Chapter VII — Accounts, Audit, Annual Return and Registrar Powers

Chapter in 2 minutes

- Build a closed-loop accounting, solvency, audit, annual-return, inspection and regulatory-response system.
- The ledger, bank, tax, partner capital, Form 3/4 history, Form 8 and Form 11 must agree.
- Read every section with the amended Rules, current MCA form and the LLP agreement.
- Authority, source evidence, State stamp/registration and cross-law effects are separate closing gates.
- A portal acknowledgement is evidence of filing—not a substitute for legal accuracy or complete transaction documentation.

Mandatory execution gates

- Current Act + amended Rule/form
- Agreement and authority
- State stamp/registration
- Tax/GST/FEMA/IBC overlay
- Evidence + filing acknowledgement
- Forum/limitation on default

Provision / control map

Provision	Subject	Control
34	Maintenance of books, records and audit	Run monthly close, partner-capital reconciliation, solvency assessment, audit applicability check and Form 8 readiness.
34A	Accounting and auditing standards	Apply the chapter gate: The ledger, bank, tax, partner capital, Form 3/4 history, Form 8 and Form 11 must agree.
35	Annual return	Freeze partner/contribution data, reconcile Form 3/4 history and obtain designated-partner certification before filing.
36	Inspection of documents	Use an owner-due-date-maker-checker-SRN workflow and reconcile portal master data after acceptance.
37	Penalty for false statement	Require maker-checker review, source-document cross-reference and explicit assumptions log for every filing.
38	Registrar power to obtain information	Use an owner-due-date-maker-checker-SRN workflow and reconcile portal master data after acceptance.
39	Compounding of offences	Identify the responsible LLP/person, default period, continuing-default exposure, authority, forum, correction and appeal before calculating risk.
40	Destruction of old records	Apply the chapter gate: The ledger, bank, tax, partner capital, Form 3/4 history, Form 8 and Form 11 must agree.
41	Enforcement of duty to make returns	Use an owner-due-date-maker-checker-SRN workflow and reconcile portal master data after acceptance.

Evidence file

Stamped agreement; consents/KYC; approvals; forms/attachments; SRN/challan; books/bank/tax; contracts and delivery; notices/orders; source/version log.

Default response

Stop continuing loss; legal hold; verify authority and facts; issue notice; correct public records; calculate exposure; preserve mitigation; select statutory/ADR forum.