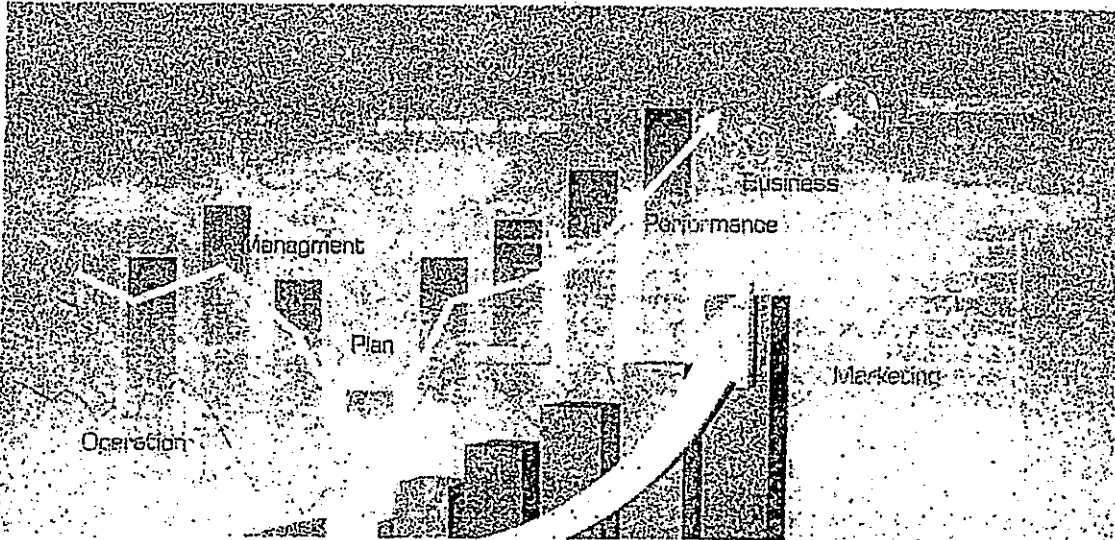


SENATE OF PAKISTAN



REPORT OF THE SENATE STANDING COMMITTEE ON FINANCE AND REVENUE



**REPORT OF THE SENATE STANDING COMMITTEE ON FINANCE
AND REVENUE ON "THE LIMITED LIABILITY PARTNERSHIP
(AMENDMENT) BILL, 2022, INTRODUCED BY SENATOR ZEESHAN
KHANZADA" REFERRED BY THE HOUSE IN ITS SITTING HELD
ON 30TH MAY, 2022.**

**PRESENTED BY
SENATOR SALEEM MANDVIWALLA
CHAIRMAN**

SENATE SECRETARIAT

REPORT OF THE SENATE STANDING COMMITTEE ON FINANCE AND REVENUE ON "THE LIMITED LIABILITY PARTNERSHIP (AMENDMENT) BILL, 2022, INTRODUCED BY SENATOR ZEESHAN KHANZADA" REFERRED BY THE HOUSE IN ITS SITTING HELD ON 30TH MAY, 2022

1, Senator Saleem Mandviwalla, Chairman of the Standing Committee on Finance and Revenue have the honour to present, on behalf of the Committee, this report on the bill titled "The Limited Liability Partnership (Amendment) Bill, 2022" referred by the Senate in its sitting held on 30th May, 2022 to the Committee for consideration and report.

2. The composition of the Committee is as under:

1. Senator Saleem Mandviwalla	Chairman
2. Senator Sherry Rehman	Member
3. Senator Farooq Hamid Naek	Member
4. Senator Musadiq Masood Malik	Member
5. Senator Saadia Abbasi	Member
6. Senator Shaukat Fayaz Ahmed Tarin	Member
7. Senator Mohsin Aziz	Member
8. Senator Faisal Saleem Rehman	Member
9. Senator Zeeshan Khanzada	Member
10. Senator Kamil Ali Agha	Member
11. Senator Syed Faisal Ali Subzwari	Member
12. Senator Muhammad Talha Mahmood	Member
13. Senator Anwar ul Haq Kakar	Member
14. Senator Dilawar Khan	Member
15. The Minister for Finance and Revenue	Ex-Officio Member

3. The following members attended the meeting on 4th August, 2022:-

1. Senator Saleem Mandviwalla	Chairman
2. Senator Sherry Rehman	Member
3. Senator Saadia Abbasi	Member
4. Senator Mohsin Aziz	Member
5. Senator Zeeshan Khanzada	Member
6. Senator Faisal Saleem Rehman	Member
7. Minister of State for Finance and Revenue	Ex-Officio Member

4. Senator Zeeshan Khanzada informed the committee that the purpose of the Bill is to promote ease of doing business and streamlining the compliance mechanism for companies. The SECP also supported the intent of the Bill and after thorough deliberation the Committee proposed the following amendment in "The Limited Liability Partnership (Amendment) Bill, 2022:

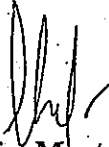
(a) For clause 2, the following shall be substituted, namely:-

“Amendment of Section 36, Act XV of 2017. In the Limited Liability Partnership Act, 2017 (XV of 2017), in section 36, for the word “day”, the word “month” shall be substituted.”

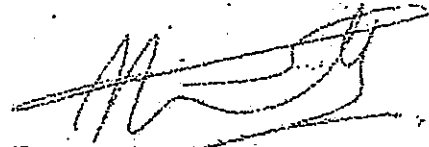
5. The Chairman Committee put the Bill to vote. With the above amendment, the Bill was passed unanimously by the Committee.

6. The Committee unanimously recommends to the Senate that “The Limited Liability Partnership (Amendment) Bill, 2022”, as reported by the Committee may be passed.

7. The Bill as reported by the Standing Committee is at Annex- A, and the Bill as introduced in the Senate is at Annex- B.



(Iffat Mustafa)
Secretary Committee



(Senator Saleem Mandviwalla)
Chairman Committee

[AS REPORTED BY THE COMMITTEE]

A

Bill

further to amend the Limited Liability Partnership Act, 2017

WHEREAS it is expedient further to amend the Limited Liability Partnership Act, 2017 (XV of 2017) for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. Short title and commencement - (1) This Act may be called the Limited Liability Partnership (Amendment) Act, 2022.

(2) It shall come into force at once.

2. Amendment of Section 36, Act XV of 2017 – In the Limited Liability Partnership Act, 2017 (XV of 2017), in section 36, for the word "day", the word "month" shall be substituted.

STATEMENT OF OBJECTS AND REASONS

Presently, Section 36 of the Limited Liability Partnership (LLP) Act requires that any document or return to be filed with the registrar may be filed with a delay from the due date on payment of default fee of Rs. 5000 per day. It is proposed to amend this section with a view to reduce default filing fee on delayed filing of documents or return. Further, it is provided that different fee or additional fee may be prescribed for different classes of LPs or different documents or returns required to be filed under the LLP Act. A reduced additional fee will lead to ease of doing business for start-ups and small LPs and help to reduce compliance pressure on them. Hence, this Bill seeks to achieve the aforesaid objectives.

**SENATOR ZEESHAN KHAN ZADA
MEMBER-IN-CHARGE**

[AS INTRODUCED IN THE SENATE]

A
Bill

Further to amend the Limited Liability Partnership Act, 2017

WHEREAS it is expedient further to amend the Limited Liability Partnership Act, 2017 (XV of 2017) for the purposes hereinafter appearing; It is hereby enacted as follows:-

1. Short title and commencement - (1) This Act may be called the Limited Liability Partnership (Amendment) Act, 2022.

(2) It shall come into force at once.

2. Substitution of section 36, Act XV of 2017- In the Limited Liability Partnership Act, 2017 (XV of 2017), for section 36, the following shall be substituted, namely:-

"36. Payment of default fee.- Subject to the provisions of this Act, if any document or return required to be filed or registered under this Act with the Registrar, is not filed or registered in time and is allowed to be filed or registered after that time, on payment of such default fee as may be prescribed in addition to any fee as is payable for filing of such document or return, as the case may be:

Provided that such document or return shall be filed after the due date of filing, without prejudice to any other action or liability under this Act:

Provided further that a different fee or default fee may be prescribed by the Commission through regulations for different classes of limited liability partnerships or for different documents or returns, as the case may be, required to be filed under this Act."

STATEMENT OF OBJECTS AND REASONS

Presently, Section 36 of the Limited Liability Partnership (LLP) Act requires that any document or return to be filed with the registrar may be filed with a delay from the due date on payment of default fee of Rs. 5000 per day. It is proposed to amend this section with a view to reduce default filing fee on delayed filing of documents or return. Further, it is provided that different fee or additional fee may be prescribed for different classes of LPs or different documents or returns required to be filed under the LLP Act. A reduced additional fee will lead to ease of doing business for start-ups and small LPs and help to reduce compliance pressure on them. Hence, this Bill seeks to achieve the aforesaid objectives.

**SENATOR ZEESHAN KHAN ZADA
MEMBER-IN-CHARGE**