

The
**SINDH COMPANIES PROFITS
(WORKERS' PARTICIPATION)
ACT, 2015**

[Passed on: 22nd April, 2016]

[Assented on: 16th May, 2016]

Notification No. PAS/Legis-B-38/2015, dated 19th May, 2016.--The Sindh Companies Profits (Workers' Participation) Bill, 2015 having been passed by the Provincial Assembly of Sindh on 22nd April, 2016 and assented to by the Governor of Sindh on 16th May, 2016 is hereby published as an Act of the Legislature of Sindh.

SINDH ACT NO. XVIII OF 2016

AN

ACT

*to provide for participation of workers in the profits of
companies*

Preamble.--WHEREAS it is expedient to provide for participation of workers in the profits of companies and for matters ancillary thereto;

It is hereby enacted as follows:--

1. Short title, extent commencement.--(1) This Act may be called the Sindh Companies Profits (Workers' Participation) Act, 2015.

(2) It shall extend to the whole of Province of Sindh.

(3) It shall come into force at once and shall be deemed to have been taken effect from 1st July, 2011.

(Sindh 689)

2. Definitions.--In this Act, unless there is anything repugnant in the subject or context--

- (a) "Board" in relation to a Fund means a Board of Trustees constituted under section 4 for the management and administration of the Fund;
- (b) "company" means a company within the meaning of Companies Ordinance, 1984 (XLVII of 1984), and includes--
 - (i) a body corporate established by or under any law for the time being in force;
 - (ii) a company whose registered office is situated in the Province of Sindh and has its office, department and branches in Islamabad, the capital territory or falling in more than one Province and has a common balance sheet;
 - (iii) any institution, organization or association whether incorporated or not, declared by the Federal Government in the official Gazette to be a company for the purposes of this Act;
- (c) "Fund" means a Workers' Participation Fund established under section 3;
- (d) "profits" in relation to a company, means such of the net profits as are attributable to its business, trade, undertaking or other operations ¹[* * *];
- (e) "rules" means rules made under this Act;
- (f) "Schedule" means Schedule to this Act;
- (g) "scheme" means the scheme set out in the Schedule;
- ²[(gg) "Sindh Revenue Board or SRB" means the Sindh

1 The words "in Pakistan" deleted by the Sindh Companies Profits (Workers Participation) (Amendment) Act, 2017 (Sindh Act No. XXIII of 2017), (Assented on: 12th July, 2017).

2. Clause (gg) inserted by the Sindh Companies Profits (Workers' Participation)

Revenue Board established under the Sindh Revenue Board Act, 2010 (Sindh Act No. XI of 2010);]

¹[(h) "worker" in relation to a company, means an employee of a company, including an employee who is employed by or through any contractor, and who falls within the definition of a worker as defined in clause (m) of section 2 of the Sindh Workers Welfare Fund Act, 2014 (Sindh Act No. XXXIII of 2015);]

3. Establishment of Fund.--(1) Every company to which the scheme applies shall--

- (a) establish a Workers' Participation Fund in accordance with the scheme as soon as the accounts for the year in which the scheme becomes applicable to it are finalized but not later than nine months after the close of that year; and
- (b) subject to adjustments, if any, pay every year to the Fund not later than nine months after the close of that year five percent of its profits during such year:

Provided that the Sindh Revenue Board, for sufficient reasons, may extend the above said time, for further period ²[not exceeding ninety days]; and

(Amendment) Act, 2021 .(XIV of 2022) (Assented on: 26th September, 2022)

1. Clause (h) Substituted by the Sindh Companies Profits (Workers' Participation) (Amendment) Act, 2021 .(XIV of 2022) (Assented on: 26th September, 2022). At the time of substitution clause (h) was as under:--

“(h) "worker" in relation to a company means an employee of the company, including employed by or through the contactors, who falls within the definition of a worker as defined in clause (xxxii) of section 2 of the Sindh Industrial Relations Act, 2013 (Act No. XXIX of 2013) and has been in the service, working for or in the company, for a period of not less than six months”

2. Substituted for the words "of fifteen days" by the Sindh Companies Profits (Workers' Participation) (Amendment) Act, 2021 .(XIV of 2022) (Assented on: 26th September, 2022)

(c) furnish to ¹[the Board and the Sindh Revenue Board], not later than nine months after the close of every year of account, its audited accounts for that year, duly signed by its auditors.

(2) The amount paid to the Fund under clause (b) of sub-section (1) in relation to a year shall be deemed to have been allocated to the Fund on the first day of the year next succeeding that year.

4. Constitution of the Board of Trustees.--(1) As soon as may be, but not later than two months, after the establishment by a company a Fund under section 3, there shall be constituted a Board of Trustees consisting of the following trustees, namely:--

(a) two persons elected by the workers of the company from amongst themselves; and

(b) two persons nominated by the management of the company of whom at least one shall be a person from the accounts Branch of the company.

(2) The persons holding office as trustees shall elect for one year a person to be the Chairperson of the Board alternatively from amongst the trustees elected under clause (a) of sub-section (1) and those nominated under clause (b) of that sub-section, the first Chairperson being from amongst the later.

(3) A trustee shall, unless he sooner ceases to represent the interest he was elected or nominated to represent, hold office for such term and on such conditions as may be prescribed by rules.

(4) All decisions of the Board shall be expressed in terms of the opinion of the majority of the trustees and in the event of the trustees being equally divided in their opinion, the Chairperson shall have and exercise a second or casting vote.

(5) The Board shall manage and administer the Fund in

1. Substituted for the words "Government and the Board" by the Sindh Companies Profits (Workers' Participation) (Amendment) Act, 2021 (XIV of 2022) (Assented on: 26th September, 2022)

accordance with the provisions of this Act, the scheme and any rules made in this behalf.

(6) The Board shall, in the exercise of its powers and performance of its functions under this Act, be subject to such directions as Government may, from time to time, give.

(7) Government if it is of opinion that a trustee or a Board has been persistently failing in the performance of his or its functions or has generally been acting in a manner inconsistent with the objects and interests of the Fund, may, after giving such trustee or, as the case may be, the Board an opportunity of showing cause against it, by order--

- (a) remove such trustee from his office or direct that the Board shall stand superseded for such period as may be specified in the order; and
- (b) direct that, pending the election or nomination of a person in place of the trustee removed from office or, as the case may be, the reconstitution of the Board the powers and functions of the trustee so removed for the Board shall be exercised and performed by a person specified in the order.

(8) A casual vacancy in the office of a trustee shall be filled as soon as may be by the election or, as the case may be, nomination of another person and the person elected or nominated to fill such vacancy shall hold office for the unexpired term of his predecessor.

(9) Upon the supersession of a Board under sub-section (7) the trustees in that Board shall cease to hold office and references to the Board in this Act, the scheme and the rules shall be construed as references to the officer specified in the order under that sub-section.

(10) Before the expiry of the period of supersession, the Board shall be reconstituted in accordance with the provisions of this Act so as to enable it to take over its functions upon the expiry of such period.

(11) No act or proceeding of the Board shall be invalid

or questioned merely on the ground of the existence of a vacancy in, or defect in the constitution of the Board.

5. Penalty.--(1) Where a company to which the scheme applies fails to comply with any of the provisions of this Act or the scheme, every director, manager or other officer responsible for the management of the affairs of the company, shall, if Government by order so directs, pay by way of penalty a sum which may extend to twenty thousand rupees and, in case of a continuing failure, a further sum which may extend to two thousand rupees for every day after the first during which the failure continues.

(2) A penalty imposed by an order under sub-section (1) shall, if it is not paid within the time specified in the order, be recoverable as an arrears of land revenue under the Sindh Land Revenue Act, 1967.

(3) Government may, upon an application made in his behalf by any person aggrieved by an order made under sub-section (1) within a period of six months from the date of order, review the order and may, upon such review, pass such order as it may think fit.

(4) Notwithstanding anything contained in this Act or the Scheme, if any defaulting employer strictly complies with the provisions of section 3 and distributes the benefits in accordance with paragraph 4 of the scheme for the period of default on or before the date fixed by Government, no such penalty shall be imposed and the company shall not be liable to pay interest as provided in paragraph 2 of the scheme.

6. Power to call for information.--¹[Sindh Revenue Board or an officer of the SRB authorized by it in this behalf] may, at any time, call upon a company or a Board to furnish, it with such information and documents, including the records of the proceedings of the company or the Board, as may be relevant or useful for the purpose of, or necessary for ensuring proper

¹ Substituted for the word "Government" by the Sindh Companies Profits (Workers' Participation) (Amendment) Act, 2021 (XIV of 2022) (Assented on: 26th September, 2022)

compliance with the provisions of this Act, the rules and the scheme.

7. Settlement of disputes, etc.--(1) Any difference arising between the Board and the company relating to the administration of the scheme shall be reported to Government whose decision thereon shall be final.

(2) All claims of a worker relating to the benefits of the scheme, whether against the Board or the company, shall be settled in the same manner as provided in the Payment of Wages Act, 1936 (IV of 1936), for the settlement of claims arising out of deductions from wages.

8. Protection against discrimination.--There shall be no discrimination on the basis of sex, religion, sect, colour, caste, creed and ethnic background in the employment, professional development and benefits for the purpose of this Act.

9. Delegation of power.--Government may, by notification in the official Gazette, direct that all or any of its powers or functions under this Act may, subject to such limitations restrictions or conditions, if any, as may be specified in the notification, be exercised or performed also by any officer subordinate to it or by any authority so specified.

¹[9-A. Application of law and rules etc.-- Notwithstanding anything contained in this Act or any other law for the time being in force, the provisions of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011) and rules, notifications, orders and instructions issued thereunder shall *mutatis mutandis* apply for collection and payment of contribution under this Act in so far as they relate to--

- (a) registration and de-registration;
- (b) manner and mode of payment;

I. Section 9-A added by the Sindh Companies Profits (Workers' Participation) (Amendment) Act, 2021 (XIV of 2022) (Assented on: 26th September, 2022)

- (c) assessment, audit, adjudication and enforcement including imposition of penalty;
- (d) appeals and prosecution;
- (e) exemption of penalty and default surcharge; and
- (f) other allied and ancillary matters.]

10. Power to make rules.--Government may make rules to carry out the purposes of this Act.

11. Ordinance to override other laws.--The provisions of this Act shall have effect notwithstanding anything contained in any other law for the time being in force, or in any Contract or the Memorandum or Articles of Association of a company.

12. Repeal and Saving.--(1) The provisions of the Companies Profits (Workers Participation) Act, 1968, in its application to the Province of Sindh, are hereby repealed.

(2) Notwithstanding the repeal of the provisions of the Act under sub-section (1), all orders or rules made, notifications issued, actions and proceedings taken under the said Act shall continue to remain in force until altered, amended or repealed under the provisions of this Act.

THE SCHEDULE

SCHEME

(See section 2(f))

1. Scope of the scheme.--The scheme applies to all companies engaged in industrial undertakings which satisfy any one of the following conditions, and to such other companies as Government may, by notifications in the official Gazette, specify in this behalf, namely:--

- (1) The number of workers employed by the company at any time during a year is hundred or more ¹[in

I. The words inserted by the Sindh Companies Profits (Workers' Participation) (Amendment) Act, 2021 (XIV of 2022) (Assented on: 26th September, 2022)

Pakistan].

- (2) The paid up capital of the company as on the last day of its accounting year is Rs. 20 lacs or more.
- (3) The value of the fixed assets of the company (at cost) as on the last day of the accounting year is Rs. 40 lacs or more; provided that for the companies established on or after 1st day of July 2006--
 - (a) Sub-paragraph (2) shall have effect as if for the figure and word "20 lacs" the figure and word "5.00 million" were substituted; and
 - (b) Sub-paragraph (3) shall have effect as if for the figure and word "40 lacs" the figure and word "20.00 million" were substituted.

*Explanation:--*In this scheme--

- (a) "industrial undertaking" means an institution, organization, enterprises or establishment which involves the use of electrical, thermal, nuclear or any other form of energy transmitted mechanically and not generated by human or animal agency and which is engaged in any one or more of the following operations, namely:--
 - (i) the subjection of goods or materials to any manufacturing, assembly, finishing or other artificial or natural process, which changes their original condition or adds to their value;
 - (ii) ship-building;
 - (iii) the transformation, generation, conversion, transmission or distribution of electrical energy, including hydraulic power; and
 - (iv) the working of a mine, oil-well or any other source of mineral deposit,

including blending, refining and purification of oils and gases; and includes companies engaged in the marketing and distribution of gas or oil or in the carriage of men or goods by sea or air, and any other institution, organization, enterprises or establishment which Government may, by notification in the official Gazette, declare to be an industrial undertaking for the purposes of this scheme; and

- (b) references to paid up capital and the value of the fixed assets of the company shall, in the case of a company incorporated outside Pakistan but having a Branch in Pakistan, be construed as references respectively to the capital invested in such Branch and the value of the fixed assets of the Branch.

2. Investment of Fund.—(1) The amount allocated or accruing to the Fund shall be available to the company for its business operations. The company may, however, request the Board to utilize the amount in the Fund for investment under subparagraph (7) and the Board may decide to so invest the amount.

(2) The company shall pay to the Fund in respect of the amount in the Fund available to it for its business operations as aforesaid interest at the rate of 2-1/2 percent above the bank rate or 75 percent of the rate at which dividend is declared on its ordinary shares, whichever is higher. In case there is more than one class of ordinary shares on which different rates of dividend have been declared then the weighted average of the different rates of dividend shall be taken for the purpose of determining the rate of interest. The interest to the Fund shall accrue on and from the first day of the year next succeeding the year in which the scheme becomes applicable to the company. Even when the company does not wish to utilize the amount available to it under subparagraph (1), the interest at the rate aforesaid shall be payable by the

company for the period between the date of allocation of any amount to the Fund and the date of its investment under sub-paragraph (7).

(3) If, at any time after the establishment of the Fund, the company raises any additional capital, otherwise than through the issue of bonus or bonus shares, the Fund shall have the first option to convert any amount available to the company under sub-paragraph (1) or any of the assets of the Fund into ordinary equity capital up to a ceiling of 20 percent of the paid up capital of the company prior to such conversion or 50 percent of the additional capital, whichever is less.

*Explanation:--*In this sub-paragraph, "additional capital" does not include any capital offered or to be offered to foreign participation of the company.

(4) For the exercise of the right of conversion under sub-paragraph (3), the Board shall be given sufficient time to sell assets of the Fund to raise the amount needed for subscription to the additional issue of capital by the company.

(5) The shares acquired in the manner set out in sub-paragraph (3) shall participate in future bonus and right-issues in the same manner as other shares.

(6) The shares acquired in the manner set out in sub-paragraph (3) shall carry voting rights in the same manner as other shares and such voting rights shall be exercised by the Board on behalf of the Fund.

(7) The amount in the Fund which, under sub-paragraph (1), the company has requested to be utilized for investment under this paragraph may be invested by the Board for the purchase of any of the following namely:--

- (a) National Investment Trust (unit) Certificates;
- (b) Government securities including Defence and postal Savings Certificates; and

3. Eligibility to benefits of scheme.--All workers

shall be eligible to the benefits of the scheme and to participate in the Fund. However, a worker not completing six months of employment with the company during a year of account shall not participate in the Fund in respect of that year.

4. Distribution of benefits to workers.--The share of a worker in the annual allocation to the Fund shall be expressed in units or fractions of units (worked out to two places of decimal) of the face value of Rs. 10 determined in the following manner, namely:--

- (a) The number of available units shall be so divided into three parts for the three categories of workers mentioned below that a worker in the first of those categories gets four units for each two units that a worker in the second of those categories gets or for each one unit that a worker in the last of those categories gets:--

Categories

1. Workers drawing average minimum monthly wages as fixed by Government from time to time.
 2. Workers drawing average monthly wages exceeding the minimum wages as fixed by Government from time to time but not exceeding twenty thousand.
 3. Workers drawing average monthly wages exceeding twenty thousand rupees.
- (b) The average monthly wages shall be rounded up to the nearest Rs. 10.
- (c) The number of units available to each category of workers shall be divided equally among all the workers in that category to determine the share of each workers of that category.
- (d) Notwithstanding anything contained in this scheme, no worker shall, in any one year, be entitled out of

the annual allocation to units exceeding the amount of four times of the minimum wages for unskilled worker as given in the Schedule of ¹[the Sindh Minimum Wages Act, 2015 (Sindh Act No. VIII of 2016)] in value in so far as such allocation is relatable to clause (b) of sub-section (1) of section 3. Any amount left out of the annual allocation after the units have been so allocated shall be transferred to the Fund constituted under ²[section 4 of the Sindh workers Welfare Fund Act, 2014 (Sindh Act No. XXXIII of 2015)]. No part of such amount shall be deemed to be included in the net asset value of the Fund established under this Act and no individual worker shall have any lien on this amount by virtue of holding any units.

Explanation:

In this paragraph, "average monthly wages" means total wages drawn during the year of account divided by 12, or by the number of months a worker actually worked during a year in respect of which he is entitled to the benefit under the scheme, as the case may be, and "wages" has the same meaning as in clause (vi) of section 2 of the Payment of Wages Act, 1936 (IV of 1936); but does not include any overtime allowance or bonus.

5. Disbursement of benefits.--The disbursement of the benefits from the Fund shall be as under:

- (a) 100 percent of the annual income of the Fund, including capital gains realized, shall be distributed

1 Substituted for the words "Minimum Wages for Unskilled Workers Ordinance, 1969 (West Pakistan Ordinance XX of 1969)" by the Sindh Companies Profits (Workers Participation) (Amendment) Act, 2017 (Sindh Act No. XXIII of 2017), (Assented on: 12th July, 2017).

2 Substituted for the words and figures "section 3 of the Workers Welfare Fund Ordinance, 1971 (XXVI of 1971)" by the Sindh Companies Profits (Workers Participation) (Amendment) Act, 2017 (Sindh Act No. XXIII of 2017), (Assented on: 12th July, 2017).

each year to workers in proportion to their units of entitlement.

- (b) A worker who voluntarily leaves the employment of the company or whose services are terminated shall be entitled to receive 100 percent of the net asset value of the units standing in his name.
- (c) A worker who continues in the service of the company shall be entitled to receive 100 percent of the net asset value of the units in his name each year or he may choose to **retain** his share in the Fund, provided, that a worker while in employment may choose to encash all the units standing in his name at any time at his discretion.
- (d) A worker, in the event of his retirement or, his nominated beneficiary, in the event of the worker's death (from whatsoever cause) while in the employment of the company, shall receive 100 percent of the net asset value of the units standing in the worker's name.

6. Definition of the net asset value of the unit.--To determine the net asset value of a unit, the total net assets of the fund namely, market value of the securities, cash and other assets resulting from the investment and reinvestment, capital accretion thereto and all incomes of any kind arising therefrom shall be divided by the number of units in the Fund. Net asset value of the entire Fund shall be computed once every year and each worker's unit entitlement determined at the same time. Additional units will be given to the workers according to the amount they voluntarily contribute to the Fund.

7. Employee's own contribution.--A worker may voluntarily choose to contribute a part of his wages, cash, bonus, dividend or interest to the Fund. For each unit of contribution, he shall receive credit for 1-1/4 units. Contribution received during the course of a year of account shall, however, be deemed to be contribution received on the last day of that year. If at any time a

worker chooses to leave the employment of the company or his services are terminated or in the event of his retirement or death or on the expiry of three years from the date he voluntarily chooses to contribute a part of his wages, cash bonus, dividend or interest to the fund, he, at his option, or, in the event of his death, his nominated beneficiary, may receive the net asset value of the units representing his contribution. The contribution by a worker in any one year of account shall not exceed ten percent of his annual wages during such year.

8. Fiscal concessions to the Companies.--All companies to whom the scheme applies shall be allowed the allocation made to the scheme as a deduction to arrive at the taxable income.

9. Tax treatment of the income of the Fund.--The income of the Fund including capital gains shall be exempt from income tax.

10. Tax treatment of the income of the workers.--All sums paid out by the Fund shall be exempt from Income tax in the hand of the workers.

11. Working and location of the board of Trustees.--The office of the Board of Trustees shall be located at the factory premises or, if there is, more than one factory run by the company, at the registered head office of the company. All expenses of the Board, including the cost of maintaining accounts, shall be borne by the company.

12. Audit of the Fund accounts.--The Fund accounts shall be audited annually at the company's expense in the same manner as the accounts of company are audited:

Provided that Government may, at its own cost, appoint independent **recognized Chartered** Accountants for a special audit of the accounts of the Fund.

13. Scheme's benefits to be in addition to other

benefits.--The benefits to a worker under this scheme shall be in addition to, and not in derogation or substitution of, any other benefits to which the worker may be entitled under any other law, contract, terms and conditions of employment or otherwise.

14. Special Provision for industries working seasonally.--Notwithstanding anything contained in this Act or this scheme, Government may, by notification in the Official Gazette, make special provisions for the participation of workers in the profit of companies engaged in industrial undertakings which operate only for a part of the year.

15. Companies engaged in more than one industrial undertaking.--Notwithstanding anything contained in this Act or this scheme, Government, may, at the request of a company which is engaged in more than one industrial undertakings located at different places, permit the splitting up of the Fund amongst the various undertakings or groups of undertakings and constitution of a Board of Trustees for each such undertaking or group of undertakings; and thereupon the provisions of this Act and this scheme shall have effect in relation to such undertakings or groups as if each such undertaking or group were a company.

16. Entrustment of management of Fund to Investment Corporation of Pakistan, etc.--The Board of Trustees may, with the prior approval of Government, enter into a contract with the National Investment Trust or the National Bank of Pakistan or any other Securities, entrusting the management of the Fund to that Corporation, Trust or Bank on such fee which shall be payable by the company, and on such terms and conditions as may be mutually agreed upon.

NOTIFICATION

EXEMPTION FROM PENALTY, ADDITIONAL AMOUNT/DEFAULT SURCHARGE PROVIDED THAT THE PRINCIPAL AMOUNT OF CONTRIBUTION OF SINDH WORKERS WELFARE FUND AND CERTAIN AMOUNTS OF ADDITIONAL AMOUNT/DEFAULT SURCHARGE THEREON ARE DEPOSITED IN THE PRESCRIBED MANNER

¹**Notification No. SRB-3-4/9/2019, dated 15th June, 2019.**--In exercise of the powers conferred under section 15 of the Sindh Workers Welfare Fund Act, 2014, (Sindh Act No. XXXIII of 2015) read with section 45 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011), the Government is pleased to exempt the whole of the amount of penalty and such of the additional amount/default surcharge as is in excess of amount specified below, provided that the principal amount of contribution of Sindh Workers Welfare Fund and the following, amounts of the additional amount/default surcharge thereon are deposited in the prescribed manner in Sindh Government's head of account "G-06313" during the periods as specified below:--

- (a) the principal amount of contribution of outstanding Sindh Workers Welfare Fund as on the 31st May, 2019, alongwith 1% of the amount of additional amount thereon if deposited during the period from 17th June, 2019 to 22nd June, 2019; and
- (b) the principal amount of contribution of outstanding Sindh Workers Welfare Fund as on the 31st May, 2019, alongwith 2% of the amount of additional amount thereon if deposited during the period from 24th June, 2019 to 30th June, 2019.

2. The benefits of exemption of penalty and additional amount, as specified in this notification, shall also be available in relation to the arrears of the fund (as outstanding on the 31st May, 2019) payable under the Sindh Workers Welfare Fund Act, 2014, (Sindh Act No. XXXIII of 2015) by:--

- (i) Industrial Establishments who are liable to pay two percent of its total income alongwith the aforementioned percentages of the amount of additional amount thereon in relation to the previous years up to the month of May, 2019, in Sindh Government's head of account "G-06313" in the prescribed

I Reported as PTCL 2019 St. 718.

manner by the due dates prescribed in clauses (a) and (b) of paragraph I of this notification; and

- (ii) Industrial Establishments against which on the basis of any amount assessed or adjudged, by an officer of the SRB, through an order or decision passed under section 5(4) of the Sindh Workers Welfare Fund Act, 2014, the Industrial Establishment shall pay the amount so determined under the said Act/notification issued thereunder.
- (iii) Industrial Establishment against whom any tax liability has been adjudged or confirmed by the Commissioner (Appeals) or the Appellate Tribunal;
- (iv) Industrial Establishments whose cases are under assessment or under adjudication with any officer of the SRB or are pending, at the appellate stage, with the Commissioner (Appeals) or with the Appellate Tribunal; and
- (v) Industrial Establishments whose cases are under litigation in any court of law including the High Court or the Supreme Court.

3. The benefits of this notification shall also be available in cases where Industrial Establishment has late paid the principal amount of contribution of Sindh Workers Welfare Fund prior to the date of this notification but has not yet discharged the liability of penalty (whether the prescribed amount or the adjudged amount of the penalty) and additional amount/default surcharge on such late payment provided that they pay an amount equal to 1% of such amount of penalty (as outstanding on the 31st May, 2019) and 1% of such additional amount (as outstanding on the 31st May, 2019) in Sindh Government's head of account "G-06313" during the period from 17th June, 2019 to 30th June, 2019.

4. This notification shall not apply to the refund or adjustment of any amount of fund or additional amount/default surcharge or penalty as has already been paid before the 31st May, 2019.

[Issued by the Sindh Revenue Board, Karachi, under the signature of Mr. Khair Muhammad Kalwar, Secretary SRB, vide File No. SRB/TP/33/2018]

**EXEMPTION FROM PENALTY AND INTEREST PROVIDED THAT
LEFTOVER AMOUNT OF CONTRIBUTION OF SINDH WORKERS'
PARTICIPATION FUND OUTSTANDING AND CERTAIN
AMOUNTS OF THE PENALTIES/INTEREST/DEFAULT
SURCHARGE ARE DEPOSITED IN THE
PRESCRIBED MANNER**

¹Notification No. SRB-3-4/10/2019, dated 15th June, 2019.--In

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exercise of the powers conferred under section 5(4) of the Sindh Companies Profits (Workers' Participation) Act, 2015 (Sindh Act No. XVIII of 2016) read with section 15 of the Sindh Workers Welfare Fund Act, 2014, (Sindh Act No. XXXIII of 2015) also read with section 45 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011), the Government is pleased to exempt the amount of penalty prescribed under section 5(1) of the Sindh Companies Profits (Workers' Participation) Act, 2015 (Sindh Act No. XVIII of 2016) and interest as per paragraph 2 of the scheme of the 2015-Act and penalties or default surcharge established under section 43 and 44 of the Sindh Sales Tax on Services Act, 2011, read with section 15 of the 2014-Act provided that the leftover amount of contribution of Sindh Workers' Participation Fund outstanding and the following amounts of the penalties/interest/default surcharge thereon are deposited in the prescribed manner in Sindh Government's head of account "G-06316" during the periods as specified below:--

- (a) the left over amount of contribution of outstanding Sindh Workers' Participation Fund as on the 31st May, 2019, alongwith 1% of the amount of penalty/interest/default surcharge thereon if deposited during the period from 17th June, 2019 to 22nd June, 2019; and
- (b) the left over amount of contribution of outstanding Sindh Workers' Participation fund as on the 31st May, 2019, alongwith 2% of the amount of penalty/interest/default surcharge thereon if deposited during the period from 24th June, 2019 to 30th June, 2019.

2. The benefits of exemption of penalty/interest/default surcharge, as specified in this notification, shall also be available in relation to the arrears of the fund (as outstanding on the 31st May, 2019) payable under the Sindh Companies Profits (Workers' Participation) Act, 2015 (Sindh Act No. XVIII of 2016) by:--

- (i) Industrial Undertakings who are liable to pay left over amount after distribution of workers participation fund among eligible workers alongwith the aforementioned amounts of penalties/ interest/default surcharge in relation to the previous years up to the month of May, 2019, in Sindh Government's head of account "G-06316" in the prescribed manner by the due dates prescribed in clauses (a) and (b) of paragraph 1 of this notification; and
- (ii) Industrial Undertakings against which on the basis of any amount assessed or adjudged, by an officer of the SRB, through an order or decision passed under section 3 read with paragraph 4(d) of the Sindh Companies Profits (Workers' Participation) Act, 2015 (Sindh Act No. XVIII of 2016), also read with section 4 and 5(4) of the Sindh Workers Welfare

Fund Act, 2014, the Industrial Undertaking shall pay the amount so determined under the said Act/notification issued thereunder.

- (iii) Industrial Undertaking against whom any tax liability has been adjudged or confirmed by the Commissioner (Appeals) or the Appellate Tribunal;
- (iv) Industrial Undertaking whose cases are under assessment or under adjudication with any officer of the SRB or are pending, at the appellate stage, with the Commissioner (Appeals) or with the Appellate Tribunal; and
- (v) Industrial Undertaking whose cases are under litigation in any court of law including the High Court or the Supreme Court.

3. The benefits of this notification shall also be available in cases where Industrial Undertaking has late paid the left over amount of contribution of Sindh Workers' Participation Fund prior to the date of this notification but has not yet discharged the liability of penalty/interest/default surcharge (whether the prescribed amount or the adjudged amount of the penalty) on such late payment provided that they pay an amount equal to 1% of such amount of penalty (as outstanding on the 31st May, 2019) and 1% of such additional amount/interest/default surcharge (as outstanding on the 31st May, 2019) in Sindh Government's head of account "G-06313" during the period from 17th June, 2019 to the 30th June, 2019.

4. This notification shall not apply to the refund or adjustment of any amount of fund or penalty/interest/default surcharge as has already been paid before the 31st May, 2019.

[Issued by the Sindh Revenue Board, Karachi, under the signature of Mr. Khair Muhammad Kalwar, Secretary SRB, vide File No. SRB/TP/33/2018]

**EXEMPTION FROM PENALTY AND DEFAULT SURCHARGE
(PARTIALLY) SUBJECT TO PAYMENT OF CONTRIBUTION
OF SINDH WORKERS WELFARE FUND ALONGWITH
PARTIAL AMOUNT OF ADDITIONAL AND DEFAULT
SURCHARGE (GENERAL AMNESTY)**

¹Notification No. SRB-3-4/10/2021, dated 31st May, 2021.--In exercise of the powers conferred under section 15 of the Sindh Workers Welfare Fund Act, 2014, (Sindh Act No. XXXIII of 2015) read with section 45 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011), the Government is pleased to exempt the whole of the amount of penalty and such

of the additional amount/default surcharge as is in excess of amount specified below, provided that the principal amount of contribution of Sindh Workers Welfare Fund and the following amounts of the additional amount/default surcharge thereon are deposited in the prescribed manner in Sindh Government's head of account "0-06313" during the periods as specified below:--

- (a) the principal amount of contribution of outstanding Sindh Workers Welfare Fund as on the 31st May, 2021, along with 0% of the additional amount thereon if deposited during the period from 1st June, 2021 to 18th June, 2021; and
- (b) the principal amount of contribution of outstanding Sindh Workers Welfare Fund as on the 31st May, 2021, along with 5% of the additional amount thereon if deposited during the period from 19th June, 2021 to 30th June, 2021.

2. The benefits of exemption of penalty and additional amount, as specified in this notification, shall also be available in relation to the arrears of the fund (as outstanding on the 31st May, 2021) payable under the Sindh Workers Welfare Fund Act, 2014, (Sindh Act No. XXXIII of 2015) by:--

- (i) Industrial Establishments who are liable to pay two percent of its total income along with the aforementioned percentages of the amount of additional amount thereon in relation to the previous years up to the month of May, 2021, in Sindh Government's head of account "G-06313" in the prescribed manner by the due dates prescribed in clauses (a) and (b) of paragraph 1 of this notification;
- (ii) Industrial Establishments against which on the basis of any amount assessed or adjudged, by an officer of the SRB, through an order or decision passed under section 5(4) of the Sindh Workers Welfare Fund Act, 2014, the Industrial Establishment shall pay the amount so determined under the said Act/notification issued thereunder;
- (iii) Industrial Establishments against whom any tax liability has been adjudged or confirmed by the Commissioner (Appeals) or the Appellate Tribunal;
- (iv) Industrial Establishments whose cases are under assessment or under adjudication with any officer of the SRB or are pending, at the appellate stage, with the Commissioner (Appeals) or with the Appellate Tribunal; and
- (v) Industrial Establishments whose cases are under litigation in any court of law including the High Court or the Supreme Court.

3. The benefits of this notification shall also be available in cases where Industrial Establishment has late paid the principal amount of contribution of Sindh Workers Welfare Fund prior to the date of this notification but has not yet discharged the liability of penalty (whether the prescribed amount or the adjudged amount of the penalty) and additional amount/default surcharge on such late payment provided that they pay an amount equal to 1% of such amount of penalty (as outstanding on the 31st May, 2021) and 1% of such additional amount (as outstanding on the 31st May, 2021) in Sindh Government's head of account "G-06313" during the period from 1st June, 2021 to 30th June, 2021.

[Issued by the Sindh Revenue Board under the signature of Mona Mehfooz, Secretary, SRB, vide File No. SRB/TP/2/2021]

EXEMPTION FROM PENALTY AND INTEREST UNDER SINDH COMPANIES PROFITS (WORKERS' PARTICIPATION) ACT, 2015 AND PENALTIES AND DEFAULT SURCHARGE UNDER SINDH SALES TAX ON SERVICES ACT, 2011 SUBJECT TO PAYMENT OF LEFT OVER AMOUNT OF CONTRIBUTION OF SINDH WORKERS PARTICIPATION FUND OUTSTANDING ALONGWITH CERTAIN AMOUNT OF PENALTIES/ INTEREST/DEFAULT SURCHARGE (GENERAL AMNESTY)

¹**Notification No. SRB-3-4/11/2021, dated 31st May, 2021.**--In exercise of the powers conferred under section 5(4) of the Sindh Companies Profits (Workers' Participation) Act, 2015 (Sindh Act No. XVIII of 2016) read with section 15 of the Sindh Workers Welfare Fund Act, 2014, (Sindh Act No. XXXIII of 2015) also read with section 45 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011), the Government is pleased to exempt the amount of penalty prescribed under section 5(1) of the Sindh Companies Profits (Workers' Participation) Act, 2015 (Sindh Act No. XVIII of 2016) and interest as per paragraph 2 of the scheme of the 2015-Act and penalties or default surcharge established under sections 43 and 44 of the Sindh Sales Tax on Services Act, 2011, read with section 15 of the 2014-Act provided that the leftover amount of contribution of Sindh Workers' Participation Fund outstanding and the following amounts of the penalties/interest/default surcharge thereon are deposited in the prescribed manner in Sindh Government's head of account "G-06316" during the periods as specified below:--

- (a) the left over amount of contribution of outstanding Sindh Workers' Participation Fund as on the 31st May, 2021, along with 0% of the amount of penalty/interest/default surcharge thereon if deposited during the period from 1st June, 2021 to

18th June, 2021; and

- (b) the left over amount of contribution of outstanding Sindh Workers' Participation Fund as on the 31st May, 2021, along with 5% of the amount of penalty/interest/default surcharge thereon if deposited during the period from 19th June, 2021 to 30th June, 2021.

2. The benefits of exemption of penalty/interest/default surcharge, as specified in this notification, shall also be available in relation to the arrears of the fund (as outstanding on the 31st May, 2021) payable under the Sindh Companies Profits (Workers' Participation) Act, 2015 (Sindh Act No. XVIII of 2016) by:--

- (i) Industrial Undertakings who are liable to pay left over amount after distribution of workers participation fund among eligible workers along with the aforementioned amounts of penalties/interest/default surcharge in relation to the previous years up to the month of May, 2021, in Sindh Government's head of account "G-06316" in the prescribed manner by the due dates prescribed in clauses (a) and (b) of paragraph 1 of this notification;
- (ii) Industrial Undertakings against which on the basis of any amount assessed or adjudged, by an officer of the SRB, through an order or decision passed under section 3 read with paragraph 4(d) of the Sindh Companies Profits (Workers' Participation) Act, 2015 (Sindh Act No. XVIII of 2016), also read with section 4 and 5(4) of the Sindh Workers Welfare Fund Act, 2014, the Industrial Undertaking shall pay the amount so determined under the said Act/notification issued thereunder;
- (iii) Industrial Undertakings against whom any tax liability has been adjudged or confirmed by the Commissioner (Appeals) or the Appellate Tribunal;
- (iv) Industrial Undertakings whose cases are under assessment or under adjudication with any officer of the SRB or are pending, at the appellate stage, with the Commissioner (Appeals) or with the Appellate Tribunal; and
- (v) Industrial Undertakings whose cases are under litigation in any court of law including the High Court or the Supreme Court.

3. The benefits of this notification shall also be available in cases where Industrial Undertaking has late paid the left over amount of contribution of Sindh Workers' Participation Fund prior to the date of this notification but has not yet discharged the liability of penalty/interest/default surcharge (whether the

prescribed amount or the adjudged amount of the penalty) on such late payment provided that they pay an amount equal to 1% of such amount of penalty (as outstanding on the 31st May, 2021) and 1% of such additional amount/ interest/default surcharge (as outstanding on the 31st May, 2021) in Sindh Government's head of account "G-06316" during the period from 1st June, 2021 to the 30th June, 2021.

4. This notification shall not apply to the refund or adjustment of any amount of fund or penalty/interest/default surcharge as has already been paid before the 31st May, 2021.

[Issued by the Sindh Revenue Board under the signature of Mona Mehfooz, Secretary, SRB, vide File No. SRB/TP/2/2021]
