

A Critical Appraisal of Legal Framework Governing Limited Liability Partnership in Sri Lanka: A Way Forward

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The research problem examines why has the concept of limited liability partnerships (LLPs) not been introduced in Sri Lanka, to enhance future business opportunities and investments despite the fact that Sri Lankan legislation provided for a legal framework for the establishment of the partnership business, . The goal is to determine the current legal framework for partnerships in Sri Lanka and compare it to the legal frameworks for partnerships in other countries, identifying the limitations of the current legal framework for partnerships in Sri Lanka and evaluate the potential benefits and challenges of introducing LLPs in the country, examining the experiences of other jurisdictions in implementing LLPs and identify best practices and lessons learned and to propose recommendations for reforming the existing laws on partnerships in Sri Lanka to accommodate LLPs, taking into account the needs and expectations of businesses and investors in the country. To achieve these objectives, research has first and foremost explain the current legal framework of partnership in Sri Lanka and apart from the comparative analysis have looked at the other countries generally to focus the practice on partnership. From that found out the advantages and disadvantages of our current legal framework relating to partnership and analyzes the implementation of Limited Liability partnership as an alternative for it. The advantages the study analyses and challenges of imposing it in our legal framework. India, Malaysia and Nigeria who practice Limited Liability Partnership in different ways with different provisions were considered to carry - out comparative analysis and lessons from their practices were endorsed. Through the analysis it is found that the inadequate development in the legal framework governing partnerships in Sri Lanka has resulted with many disadvantages and threats to the people who chose the partnership as the form of doing and carrying their business. Further comparing to other jurisdictions the limited liability partnership is carried alternatively for the fear of limited liability of partners and has been incorporated and secured through the provisions of the legislations. In conclusion to meet the development in the area of partnership and to mitigate the existing issues in partnership the implementation of Limited Liability Partnership in Sri Lanka is necessary. Therefore this research provides recommendations to accommodate the partnership in the form of limited liability partnership and provide protection to the partners of Sri Lanka who engage in the business with the goal of earning profit without any fear or any obstacles.

Keywords: Limited Liability Partnership, Partnership, Legislation