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SENATE OF PAKISTAN



REPORT OF THE SENATE STANDING COMMITTEE ON FINANCE AND REVENUE



REPORT OF THE SENATE STANDING COMMITTEE ON FINANCE AND REVENUE ON PRIVATE MEMBER BILL, MOVED BY SENATOR SHAHADAT AWAN, "LIMITED LIABILITY PARTNERSHIP (AMENDMENT) BILL, 2023",

**PRESENTED BY
SENATOR SALEEM MANDVIWALLA
CHAIRMAN**

SENATE SECRETARIAT

REPORT OF THE SENATE STANDING COMMITTEE ON FINANCE AND REVENUE ON PRIVATE MEMBER BILL, MOVED BY SENATOR SHAHADAT AWAN, "LIMITED LIABILITY PARTNERSHIP (AMENDMENT) BILL, 2023",

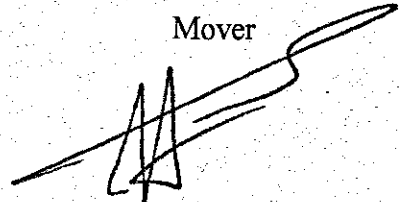
I, Senator Saleem Mandviwalla, Chairman Senate Standing Committee on Finance and Revenue have the honor to present the report of the Committee on "Limited Liability Partnership (Amendment) Bill, 2023" introduced by Senator Shahadat Awan and referred by the House on 06th November, 2023 to the Committee for Consideration and report.

2. The Committee comprises of the following honorable Members:-

1. Senator Saleem Mandviwalla	Chairman
2. Senator Sherry Rehman	Member
3. Senator Farooq Hamid Naek	Member
4. Senator Musadik Masood Malik	Member
5. Senator Saadia Abbasi	Member
6. Senator Zeeshan Khanzada	Member
7. Senator Mohsin Aziz	Member
8. Senator Faisal Saleem Rahman	Member
9. Senator Syed Shibli Faraz	Member
10. Senator Kamil Ali Agha	Member
11. Senator Syed Faisal Ali Subzwari	Member
12. Senator Muhammad Talha Mahmood	Member
13. Senator Dilawar Khan	Member
14. Senator Manzoor Ahmed	Member
15. Minister for Finance and Revenue	Ex-Officio Member

3. The Committee considered the Bill in its meeting held on 29th November, 2023 at 02:00 pm, in Committee Room No. 1 Parliament House, Islamabad. The meeting was attended by the following Members.

1. Senator Saleem Mandviwalla	Chairman
2. Senator Musadik Masood Malik	Member
3. Senator Saadia Abbasi	Member
4. Senator Zeeshan Khanzada	Member
5. Senator Mohsin Aziz	Member
6. Senator Kamil Ali Agha	Member
7. Senator Manzoor Ahmed	Member
8. Senator Shahadat Awan	Mover



the default either prior to or within thirty days of issuance of the notice by the
SECP.

SENATOR SHAHADAT AWAN
MEMBER-IN-CHARGE

[TO BE INTRODUCED IN THE SENATE]

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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, 2023.

(2) It shall come into force at once.

2. Amendment of Section 20, Act XV of 2017.- In the Limited Liability Partnership Act, 2017 (XV of 2017), in Section 20, in sub-section (6), for the full stop "." occurring at the end, a colon ":" shall be substituted and thereafter the following proviso shall be added, namely:-

"Provided that in case the default relates to non-compliance of sub-section (3) and such default has been rectified either prior to or within **ninety days** of issuance of the notice by the Commission, no penalty shall be imposed in this regard and proceedings under this section in respect of such default shall be deemed to be concluded."

STATEMENT OF OBJECTS AND REASONS

The Limited Liability Partnership (LLP) companies are required to file their statement of accounts every year in the manner prescribed by Securities and Exchange Commission of Pakistan (SECP). The Limited Liability Partnership Act, 2017 prescribes penalty for contravention of the provisions regarding maintenance of books of accounts, other records and audit. However, nothing is provided as remedy if the defaulting Limited Liability Partnership Company intends to rectify the default in filing of required statements and accounts. This amendment aims at providing the remedy to the Limited Liability Partnership Company if it has rectified

the default either prior to or within **ninety days** of issuance of the notice by the SECP.

SENATOR SHAHADAT AWAN
MEMBER-IN-CHARGE