

SENATE OF PAKISTAN

REPORT NO.25 OF 2020



House of the Federation

**REPORT OF THE STANDING COMMITTEE ON FINANCE,
REVENUE AND ECONOMIC AFFAIRS**

ON

**THE BANKS (NATIONALIZATION) (AMENDMENT) BILL, 2020,
AS PASSED BY THE NATIONAL ASSEMBLY**

PRESENTED BY:

SENATOR FAROOQ HAMID NAEK

SENATE SECRETARIAT

REPORT OF THE STANDING COMMITTEE ON FINANCE, REVENUE, AND ECONOMIC AFFAIRS ON THE BANKS (NATIONALIZATION) (AMENDMENT) ACT, 2020

I, Senator Farooq Hamid Naek, Chairman, Standing Committee on Finance, Revenue and Economic Affairs, have the honour to present, on behalf of the Committee, this report on a Bill further to amend the Banks (Nationalization) Act, 1974, [The Banks (Nationalization) (Amendment) Bill, 2020], as passed by the National Assembly and referred by the House to the Committee on 20th January, 2020, for consideration and report.

2. The composition of the Standing Committee is given as under: -

(1)	Senator Farooq Hamid Naek	Chairman
(2)	Senator Syed Shibili Faraz	Member
(3)	Senator Ayesha Raza Farooq	Member
(4)	Senator Mushahid Ullah Khan	Member
(5)	Senator Musadik Masood Malik	Member
(6)	Senator Dilawar Khan	Member
(7)	Senator Muhammad Akram	Member
(8)	Senator Muhammad Talha Mahmood	Member
(9)	Senator Imam-ud-Din Shouqeen	Member
(10)	Senator Mohsin Aziz	Member
(11)	Senator Mian Muhammad Ateeq Shaikh	Member
(12)	Senator Anwar ul Haq Kakar	Member
(13)	Senator Sherry Rehman	Member
(14)	Advisor the Prime Minister for Finance and Revenue	Ex-Officio Member



3. The Committee considered the said Bill in its meeting held on 12th February, 2020, at Parliament House, Islamabad. The meeting of the Committee was attended by the following Senators:-

(1)	Senator Farooq Hamid Naek	Chairman
(2)	Senator Syed Shibili Faraz	Member
(3)	Senator Ayesha Raza Farooq	Member
(4)	Senator Mian Muhammad Ateeq Shaikh	Member
(5)	Senator Imam-ud-Din Shouqeen	Member
(6)	Senator Muhammad Akram	Member
(7)	Senator Sherry Rehman	Member

4. The Committee considered the Banks (Nationalization) (Amendment) Bill, 2020, clause by clause and recommended that the Bill, as passed by the National Assembly, may be passed by the House and also approved presentation of this report to the House.

5. The Bill as passed by the National Assembly is annexed.



(HYDER ALI)
JS/Secretary (Committee)



(SENATOR FAROOQ HAMID NAEK)
Chairman (Committee)

Islamabad, the
12th February, 2020

[AS PASSED BY THE NATIONAL ASSEMBLY]

A

Bill

further to amend the Banks (Nationalization) Act, 1974

WHEREAS it is expedient further to amend the Banks (Nationalization) Act, 1974 (XIX of 1974), for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. **Short title and commencement.** - (1) This Act may be called the Banks (Nationalization) (Amendment) Act, 2020.

(2) It shall come into force at once.

2. **Amendment of section 11A, Act XIX of 1974.** - In the Banks (Nationalization) Act, 1974 (XIX of 1974), in section 11A, clauses (iii), (v) and (vi) shall be omitted.

STATEMENT OF OBJECTS AND REASONS

Regulatory supervision of all non-banking institutions including National Investment Trust Limited (NITL) has been brought under the regulatory purview of the Securities & Exchange Commission of Pakistan. It is therefore necessary to exclude NITL from purview of the Banks (Nationalization) Act, 1974. Further, Small Business Finance Corporation (SBFC) and Regional Development Finance Corporation (RDFC) were merged and SME Bank Limited was formed, therefore, exclusion of names of SBFC and RDFC from section 11-A is also proposed.

DR. ABDUL HAFEEZ SHAIKH,

Advisor to the Prime Minister on Finance and Revenue