



**EMPLOYEES' OLD-AGE BENEFITS'  
INSTITUTION**

Ministry of Overseas Pakistanis &  
Human Resource Development  
Government of Pakistan  
Head Office: EOBI House 190/1/B,  
Block-II, P.E.C.H.S. Karachi  
Phone: 021-34328026-8

Ref: No. HO/BS/Appvd.Min 14<sup>th</sup> Emrgnt Mtng/2015/- 50

Dated: 3<sup>rd</sup> August, 2015

1. Mr. Muhammad Asif, (JS)
2. Mr. Fida Muhammad (F.A)
3. Mr. Ishrat Ali,
4. Mr. Aijaz Ahmed Mangi,
5. Mr. Zafar Iqbal,
6. Mr. Hamid-ul-Karim
7. Malik Tahir Jawaid,
8. Chaudhary Naseem Iqbal
9. Mr. Muhammad Tariq Rafi,
10. Mr. Shoukat Ali,
11. Dr. Muhammad Yousaf Sarwar,
12. Mr. Muhammad Iqbal,
13. Mr. Ghulam Farooq,
14. Mr. Sarzameen Afghani,
15. Mr. Muhammad Sualeh Ahmed Faruqui

Subject: Approved Minutes of 14<sup>th</sup> Emergent Meeting of Board of Trustees, EOBI,  
held on 25<sup>th</sup> May 2015 At Islamabad.

I am directed to enclosed copy of Minutes of 14<sup>th</sup> Emergent Meeting of Board of Trustees (BOT), EOBI held on 25<sup>th</sup> May, 2015 at EOBI House, Bungalow No.7, Street No. 79, Sector G-6/4, Islamabad, duly approved by President of BOT/Secretary Ministry of Overseas Pakistanis & Human Resources Development, Islamabad.

2. This is for your information and perusal please.


  
(Dr. Rahmat Ibad Khan)  
Secretary Board

Enclosure: As above.

Copy for Information:

1. SO to President BOT/Secretary (OPs & HRD)
2. SO to Chairman, EOBI.
3. DDG (IT) for placing on intra-net
4. Master/Office file

403/08/15

  
4/8/15  
DDG (IT/web)

**Minutes of 14<sup>th</sup> Emergent Meeting of Board of Trustees,  
EOBI Held on 25<sup>th</sup> May, 2015 at Islamabad.**

The 14<sup>th</sup> Emergent Meeting of Board of Trustees of EOBI was held on 25<sup>th</sup> May, 2015 at 11:00 AM at EOBI House Bungalow No.7, Street No. 79, Sector G-6/4, Islamabad. Following attended the meeting:

- |       |  |               |
|-------|--|---------------|
| i.    | Mr. Sikandar Ismail Khan,<br>Secretary, Ministry of OPs & HRD.   | President     |
| ii.   | Mr. Muhammad Suelah Ahmed Faruqi,<br>Chairman EOBI.              | Member        |
| iii.  | Mr. Muhammad Asif,<br>Joint Secretary, Ministry of OPs & HRD     | Member        |
| iv.   | Mr. Fida Muhammad,<br>Financial Adviser, Ministry of OPs & HRD.  | Member        |
| v.    | Mr. Ishrat Ali,<br>Secretary, Department of Labour, Punjab.      | Member        |
| vi.   | Mr. Zafar Iqbal,<br>Secretary, Department of Labour, KPK.        | Member        |
| vii.  | Malik Tahir Jawaid,<br>Employers' Representative, Punjab.        | Member        |
| viii. | Dr. Muhammad Yousaf Sarwar,<br>Employers' Representative, KPK.   | Member        |
| ix.   | Chaudhary Naseem Iqbal,<br>Employees' Representative, Punjab     | Member        |
| x.    | Mr. Shouket Ali,<br>Employees' Representative, Sindh             | Member        |
| xi.   | Mr. Muhammad Iqbal,<br>Employees' Representative, KPK.           | Member        |
| xii.  | Mr. Sarzameen Afghani,<br>Employees' Representative, Balochistan | Member        |
| xiii. | Muhammad Ayub<br>Adjudicating Authority-III/Acting Secretary BOT | Secretary BOT |

2. Mr. Aijaz Ahmed Mangi, Secretary, Labour Department, Govt. of Sindh, Mr. Muhammad Gul, Secretary, Labour Department, Govt. of Balochistan, Mr. Muhammad Tariq Rafi, Employer's Representative Sindh, Mr. Ghulam Farooq, Employer's Representative, Baluchistan and Dr. Rehmat Ibad Khan, Secretary BOT could not attend the meeting.

3. Following Officers of EOBI/PRIMACO also attended the meeting to assist the BOT in its deliberations.

- i. Mr. Muhammad Ayub Khan, Director General (F&A), EOBI
- ii. Syed Iqbal Haider Zaidi, Director General (Operations), EOBI
- iii. Brig (R) Amjad Ali Jan, CEO, PRIMACO
- iv. Mr. Nayyer Mahmood, Dy. Director General (HR), EOBI
- v. Mr. Muhammad Idrees Alvi, Director (Investments), EOBI

4. After recitation of verses from the Holy Quran by the Chairman EOBI, the President BOT welcomed the participants of the meeting and thereafter, the BOT deliberated upon the following agenda of the meeting:-

<b>Agenda Items for 14<sup>th</sup> Emergent BOT Meeting</b>	
1	Confirmation of the Minutes of 109 <sup>th</sup> Meeting of Board of Trustees.
2	Institution's stance, in view of the reports of the valutors in Constitutional Petition No.35/2013 (Multi Billion Scam in EOBI, Suo Moto Action by the Honourable Supreme Court of Pakistan)
3	<ol style="list-style-type: none"><li>a. Increase in Pension &amp; minimum Pension, Family Pension and Ad-hoc Relief Allowances 2014-15 to in Service Employees.</li><li>b. Increase in Pension &amp; Minimum Pension in Respect of Retired EOBI Employees and Grant of Ad-hoc Relief Allowances 2013-14 to in Service Employees.</li></ol>
4	Confirmation of Minutes of 230 <sup>th</sup> to 235 <sup>th</sup> Meetings of Investment Committee of the BOT which stands circulated vide 109 <sup>th</sup> Meeting of BOT held on 16.01.2015.
5	Approvals of Draft EOBI Investment Regulations 2015 which stand circulated vide 109 <sup>th</sup> Meeting of BOT held on 16.01.2015.
6	Any other item with permission of the Chair.

#### **Agenda Item No.1.**

Confirmation of the minutes of 109<sup>th</sup> BOT Meeting of Board of Trustees.

5. Mr. Muhammad Ayub, Acting Secretary BOT informed that Minutes of 109<sup>th</sup> BOT meeting were circulated to the members vide letter No.HO/BS/Aprved min 109<sup>th</sup> BOT Mtng/2015 dated 09-03-2015, however no objection in writing was received from any member. At this point, Mr. Muhammad Asif, Member/JS Ministry of OPs & HRD *requested to review the up-dated position relating to the follow-up on the legal issues involved as a consequence of 18<sup>th</sup>*

*Amendment.* The Chairman EOBI informed that a Committee was constituted by the Federal Government under Finance Minister Mr. Muhammad Ishaq Dar. The Committee held its meeting and identified the key issues in the perspective of the constitutional/legal and financial aspects. The Committee in its first meeting constituted a task force headed by Deputy Governor State Bank of Pakistan to look into financial challenges faced by the Institution. Ch. Naseem Iqbal, Employee's Representative Punjab thanked the Chairman on behalf of all the workers of Pakistan regarding increase in minimum pension from Rs.3,600/- to Rs.5,250/-. Mr. Ishrat Ali, Secretary, Labour Department, Punjab informed that a meeting was held with the Chief Minister, Punjab in this regard and it was emphasized that interim amendments may be made in Laws. Chairman EOBI informed that before the enhancement of pension, the actuarial report reflected that EOB Fund will start to deplete from 2024-25. Mr. Muhammad Iqbal, Employees' Representative, KPK and Mr. Sarzameen Afghani, Employees' Representative, Balochistan expressed their grave concern over negative implication on EOBI ensured persons if the EOBI is devolved to the provinces. All of the Employees' representatives were of view that like most of other countries, this scheme must remain at the level of Federation. They said that all major labour federations and unions at national, provincial and local levels have rejected the attempts to devolve this institution. They expressed that EOB Fund is a Trust money and it is a liability which needs to be properly handled and that devolution must not deprive the poor people from their trust money. Almost all the members *representing workers and employers* were of the view that EOBI should remain as one entity with massive financial and structural reforms to support the sustainability of EOB Fund. Chairman EOBI, was of the view that all the stakeholders *would* be consulted during the resolution of constitutional & legal issues under the auspices of Ministry of Inter Provincial Coordination (IPC).

6. The Chairman EOBI *further* informed that the matter was communicated to all the Provincial Governments, however, in reply only Government of Punjab has informed that it will give its opinion after constitutional, legal and financial aspects were addressed and decision of the honourable Supreme Court of Pakistan. Devolution has multi-dimensional issues which needs thorough consultation. Other three provincial governments have not responded yet. *However, Pakistan Workers Federation has shared his view point from the legal perspective.*

**Decision:**

7. **After the threadbare discussion, the BOT confirmed the minutes of 109<sup>th</sup> Meeting of the BOT.**

## Agenda Item No.2

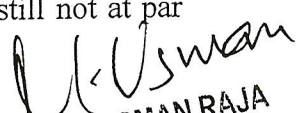
Institution's stance, in view of the reports of the valutors in Constitutional Petition No.35/2013 (Multi Billion Scam in EOBI, Suo Moto Action by the Honorable Supreme Court of Pakistan).

8. Taking of the Agenda item, the Chairman EOBI informed the Board that in the suo-moto petition No. 35/2013, the honorable supreme court of Pakistan has appointed evaluators from the approved list of the Pakistan Banking Association to assess the *erstwhile* and current value of 18 properties which are under the judicial scrutiny of the honorable Supreme Court so that there future disposal may be decided.

9. The Chairman EOBI further stated that the appointed valutors have submitted reports in the Court. EOBI has also filed objections in respect of 12 properties and the filing of objections in respect of 3 properties is under process. He further added that valuation reports in respect of three properties i.e. **54- Main Gulberg, Lahore, Property at Moza Sajpal and DHA Phase 1 Sector F, Rawalpindi** reveal sufficient escalation in the value of these properties, therefore these properties require deliberations of the BoT so that future course of action may be decided. The list of 15 properties which were proposed to be returned to the sellers and the list of three properties requiring deliberations *have been* Annexed A & B respectively. The Chairman invited Mr. Idrees Alvi, Director (Investment) for a presentation on the 18 properties for the information and decision of the Board who accordingly made a detailed presentation regarding each and every property involved in the scam.

10. The Chairman EOBI explained the status of 15 properties (Annex-A) in which the value in the year 2015 is still *below the amount demanded by EOBI*. He explained that EOBI will suffer heavy financial losses *if these properties are retained*. The Institution has no alternative but except to return such properties to the sellers. In this regard, honorable Supreme Court may be requested to return the properties to the sellers for consideration and to pay the principal amount + markup + transaction cost + other expenses incurred thereon upto date of receipt of total amount. Mark up is justified due to the fact that the sellers have utilized the money to their financial benefit and EOBI has suffered a loss on account of opportunity cost.

11. The Chairman EOBI further informed that the transactions of 15 properties were not in order as these properties were purchased on much high rates as compared to the market value at that moment. According to the current valuation exercise, these properties are still not at par

  
MUHAMMAD USMAN RAJA  
RESEARCH OFFICER  
Ministry of Overseas Pakistanis &  
Human Resource Development  
Government of Pakistan  
Islamabad

with the original purchase prices despite the fact that real estates have greatly appreciated in the past few years. Some of the properties do not have the requisite approval of the relevant Building Control authorities like LDA etc.

12. Upon a clarification from the President regarding the parameters of returning and retaining the properties, the Chairman EOBI explained that the purchase price of these 15 properties was on much higher side and the transactions were not transparent. Even the current valuation is not at par with original purchase prices. Mr. Fida Muhammad, Financial Advisor, Ministry of OPs & HRD was of the view that the prices of the property at Bahria Town/DHA were very high in the year 2012 and 2013. After the launching of Bahria Town at Karachi, the prices of DHA/Bahria Town in other cities were decreased. He asked that if we return the properties to the sellers how we can recover the invested amount. Chairman EOBI informed that we are going to decide on the basis of present market value whether these properties may be returned to the sellers or to be retained. Chairman also emphasized that all of these 18 properties, even those with higher current valuation, were purchased in total disregard of rules and without due diligence on the part of the then EOBI management. Any increase in prices is just a product of market mechanism and must not absolve the purchasers and sellers of their responsibility. These reports clearly reflect a collusive effort for personal gain. The properties with positive valuation reports (annexure "B") were also individually discussed as per following:-

**DHA Phase-I, Sector-F, Rawalpindi.**

13. The Chairman EOBI explained that the property mentioned in Annexure B at S.No.16, DHA Phase-I, Sector-F, Rawalpindi was purchased on 15-3-2013 for Rs. 6,825.00 million. As the property was purchased in the beginning of 2013, therefore, value for the year 2012 was required to be considered as benchmark. As the substantial amount has been involved in this property, therefore, Honourable Supreme Court appointed two independent valuers. Accordingly, one of the Valuers - M/S Arch E Decon has shown value of Rs. 6,527.00 million whereas the other - M/s Hamid Mukhtar has shown its value as Rs. 5,879.00 million in the year 2012 which reflected that at the time of purchase, value of the property was less than the original/estimated purchased price. However, the property value in the year 2015 as per M/S Arch E Decon is Rs.10, 041.00 million and as per M/s Hamid Mukhtar is Rs.9, 798.70 million. In both cases value of 2015 is greater than the amount of Rs. 9,323.26 million which has been

claimed from the sellers inclusive of markup and other costs till the filling of EOBI claim before the Court.

14. During the meeting, Brig (R) Amjad Ali Jan, CEO, PRIMACO informed that he visited the site of DHA plots and Villas and met with the Management of DHA and Bahria Town, Dealers etc. and observed that the value of this property has been increased upto to 67%. Malik Tahir Jawaid, Employer's representative Punjab asked the details of plots and villas, Chairman EOBI informed that the detail of the plots and Villas have been given in the working paper. Malik Tahir Jawaid, Employer's representative Punjab and Mr. Muhammad Iqbal, Employee's representative KPK emphasized that the value of the property was very low in the year 2012 as compared to 2015, we should return all the properties. Ch. Naseem Iqbal, Employees' representative Punjab enquired about the latest orders of the honorable Supreme Court of Pakistan regarding these properties. It was informed that the management of the EOBI has been asked to apply its mind for a business decision.

**Plot No.54, Residential Property, Main Gulberg Road, Lahore 12.06K.**

15. The Chairman EOBI explained that the residential Plot No.54 measuring 12.06 Kanal at Main Gulberg Road, Lahore was purchased on 30-01-2013 at original purchase price of Rs.333.00 million. As per report of the evaluator M/s. Sadaruddin Associates, the value of the property was Rs.281.38 million, Rs.330.62 million and Rs.423.03 million respectively in the year 2012, 2013 and 2015. Mr. Ishrat Ali, Secretary, Labour Department, Government of Punjab pointed out that this property is adjacent to the Grammar School Lahore and is very valuable location. Moreover, the Lahore Development Authority (LDA) has allowed high rising residential buildings as well as commercial buildings for offices etc. Malik Tahir Jawaid, Employer's Representative, Punjab pointed out that the current market value pointed by the evaluator is not a fair current market value rather it is underestimated because presently the property of 6 Kanal at this vicinity may not be available at less than one billion rupees. At this point, the CEO, PRIMACO pointed out that if building is required to be used for commercial purpose, then EOBI has to pay its commercialization fee.

16. While replying the question from a member, Chairman EOBI informed that the Auction was undertaken by the EOBI in the year 2014. However, the properties could not attract even a single responsive bid. The only bid received regarding the Property of Plot No.54 at the Main Gulberg Road Lahore for Rs.340 million was conditional and did not meet the

requirements mentioned in the Auction Document and it was therefore rejected. Besides, this bid was lower than the reserve price. The BOT was further informed that the three proposals received by the EOBI from M/s White Collar Associates, M/s AJ Zamin Real Estate and M/s Z S Associates were non-serious and not worth consideration as they did not submit the Bid Security.

**Property at Mouza Sehjpal, DHA Interchange on Ring Road, Lahore 40 K.**

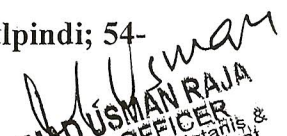
17. As regards the property at Mouza Sehjpal, DHA Interchange on Ring Road, Lahore, the Chairman EOBI explained that this property was purchased on 16.11.2011, at the original purchase price of Rs.1,437.00 million. As per report of the evaluator, in the year 2010, 2011 and 2015, the value of the property was Rs.1,235.00 million, Rs.1,460.00 million and Rs.2,245.38 million respectively. The CEO, PRIMACO pointed out that the EOBI has already spent an amount of Rs.778.00 million on this property for development of the land, which might be included in the value of Rs.2, 245.38 million indicated by the valuator in the year 2015 as such net current value of the property is Rs.1, 467.38 million which is in the proximity of the original purchase price of 2011. The Chairman EOBI proposed that the Institution may also appoint an independent valuator to evaluate this property, as this needs further scrutiny. However, the President BOT suggested that a 3 (Three) members committee comprising of the BOT members may examine this proposal thoroughly while an evaluator may be appointed in accordance with the law, by following the PPRA Rules. Mr. Muhammad Idrees Alvi Director, (Investments) proposed that an independent valuator may be selected out of the list of 18 valutors having category of no limit, duly approved by Pakistan Banking Council to assist this committee for their assigned job.

**Decision:**

18. After detailed discussion, it was decided to follow PPRA Rules for the appointment of Evaluator by EOBI. Furthermore, a committee of following members was constituted to examine the matter and submit its report within the period of one week:-

- i. Mr. Ishrat Ali, Secretary, Labour Department, Govt. of Punjab Convener
- ii. Malik Tahir Jawaid, Employer's Representative, Punjab Member
- iii. Chaudhary Naseem Iqbal, Employee's Representative, Punjab Member

19. The Board of Trustees observed that the valuation reports of 18 properties prepared by the valutors appointed by the Hon'able Court have established beyond any doubt that all the 18 properties (including the properties at DHA Sector F Rawalpindi; 54-

  
**MUHAMMAD USMAN RAJA**  
RESEARCH OFFICER  
Ministry of Overseas Pakistanis &  
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Main Gulberg Road Lahore and Mouza Sehjpal, DHA Interchange on Ring Road, Lahore) were purchased without due diligence and in contravention of laid down rules/procedure. It was further observed that in order to meet the ends of justice, the sellers of all the 18 properties and the then management of EOBI (including then Chairman EOBI, the then DG Investment & other officers) who were party to the illegal & fraudulent transactions deserve exemplary punishment for their criminal acts. This was all the more essential to deter the recurrence of similar acts. The Board resolved that honourable Supreme Court of Pakistan may be requested to direct the Investigation Agencies to take stock of the valuation of reports and objections filed by the institution to bring the culprits to justice.

20. The Board decided to reiterate that as the original purchase price was higher than the value indicated by the respective valuers in case of every property as such the previous management cannot be absolved of their unlawful act.

21. The Board of Trustees further resolved to return the following fifteen properties to the sellers/previous owners:

- 1-2. Property No. S-91-R-11, Khasra No. 390/Min, 391/Min, & 392/Min, Hadbast, Mouza, Lahore Khas (6 -Chatter Jee Road,) Lahore & Faqir Plaza and Company along with shares and property owned by the company.
3. Property No. 36-C, Main Lower Mall Lahore, Khewat No. 414, Khatoni No. 501, Khasra No. 3212/49938, 6424/49938, Mouza Lahore Khas.
4. Property at DHA, Islamabad, in Phase-I and Phase-II Extensions, DHA Expressway and DHA Valley. (Total Area 321.3 Kanals)
5. Plot No. 4 & 8 Next to Mobilink business Centre, TCS, Warid Telecom & opposite to KFC at Sukkur.
6. Survey # 536-537 in Naiclass 153, Deh Mehran, District Malir, Karachi East Deh Mehran District Malir Karachi 19360sqy.
7. Commercial Building (Crown Palaza), at Plot No. 5-A, Sector Markaz, F-7, Islamabad.
8. Eden Garden Housing Scheme, Eden Main Boulevard Housing Scheme and Edenabad Extension Housing Scheme Lahore
- 9-10 Commercial Plots Located In River Edge Housing Scheme (At Park View Villas) 17-Km Multan Road, Lahore (226 plots)
11. Chakwal Talagang Road, Opposite Catltex Pump Chakwal 1.95 k
12. Mouza Kalar Kahar Tehsil Kalar Kahar, District Chakwal.8K
13. Plot No.101: Open Plot having old building at Mall Road, Lahore. 9.02 K

  
**MUHAMMAD USMAN RAJA**  
RESEARCH OFFICER  
Ministry of Overseas Pakistanis &  
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14. Residential Plots Located In Eden Villas Housing Scheme Eden Faisalabad

15. Pak Arab Housing Scheme F- Block, 17-K.M, Ferozpur Road, Lahore.

22. BOT ratified the objections filed (CMA-2544/15)/ finalized by the Institution in the respect of 15 properties and observed that retention of the above 15 properties shall be a further loss to EOBI as these properties have been purchased on very exorbitant rates with the connivance of sellers with criminal intent and market value of the some of the properties is still at fifty percent of their actual price. The Board also decided that the honorable Supreme Court of Pakistan may be requested to make an order for the return of these properties to the sellers with the directions that the full cost including actual price and interest may be returned to EOBI as per the reserve price claimed in CMA no. 215/14.

23. BOT further decided for the remaining three properties as under:-

EOBI may retain two properties bearing No. 54 Main Gulberg, Lahore and property at DHA Phase 1 Sector F, Rawalpindi subject to transfer of clear title of both the properties without any encumbrance on these properties as their current market value has sufficiently increased. In case of DHA Sector-F property, the Board decided that the honourable Supreme Court of Pakistan may be requested to direct the DHA to hand over plots and Vilas in fully developed /completed shape immediately. However, EOBI has the right to claim the amount of Rs. 51.62 million and Rs. 946.0 million respectively being the loss suffered by the EOBI (that is the difference between the Purchase Price and Property Valuation at the time of purchase) plus the interest thereon at the rate of 13.931 % p.a. As regard to property of Moza Sajpal at Lahore, the matter shall be decided after receipt of report of the Committee constituted for the purpose.

### Agenda Item No.3

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|---|
| <p>a. Increase in Pension &amp; minimum Pension, Family Pension and Adhoc Relief Allowances-2014 to in Service Employees.</p> <p>b. Increase in Pension &amp; Minimum Pension in Respect of Retired EOBI Employees and Grant of Adhoc Relief Allowances-2013 to in Service Employees.</p> |
|---|

- a. Increase in Pension & Minimum Pension, Family Pension in respect of Retired EOBI Employees for the year 2013-14 & 2014-15.

24. The Chairman EOBI briefed to the Board that the Federal Government has allowed the following increase/benefits to its' pensioners w.e.f 01-07-2013 and 01-07-2014 in terms of following Office Memorandum of the Finance Division (Regulation Wing):-

- i. Increase in pension @ 10 percent as per Finance Division (Regulations Wing) O.M. No.F.4(1)-Reg-6/2013-11375 dated 16-07-2013.
- ii. Increase in pension @ 10 percent as per Finance Division Regulation Wing's O.M. No.F.4(1)-Reg.6/2014 dated 07-07-2014.
- iii. Minimum pension increased from Rs.3000/- per month to Rs.5000/- per month as per Finance Division (Regulations Wing) O.M. No.F.15(I)-Reg.6/2010-1375 dated 16-07-2013.
- iv. Minimum Pension from Rs.5000/- to Rs.6000/- per month as per Finance Division (Regulation Wing) O.M. No.F.15(I)-Reg.6/2014 dated 07-07-2014.
- v. Family pension from Rs.3750/- to Rs.4500/- pm as per Finance Division (Regulation Wing) O.M. No.F.15(I)-Reg.6/2014 dated 07-07-2014.

25. It was informed that EOBI has adopted the pension scheme of Government in its totality. Regulation 56 of EOBI (Employees' Pension & Gratuity) Regulations 1987 provides for adoption of increase/changes in Federal Government Pension rules mutatis mutandis. Accordingly the Institution allows such increases/changes whenever the Government allows such increases/changes to its pensioners, with the concurrence of the Board. Pension Regulation 56 is reproduced as under:

***"56. Where the Regulations are silent, the corresponding provision of Pension Rules/Regulations/Instructions applicable to Civil Servants of the Federal Government shall, mutatis mutandis, apply to the employees of the Institution".***

26. The financial impact of 10% increase in pension and minimum pension is Rs.84,17,027/- and Rs.1,21,344/- per annum respectively.

27. The Chairman EOBI intimated that the previous Management of EOBI has allowed its pensioners (retired) 10 percent increase w.e.f. 1-7-2013 in terms of Finance Division (Regulations Wing) O.M. No.F.4(1)-Reg-6/2013-11375 dated 16-07-2013 and as per Finance Division (Regulations Wing) O.M. No.F.15(I)-Reg.6/2010-1375 dated 16-07-2013.

28. EOBI has tried to place this agenda item before the BoT in its earlier meetings but due to paucity of time it could not find place for discussion/decision. The Board is, therefore,

requested to consider the above proposal and grant its ex-post-facto approval of Pension, Minimum Pension @ 10% w.e.f. 01-07-2013 and also approve increase in pension, minimum pension and family pension w.e.f. 01-7-2014 in terms of Increase in pension @ 10 percent as per Finance Division Regulation Wing's O.M. No.F.4(1)-Reg.6/2014 dated 07-07-2014, Finance Division (Regulation Wing) O.M. No.F.15(I)-Reg.6/2014 dated 07-07-2014 and Finance Division (Regulation Wing) O.M. No.F.15(I)-Reg.6/2014 dated 07-07-2014.

**Decision:**

29. After a detailed discussion, the Board granted ex-post-facto approval of increase in pension and minimum pension to the retired pensioners of EOBI @ 10 percent w.e.f. 01-07-2013 and also approved increase in pension, minimum pension and family pension @ 10 percent w.e.f. 01-07-2014 as has been notified by the Federal Government.

**b. Grant of Adhoc Relief Allowance 2013 & 2014 @ 10 percent of Basic Pay to the in service employees of EOBI.**

30. The Chairman EOBI briefed to the Board that the Federal Government granted Adhoc Relief Allowance 2013 and 2014 @ 10 percent of basic pay to the employees of Autonomous/Semi-Autonomous w.e.f. 01-07-2013 and 01-07-2014 in terms of following Office Memorandum of the Finance Division (Regulation Wing):

- i. Adhoc Relief Allowance 2013 @ 10 percent of the pay as per Finance Division (Regulation Wing) O.M. No.F.No.1(2)Imp/2013-594 dated 16<sup>th</sup> July 2013 which is to be regulated in respect of Corporations/Autonomous bodies etc. as per Finance Division (Regulation Wing) O.M. No.F.4(3)R-4/2011 dated 10-09-2013.
- ii. Adhoc Relief Allowance 2014 @ 10 percent of the pay as per Finance Division (Regulation Wing) O.M. No.F.4(3)-R-4/2011 dated 16-9-2014.

31. Whenever, the Federal Government allows Adhoc Relief Allowance etc to Government Servants, it also provides for similar increase/benefits to the employees of the Autonomous/Semi-Autonomous and Corporation etc through separate Office Memorandum. These Memorandums provide for adoption of the benefits/increase in the following manners:

- i. Adhoc Relief @ 10% with effect from 01-07-2013 & 01-07-2014 shall be admissible to the employees of Autonomous/Semi-autonomous Bodies and Corporations which have adopted the Federal Government's Basic Pay Scheme in totality.
- ii. For Corporations and Autonomous/Semi-Autonomous Bodies which have adopted different pay scales. Ad-hoc Relief Allowance 2013 & 2014 will be allowed with the


concurrence of Standing Committee of Finance Division on recommendations of the respective Board of Directors/Governors. The grant of Ad-hoc Relief Allowance 2013 & 2014 @ 10% of basic pay will invariably be tagged with the financial position of the organization.

32. The Management has already allowed in service employees a 10 percent increase in pay w.e.f. 1-7-2013 as per Finance Division (Regulation Wing). O.M. No.F.No.4(3)/R-4/2011 dated 10-9-2013 which is to be regulated.

33. The financial impact of 10% increase of Adhoc Relief 2013 is Rs.28 million whereas Board has already approved the estimated budget of Rs.30 million. *However, proposal for increase was not submitted before the BoT.*

34. Board is requested to consider the above proposal and grant its ex post facto approval/recommendation in respect of Adhoc Relief Allowance 2013 w.e.f. 01-07-2013 and also approve Adhoc Relief Allowance 2014 w.e.f. 01-07-2014 @ 10 % of the basic pay as per Federal Government Office Memorandums.

35. In this connection Mr. Muhammad Asif, Joint Secretary, Ministry of OPs & HRD emphasized that the pay package of the employees of EOBI is different from the pay package of civil servants. He was of the view that a comparative/parallel statement of EOBI employees salary and Civil Servants salary may be put up before the Board in the next meeting for discussion. He further emphasized that the Adhoc Relief 2013 has already been paid to the employees without the approval of the Board. Chairman EOBI told that the Institution has already entered into the last month of the financial year. This exercise should be done in the first month of the financial year 2014-15. Chairman EOBI was of the view that if this Adhoc Relief Allowance to the employees of autonomous/semi-autonomous organizations of Ministry of OPs & HRD and organizations of other Ministries has been paid then this Adhoc Relief Allowance may also be paid to the employees of the Institution. After one week next Federal Budget is scheduled to be presented in the National Assembly. This Adhoc Relief Allowance has already been delayed inordinately. Chairman EOBI further told that salaries of employees of EOBI and Civil Servants are not supposed to match 100%. Mr. Fida Muhammad, Financial Advisor (OP&HRD), Ministry of Finance was of the view that approval of the Adhoc Relief Allowance 2013 and 2014 @ 10% is not within jurisdiction of this Board. However, BoT can examine and make recommendations. He further emphasized and read the Powers and Functions of the BOT under Section 8 (1a) of EOB Act, 1976 which is reproduced as under:

  
MUHAMMAD USMAN RAJA  
RESEARCH OFFICER  
Ministry of Overseas Pakistanis &  
Human Resource Development  
Government of Pakistan  
Islamabad

**“To approve the budget estimates, the audited accounts and the annual report of the Institution for submission to the Federal Government in accordance with the provisions of the this Act”**

36. At this point, President BOT invited the members of the BOT to share their views whether the BOT is competent forum to grant adhoc relief or not. All the members were of the views that Law/Rules and Regulations to be followed by the Management of the EOBI to grant Adhoc Relief. Chairman EOBI told that as per Finance Division Regulation Wing letter dated 10-09-2013 and 16-09-2014, EOBI organization falls in category-ii where the grant of Adhoc Relief Allowance 2013 & 2014 @ 10% of the basic pay, subject to existing conditions will be allowed with the concurrence of Standing Committee of the Finance Division on the recommendations of the respective Board of Directors/Governors. It clearly indicates that BOT is a competent forum to discuss this adhoc relief allowance matter. At this stage, President BOT asked to Mr. Fida Muhammad, Financial Advisor (OP&HRD), Ministry of Finance to again read the powers and functions of BOT and also commented on the functions of Regulation Wing of Finance Division. Rules and Regulations of the Federal Government are also applicable to the employees of EOBI. President BOT further quoted Rules of Business 1973 and Finance Division (Regulation Wing) keeping in mind Rules of Business 1973 while issuing the Office Memorandum as indicated above. Mr. Sarzameen Afghani, Member Employees' Representative, Balochistan emphasized that the actual issue involved was the difference in the pay structure of the EOBI's employees and the Government employees and also the submission of case before the competent forum which is the Standing Committee of Finance Division in this case. It is our right to ask for a comparative analysis of the pay package for a uniformed decision.

**Decision:**

37. After detailed discussions of the Members of the BOT, it was decided that Para 2 & 3 of Office Memorandum of Finance Division (Regulation Wing) dated 10-9-2013 and 16-09-2014 regarding grant of Adhoc Relief Allowance 2013 & 2014 @ 10% of the basic pay to the executive/ supervisory staff of Autonomous bodies/Corporations etc. may be followed. Finance & Audit Committee of the Board to examine this proposal along with the comparative analysis and submit its recommendations. If the F&A Committee recommends the proposal it may be taken with the Ministry to follow the required approval process.

  
MUHAMMAD USMAN RAJA  
RESEARCH OFFICER  
Ministry of Overseas Pakistanis &  
Human Resource Development  
Government of Pakistan  
Islamabad

**Agenda Item No.4**

Confirmation Minutes of 230<sup>th</sup> to 235<sup>th</sup> Meetings of Investment Committee of BOT which stand circulated vide 109<sup>th</sup> Meeting of BOT held on 16-01-2015.

**Decision:**

**38. Due to time constrains the item was deferred.**

**Agenda Item No. 5.**

Approval of Draft EOBI (Investments) Regulations, 2015 which stand circulated vide 109<sup>th</sup> Meeting of BOT held on 16.01.2015.

39. The working paper along-with Draft Regulations 2015 duly recommended by EOBI Investment Committee was presented in 109<sup>th</sup> Meeting of the BOT held on 16.01.2015. The members of the Board unanimously agreed to take the Regulations as circulated for consideration and approval of the Regulations in the forthcoming meeting of the BOT.

40. The Draft Regulations were discussed and Mr. Muhammad Asif, Joint Secretary Ministry of OPs & HRD proposed that the matter is being pending since 2013 and in the last meeting of the BOT it was decided that all members shall come prepared and submit objection/suggestions on the Draft Regulations 2015, as no objection/suggestion has been received on this matter, therefore; the EOBI (Investments) Regulations, 2015 may be considered as approved.

**Decision:**

**41. The BOT approved the EOBI (Investments) Regulations, 2015.**

42. The meeting ended with a vote of thanks to the Chair.

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*M. Usman*  
**MUHAMMAD USMAN RAJA**  
RESEARCH OFFICER  
Ministry of Overseas Employment, Skills &  
Human Resource Development, Government of  
Islamabad

# 18 PROPERTIES VALUATION

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## (Annexure-A) Valuation of 15 Properties on which objections have been filed with the Supreme Court

S. No	Name of Property with Location	Original Purchased Price in Million	Date of Purchase	Name of Evaluator	Assessment in Three Stages (In Millions)			Loss to EOBI as per Valuator Report (In millions) at the time of purchase	Total Reserve Price @ 13.931 % as claimed (Incl. Opportunity Cost on Purchase and Transaction Costs) As of 31-Mar-15
					2012	2013	2015		
					Average	Average	Average		
1--2	Property No. S-91-R-11, Khasra No. 390/Min, 391/Min, & 392/Min, Hadbast, Mouza, Lahore Khas (6 -Chatter Jee Road,) Lahore & Faqir Plaza and Company along with shares and property owned by the company	286.00	16/11/2011 & 18/01/2013	Star Tech Consultants	111.75 <sup>B</sup>	194.57 <sup>C</sup>	288.66	174.25	504.26

  
**MUHAMMAD USMAN RAJA**  
 RESEARCH OFFICER  
 Ministry of Overseas Pakistanis & Human Resource Development  
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3	Property No. 36-C, Main Lower Mall Lahore, Khewat No. 414, Khatoni No. 501, Khasra No. 3212/49938, 6424/49938, Mouza Lahore Khas..	84.00	16/11/2011	Arch E Decon,	56.91 <sup>A</sup>	68.30 <sup>B</sup>	85.35	15.70	138.62
4	Property at DHA, Islamabad, in Phase-I and Phase-II Extensions, DHA Expressway and DHA Valley. (Total Area 321.3 Kanals)	15,743.70	18/01/2012	Arch E Decon,	7,683.00 <sup>B</sup>	9,219.00 <sup>C</sup>	13,829.00	8,060.70	24,554.77
				Hamid Mukhtar	8,428.00 <sup>B</sup>	9,960.00 <sup>C</sup>	15,324.00	7,315.70	
5	Plot No. 4 & 8 Next to Mobilink business Centre, TCS, Warid Telecom & opposite to KFC at Sukkur	120.91 <sup>D</sup>	13/01/2012	Iqbal A. Nanjee	25.60	26.67	37.33	33.79	243.85
					59.10	61.56	78.35		
6	Survey # 536-537 in Naiclass 153, Deh Mehran, District Malir, Karachi East Deh Mehran Distric Malir Karachi 19360sqy	2,023.12	4/1/2012	Sadarddin Associates	532.40 <sup>B</sup>	726.00 <sup>C</sup>	919.60	1,490.72	3,269.30
7	Commercial Building (Crown Palaza), at Plot No. 5-A, Sector Markaz, F-7, Islamabad.	1,002.00	18/05/2012	Harvest Services	509.99 <sup>B</sup>	569.99 <sup>C</sup>	674.99	432.01	1,408.26

*M. Usman*  
**MUHAMMAD USMAN RAJE**  
 RESEARCH OFFICER  
 Ministry of Overseas Pakistanis &  
 Human Resource Development  
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 Islamabad

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8	Eden Garden Housing Scheme, Eden Main Boulevard Housing Scheme and Edenabad Extension Housing Scheme Lahore	1,000.00	13.01.2012	Harvest Services	272.35 <sup>B</sup>	383.40 <sup>C</sup>	565.91	727.65	1,509.22
9 & 10	Commercial Plots Located In River Edge Housing Scheme (At Park View Villas) 17-Km Multan Road, Lahore(226 plots)	2,600.00	9/2/2013	Iqbal A. Nanjee			1,041.16	**	3,699.70
	River Edge Housing Scheme, Lahore (742 plots)		16/07/2012	Iqbal A. Nanjee					
11	Chakwal Talagang Road, Opposite Cattex Pump Chakwal 1.95 k	60.45	18/12/2012	Star Tech Consultants	19.50 <sup>B</sup>	23.40 <sup>C</sup>	33.15	37.05	85.02
12	Mouza Kalar Kahar Tehsil Kalar Kahar, District Chakwal.8k	32.00	18/12/2012	Star Tech Consultants	8.00 <sup>B</sup>	9.00 <sup>C</sup>	12.00	23.00	47.00
13	Plot No.101: Open Plot having old building at Mall Road, Lahore . 9.02 k	790.00	30/01/2013	Sadarddin Associates	434.05	525.05	661.95	355.95	1,100.49
14	Residential Plots Located In Eden Villas Housing Scheme Eden Faisalabad	900.00	7/2/2013	Danish Enterprises	351.46	351.46	566.96	548.54	1,247.93
15	Pak Arab Housing Scheme F-Block, 17-K.M, Ferozpur Road, Lahore	1,150.00	20/2/2013	Indus Surveyors	191.54	304.72	565.91	845.28	1,565.704

  
**MUHAMMAD USMAN RAJA**  
 RESEARCH OFFICER  
 Ministry of Overseas Pakistanis &  
 Human Resource Development  
 Government of Pakistan  
 Islamabad

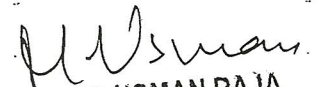
(19)

**(Annexure-B) Valuation of 03 Properties comments on which are yet to be submitted after due deliberation by BOT**

S. No	Name of Property with Location	Original Purchased Price in Million	Date of Purchase	Name of Evaluator	Assessment in Three Stages (In Millions)			Loss to EOBI as per Valuator Report (In millions) at the time of purchase	Total Reserve Price @ 13.931 % as claimed (Incl. Opportunity Cost on Purchase and Transaction Costs) As of 31-Mar-15
					2012	2013	2015		31-Mar-15
					Average	Average	Average		
16	DHA Phase-1 Sector-F Rawalpindi	6,825.00	15/3/2013	Arch E Decon, & Hamid Mukhtar	6,527.00	7,531.00	10,041.00	298*	9,323.26
				Hamid Mukhtar	5,879.00	6,859.00	9,798.70	946*	
17	Property at Mouza Sehjpal, DHA Interchange on Ring Road, Lahore 40k	1437.00	16/11/2011	Hamid Mukhtar	1,235 <sup>A</sup>	1,460 <sup>B</sup>	2,245.38	202*	3,142.74
18	Plot No.54: Residential Property, Main Gulberg Road, Lahore 12.06k	333.00	30/01/2013	Sadarddin Associates	281.38	330.62	423.03	51.62	463.24

Note: Loss to EOBI = (original purchased price *Less* the value assessed by the valuator for the year of purchase.

\* Wherever the agreement to sell executed in the start of calendar year, figure of the preceding year has been considered for calculation.

  
**USMAN RAJA**  
 SEARCH OFFICER  
 Overseas Pakistanis &  
 Residential Development  
 Government of Pakistan  
 Islamabad