07th October 2021

EFP BULLETIN# 23 ON EOABI

Communication on EOBI's letter to Companies

It has been brought to our notice that EOBI is issuing letters to companies referring to a recent judgment of the High Court of Sindh in C.P. no. 4668/2015 & 1917/2017 etc. and demanding contribution @ Rs. 780 along with arrears.

Please note that the order of the High Court of Sindh on the EOBI Act contains no directions about making EOBI contribution at the rate of Rs. 780 per month per employee. The order of Hon'ble High Court of Sindh specifically mentions that the provisions of EOBI Act 1976 will be followed according to EOBI Act 1976 in the province of Sindh also till the matter is resolved between the Federation and the Province.

Wage is defined under Minimum Wage for Un- Skilled Workers Ordinance 1968, is Rs. 8000 per month which is applicable under EOBI Act 1976. Therefore, there is no change in the status of the basis of EOBI Contributions as per the order of the High Court of Sindh, wrongly inferred in the EOBI's letter.

Members are, therefore, requested to respond to the EOBI's letter in light of the above advice.

With warm Regards;

Syed Nazar Ali Secretary General