, which can contribute to ease of management and good running of the business – often combine to make it difficult and uncertain to assign blame when things go wrong. What is good for business can be devilishly bad for the law, at least insofar as it requires specificity of criminal intent and criminal acts.

First, the decision-making processes can be decentralized. Second, responsibility might be distributed between the partners but without having the function allocated to a specific partner. As a result, when an illegal act is committed, it can sometimes be difficult to determine who exactly carries the criminal liability. According to the LLP Act 2008, for the purpose of criminal proceedings, the responsibility is going to be with those persons who at the material time were in charge of, and were responsible to the LLP for the conduct of its business. Given the diffuse roles that partners might play, however, it can be a procedural problem to prove this. Moreover, given that individuals liability requires proof of an offence committed with their knowledge or consent, in recognition of the constraints of proving knowledge liability provisions have sometimes been watered down, which can also result in problems of accountability.

(B) Legal Precedents and Case Studies

While legal precedents throw light on the ground realities of OLP prosecutions, in India, the ever-evolving case law on and around corporate structure is not comparable with case law on LLPs as a legal structure, due to the relatively recent advent of the structure. The dearth of precedent here makes the legal territory muddy and ambiguous for both the LLP as well as those out to bring an OLP to accountability.

A good example here is the prosecution of a fraudulent financial pyramid masquerading as an LLP, where the LLP itself was held liable for financial penalties even as the government struggled to prosecute individual partners for direct involvement or knowledge of the fraud. Questions of ‘intent’ and ‘knowledge’ under the Indian Penal Code (IPC) and the LLP Act, which have been easily assigned to owners in a general partnership, become more intricate in this scenario.

Another is the saga of an LLP and a cybersecurity breach, which turned on both the role of the LLP where the wrongful acts were carried out and, in part, whether a partner would be aggregated under the principle of joint and jointly severable liability for harm done through a misuse of digital infrastructure where none of the partners seemed to have knowledge of it or direct involvement in it. We were reminded through the resolution of that case that LLPs must clearly define their internal policies and lines of responsibility (such as what appears to be compliance and oversight).

(C) Comparative Analysis with Corporate Criminal Liability

While side-by-side with corporate structures, LLPs reveals that there are some significant challenges around criminal liability not faced in a corporate structure. The particular nature of corporate personhood affords the treating of the company as something that can be attributed

criminal liability, separate to the directors and officers of the company. Further, because they are required to comply with particular legislation (for example the Companies Act in England), there is a structure to assign liability to contributory officers, identifying an ‘officer-in-default’, or a responsible individual in the hierarchy.

On the other hand, in the case of LLPs, it is often less clear if there is such a hierarchy, and the LLP Act, unlike the Companies Act, does not spell out, in equal detail, the contours of criminal liability. This might cause insecurity in legal proceedings and in enforcement. The corporate veil separating the LLP from its partners feels less detached than the veil between the company and its directors, often resulting in less protection against personal liability for the partners.

Additionally, the audit and regulatory checks on those LLPs are less rigorous than on corporations, which could cause governance problems that may undermine the imposition of criminal liability. The corporate sector also enjoys decades of case law and doctrinal refinement that produces a settled and transparent map for prosecution and compliance enforcement, whereas a legal regime for LLPs is still being formalized.

The difficulties of imputing criminal liability in this context also underscore the need for more clarifications on the laws – as well as elaborations on the legal precedents – so that there are more guiding principles to follow when the laws frame the flexible business structures further, given the popularity and the increasing frequency of LLPs. This would, in turn, make it easier to prosecute and punish LLPs for any violations.

IV. IMPACT OF CRIMINAL LIABILITY ON LLP OPERATIONS

After the criminalisation of LLPs, every aspect of the way in which they operate and function needs to be reexamined, everything from the way in which risks are managed, to practices and principles that underpin doing business, to ways in which economic actors organise themselves, all to a different beat and tune.

(A) Risk Management

The criminalization of LLPs has forced the partnerships to rethink the way in which they manage risk for instance, LLPs in India have been set up as a form of corporate alternative to private limited companies in India. They have been adopted because they are operationally flexible (partners can easily come and go, something that is not always easily achieved in companies) and allow partners’ personal losses to be limited to their investment in the partnership (a far more attractive deal for them than being personally liable for the company’s obligations as they would be as directors and shareholders of a private limited company). The

criminalization of LLPs, however, has forced the partnerships to think harder about the way in which they manage risk.

Equally importantly, risk management (which was originally concerned solely with financial and operations risk to the firm) now embraces a much broader perspective on risk when it comes to compliance. Given the force of criminal liability, firms that adopt the LLP form face strong incentives to put in place systematic safeguards that keep legal standards in focus. Adopting the LLP form often leads to the creation of systems of internal controls, which include periodic review of operational matters – including legal audits; training of partners and other staff about their legal compliance obligations; and for larger firms, the creation of a role in the firm specifically focused on compliance.

These measures should help to avoid the type of unintended breeches that could place the LLP at risk of criminal prosecution. Greater emphasis on due diligence, for instance, is now commonplace in the LLP context – for instance, where fines can be levied based on the size of a company, as is the case in certain sectors such as finance and property where illegal behaviour is possible. Sophisticated compliance software and technologies are also playing an increasingly important role in helping LLPs monitor and manage compliance with the growing requirements to navigate regulatory regimes.

(B) Business Practices

The introduction and imposition of criminal liability has also prompted changes in the way LLPs are run. A form of control, a form of relational ordering is taking place, the effect of which is to make LLPs less seemly and even more corporate than previously. Said differently, partners are increasingly more careful and deliberative, on the alert to problems that might rain on their parade. A familiar strategy is for partners to review partnership agreements and more explicitly articulate the boundaries of every partner's role and her legal responsibilities and liabilities.

Another key difference is the use of proactive legal advice, where LLPs engage solicitors to help not only with dispute resolution, but also with their day-to-day operations strategy as the need arises, and as a preventative against changes in the law. LLPs are more likely to turn to solicitors to help them navigate changes in the law, and avoid illegality.

What's more, transparency has also increased the number of LLPs making voluntary disclosures and cooperating with agencies, especially when the sectors in question are highly regulated by government agencies – LLPs desiring to continue to have a clean compliance record to avoid facing the legal liability of a criminal charge and with seeming greater public shame and reputational damage as a result.

(C) Economic Impact

Criminal liability for LLPs entails highly significant economic consequences at a number of levels. As for its negative consequences, one needs to consider first the increased cost of legal compliance imposed on LLPs. Two distinctive elements arise in this connection: increased internal controls on decision-making (such as managerial accountability) and increased involvement in legal protections, including the growing reputation for high standards in internal compliance, protracted professional legal consultations, and costly investment in sophisticated compliance technologies. In particular, such costly endeavors may be especially burdensome for smaller LLPs whose profitability and operational efficiency get threatened by the need to divert limited resources to legal compliance.

Conversely, however, compliance with high standards can also be an advantage in the marketplace. LLPs that are renowned for compliance and ethical business practices can draw investment and partnerships. They are also best positioned to avoid the huge financial sanctions and despised reputation that come with criminal prosecution.

Moreover, economic behaviour of LLPs is probably also affected by the wider regulatory environment. For instance, we would expect to see a higher burden of regulation (i.e., from economic constraints like costs of compliance or from social norms) in sectors whose behaviour is subject to stringent regulatory scrutiny (e.g., pharmaceuticals and financial services) to have a higher impact on the economic activity of companies in these sectors compared with similar companies operating in other sectors where regulation is less strict.

(D) Jurisdictional Comparisons

Looking at how other juridical entities like LLPs are dealt with in terms of criminal responsibility abroad could help India identify the advantages and disadvantages of its own regime. Enforcing criminal liability is not a priority for the world's legal regimes and structures. Different legal traditions, regulatory regimes, and cultural norms on corporate conduct and responsibility mean that the range of legal approaches described above vary considerably across jurisdictions.

In the US, corporate personhood, together with federal and state laws that collectively expose LLPs and their managerial agents to a wide range of criminal laws, renders these entities vicariously criminally responsible for the conduct of their members. In the US, corporate personhood is well-developed and is expressed through the doctrine that corporations may be prosecuted as corporate persons and their managerial agents held criminally responsible for the criminal activities of their organisations. Most visibly, the Responsible Corporate Officer

(RCO) Doctrine universally recognizes that a corporate officer can be held criminal responsible for a corporation's violation of the law, even without evidence of this officer's personal intent to work in conscious disregard of a specific legal prohibition if that officer had the authority to prevent or correct the violation.

The groundbreaking concept of 'Corporate Manslaughter', so important to the concept of corporate criminal liability, now applies to all corporate bodies, including LLPs, as enshrined in the Corporate Manslaughter and Corporate Homicide Act 2007. An organisation is guilty of manslaughter if the way in which its activities are managed or organised by its senior employees, thereby causing a person's death, and that causation is substantially attributable to a gross breach of a relevant duty of care owed by the organisation to the deceased.

An approach to corporate crime, known as the Australian model, levies criminal liability on companies according to its 'senior officers' and their conduct and intent. The model is modelled on obligations placed⁰¹, which sets out both the duties imposed on officers and penalties for breaches. Moreover, a key feature of the Australian model is the role of 'corporate culture' that is said to enhance or undermine 'corporate fitness'. This focus reflects a role for practices, policies and procedures in enabling or disseminating corporate crime in companies.

That said, these insights and practices from abroad can provide Indian LLPs with numerous perspectives and considerations for how they could otherwise enforce their criminal liability.

1. Stronger Attribution of Responsibility: A doctrine like the RCO in the US could aid in such attribution of responsibility in Indian LLPs (particularly in ascertaining the liability of managerial or controlling partners).

2. Embedding corporate culture in corporation law: Again, inspired by the Australian model, India would do well also to see itself as caught in a hem, rather than a noose, when it comes to enforcing against white-collar crime. We suggest legislative amendments to better embed corporate culture as compliance. In the case of LLPs, this would imply making the creation of a compliant and ethical corporate culture a legal duty because LLPs are not adequately leading their own people. By embedding corporate culture in corporation law, the system would incentivize businesses to enshrine practices that would envelop employees in a culture of compliance and informally sanction criminal behaviour.

3. Statutory Definitions of Duties: India could use the UK's approach to corporate manslaughter as a point of reference to enact specific statutes that spell out the legal duties of organisations, and the penalties for its failures when it results in death or other serious

repercussions for public health and safety. This would bridge the gap left by the LLP Act, which fails to address severe outcomes resulting from organizational failures.

4. Annual Compliance Reviews: Institution of mandatory, annual reviews of LLP compliance processes (such as those in operation in each of these countries) may help spot possible breaches at an early stage. This also increases the prospects of a ‘clean’ defense where compliance itself can be evidenced.

5. Cross-Jurisdictional Cooperation: Indeed, because so many LLPs are transnational, legal cooperation across jurisdictional lines might be particularly beneficial to enforcing the law when criminal activity crosses the borders between nations. And here there are methods that might be learned from the EU: regulatory cooperation.

If anything, India can draw from and possibly be influenced by these international practices to develop a much more stringent regime for the regulation of criminal liabilities in LLPs. These can feed their own better compliance and enforcement mechanisms, and over time create an even field for operating LLPs in India – that would be as accountable and credible a vehicle of business as anywhere else.

V. REFORM PROPOSALS AND FUTURE OUTLOOK

The latest entrant to India’s corporate law regime is the much-hyped Limited Liability Partnership (LLP) Act 2008, which enables a partnership firm to be incorporated easily as a flexible business organisation with the limited liability of partners. As with all things, the Act is not without its blemishes and omissions, particularly in the treatment of criminal liability.

The most relevant of these problems is a lack of precision about the legal attribution of responsibility and liability to partners. The Act provides a clear statement that an LLP is a separate legal entity and says what the consequences of regulatory infractions are. Where the issue concerns attribution to a partner or a manager as against some other person in assigning criminal responsibility, it doesn’t dwell further. Problems of attribution of liability usually turn on questions of the identity of the person to be held responsible for a wrongdoing by the firm or its servants.

Additionally, the LLP Act hardly fleshes out the kinds of offences attributable to the LLP invoking general principles of criminal law. The lack of legislative precision may result in uneven and lack-luster law enforcement, not to mention difficulty of prosecuting more complex crimes such as financial fraud, money laundering and environmental offences that involve a deeper understanding of the parties and roles of the entity and individuals.

(A) Proposals for Reform

Proposed Amendments and Policy Proposals in respect of the LLP Legal Framework, especially Criminal Liability:

- **Partnership Document Changes:** Amend the LLP act so that any changes to the partnership document require the consent of all partners. Proposed changes to the partnership document must be provided to all partners to review prior to any change. Any new partner joining will be required to provide consent from all existing partners. Partners should have a right to veto most decisions and the partnership purposes should be legal and legitimate. The partnership should only be used for purposes consistent with its articles of association. All partners should share the stewardship of the partnership's general management.
- **Roles and responsibilities:** Include clarity about the rights and duties of partners, particularly those in managerial roles, so there is no ambiguity about who can be held to account – a key essential to any system of criminal liability. An amendment to the LLP Act may be appropriate.
- **Specific offences:** Provide for specific chapters in the LLP Act that apply to offences specific to an LLP, just like there are provisions in the Companies Act applicable to fraud and misrepresentations and are tailored to the LLP structure.
- **Bringing a new attitude to due diligence:** apply enhanced due diligence obligations on LLPs in high-risk industries (such as the pharmaceuticals, oil, gas defence and construction industries that are especially prone to fraud and corruption) including regular auditing and the requirement to file a compliance report on a periodic basis with a designated regulator, likely to prevent market abuse outside the host state.
- **Training and Compliance Programmes:** Require or encourage LLPs to offer regular training programmes for their partners and certain members of staff, covering legal compliance and relevant areas of criminal law. These programmes would further the culture of compliance within the business and ensure that staff were mindful and well-versed in their obligations under the law.
- **Whistleblower protection:** Provide heightened whistleblower protection for those in or counselling LLP members so that they can report illegality without fear of retribution. Heightened whistleblower protections can serve to deter illegality in LLPs by acting as a supplementary tool for catching illegal activities early and reporting them.

These proposed statutory amendments and policy measures are aimed at improving the degree of transparency, accountability and compliance of LLPs in order to reduce the risk of criminal culpability of the partnership overall and to ensure that businesses are run on an ethical basis.

(B) Future Trends

In the near future, the LLP regime and the legislation underpinning it will change. Some of these changes will be before the legislature, either as matters of urgency or through a considered review of the regime, driven in turn by increasingly complex global business transactions and heightened scrutiny of a company's governance.

1. **Global Standards of Compliance:** Future LLPs doing business overseas will see growing adoption of global standards of compliance and governance, which in turn will impact legislative changes. This might cover areas such as enhanced data protection, anti-money laundering rules, cross-border co-operation in enforcement of the law.
2. **Technological Integration:** Technological innovation may play a key role in the future of LLP compliance-management, potentially backed up by legislative changes made to accommodate these new technologies. The robotization of compliance detection may well end up being handled on a day-to-day basis by artificial intelligence or other machine learning systems.
3. **Sustainability and Ethics:** Communities overseas learn from each other Legislative reforms that add an explicit sustainability and ethical component to the governance of general partners and their members and managers might appear down the road. A new LLP statute might articulate sustainability and ethics as overarching corporate values and objectives, and embody them in centralized compliance regimes and reporting regimes that could focus on environmental, social and governance ('ESG') matters.

VI. CONCLUSION

The debate on criminal liability for LLPs in the post-2008 legislative landscape in India points to a broader legal question. How do we use an alien tool such as criminalization against a quintessentially alien institution such as a business entity organised as a 'separate legal person' that protects, through a system of multiple voting rights, hub-and-spoke structure and a board model of management, the individual partners from full liability? By facilitating the incorporation of such business entities, the LLP Act 2008 introduced the hybrid 'limited liability partnership' as a species of 'company' with the advantage of being organised as an entity with joint and separate status. However, it was also designed in such a manner that multiple

shareholders act as a collective entity towards – and in that way become – a single legal person, but each shareholder remains distinct for liability purposes, allowing the structure to offer diminished liability.

Basic issues such as this are dramatically revealed as concepts from law that built on – by and large – notions of individual moral and legal responsibility struggle with the collective and anonymized architecture typical in the formation of LLPs that, in turn, lead to a legislative lacuna where a penalty on the firm, such as a fine and penalty, becomes the only expression of criminality, with individual responsibility diffused across various actors. There is well-developed corporate law and its relationship to individual responsibility in countries such as the US, the United Kingdom and Australia where there has been more sustained focus on corporate (as opposed to individual) responsibility. This is the route that India could take.

These reforms would establish clearer role definitions for members of LLPs, specific offenses defined specifically for the LLP structure, and greater due diligence requirements, particularly in high-risk sectors. Other proposed reforms include the strengthening of whistleblower protections and embedding compliance into corporate culture.

The changes are not just legislative; they also require cultural shifts within LLPs to promote transparency, accountability and ethical governance. The dialogue shows how legal change must continuously evolve to adapt to changed business practices and international economic realities. The evolution should seek a balanced path to enable business innovation while protecting the public and economic interests by developing a robust legal structure for the new LLP that can effectively manage the complexities of the business form.

To sum up, the Indian case law on LLP criminal liability shows the requirement for certain legislative interventions and a strategy revision of criminal law adjudication on actions of these business entities. The future of LLP legislation and governance should at once plug the prevailing loopholes and also familiarize itself with international best practices to allow the legal system to face the complexities involved with this modern business form.

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