

**EMPLOYEES' OLDAGE BENEFITS INSTITUTION,
BOARD SECRETARIAT, HEAD OFFICE, KARACHI.**

Ref: HO/BS/82nd Mtg/App.Min/2008/01

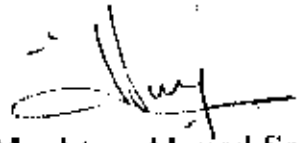
Dated 03-12-2008

All Departmental Heads,
EOBI, Head Office,
Karachi.

SUBJECT: **APPROVED MINUTES OF 82nd BOT MEETINGS.**

Enclosed please find herewith a copy of approved minutes of the 82nd BOT Meeting held on 23rd October, 2008, received from President BOT/Secretary, Ministry of Labour, Manpower & Overseas Pakistanis (Labour & Manpower Division), Islamabad vide letter 1(3)/2008-EOBI dated 30-12-2008 for your perusal and record.

2. The compliance report on the decisions of the Board, taken in the above meeting, may please be sent to this secretariat within Seven day after the receipt of this letter.


(Mushtaq Ahmed Sami)
Secretary BOT, EOBI.

Encl: As above.

c.c.to:

1. SO to Chairman for information.
2. PS to FA/DG(F&A) for information.
3. Office file.
4. Master file.

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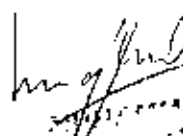
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A 9/1/2009

**MINUTES OF THE 82ND MEETING OF THE BOARD OF TRUSTEES HELD ON
23RD OCTOBER, 2008, AT ISLAMABAD.**

The 82ND meeting of the Board of Trustees of FOBI was held at 10:00 am on 23RD October, 2008, in the Committee Room of the Workers Welfare Fund, Head Office, Islamabad, to consider the following Agenda: -

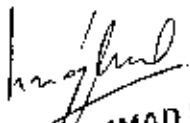
Sr. #	A G E N D A I T E M S
01.	TO CONSIDER CONFIRMATION OF THE MINUTES OF 81 ST MEETING OF THE BOARD.
02.	TO CONSIDER THE ONGOING IMPLEMENTATION PROGRESS OF THE AGENDA ITEMS OF LAST FIVE BOT MEETINGS (FROM 75 TO 79).
03.	TO CONSIDER COMPLIANCE ON THE DECISIONS TAKEN BY THE BOARD IN ITS 80 TH AND 81 ST MEETINGS.
04.	TO CONSIDER PERFORMANCE OF THE INSTITUTION AND MINUTES OF 122 ND TO 129 TH MEETINGS OF INVESTMENT COMMITTEE WITH COMMENTS OF AUDIT.
05.	TO CONSIDER THE LEGAL/FINANCIAL AND ADMINISTRATIVE IMPACT OF THE RESTRUCTURING OF THE FOBI AS APPROVED IN 80 TH BOARD MEETING.
06.	TO REVIEW BOT DECISION IN ITS 63 RD MEETING REGARDING PAYMENT OF GRATUITY TO THE DAILY WAGE EMPLOYEES ON SUPERANNUATION AND TO ALLOW EX-GRATIA PAYMENT IN LIEU THEREOF IN THE LIGHT OF THE AUDIT'S OBJECTION.
07.	TO CONSIDER QUALIFICATION PAY FOR MBA- CORRECT INTERPRETATION.
08.	TO CONSIDER AND APPROVE THE PAYMENT OF ARREARS TO (A) MR. QAIWOOL MUHAMMAD ABRO, DEPUTY DIRECTOR FOR THE PERIOD FEBRUARY 20, 1992 TO MARCH 2008 AMOUNTING TO RS.2,28,263/- (RUPEES TWO HUNDRED TWENTY EIGHT THOUSAND TWO HUNDRED SIXTY THREE ONLY) AND (B) MR. JAMALUDDIN RAJPAR EXECUTIVE OFFICER ON ACCOUNT OF BACK BENEFITS UP TO MARCH 2008 AMOUNTING TO RS.409,764/- (RUPEES FOUR HUNDRED NINE THOUSAND SEVEN HUNDRED SIXTY FOUR ONLY)
09.	TO CONSIDER INVESTMENT PLAN INDICATING 10 YEARS INVESTMENT PROJECTION AND NEW AVENUES IDENTIFYING THE SECTOR OF INVESTMENT, QUANTUM OF FUNDS REQUIRED, FEASIBILITY OF SUCH INVESTMENTS.
10.	TO CONSIDER PROPOSED AMENDMENT IN EOB (INVESTMENT) RULES 1979 - CHANGE IN LIMIT OF INVESTMENT IN BANK DEPOSITS FROM LESSER OF 25% OF PAID UP CAPITAL OR NET WORTH TO 25% OF NET WORTH
11.	TO CONSIDER PROPOSAL FOR INCORPORATION OF AN INVESTMENT FINANCE SERVICES COMPANY UNDER SECP, NBFC RULES.
12.	TO CONSIDER REVISION OF TADA RATES OF FOBI OFFICIALS.
13.	TO CONSIDER & APPROVE THE ACTUARIAL VALUATION OF THE FOBI FUND
14.	TO CONSIDER AND APPROVE DE-REGISTRATION OF THE CLOSED UNITS
15.	TO CONSIDER REVISED BUDGETARY PROVISION OF RS.5.95 MILLION AS AGAINST RS. 2.5 MILLION APPROVED BY BOT PREVIOUSLY FOR OUTSOURCING DATA ENTRY OF INSURED PERSONS' RECORD


ADIL IQBAL
 Secretary
 Workers Welfare Fund, Manpower &
 Social Services Department
 Government of Pakistan
 Islamabad

2. The meeting was presided over by Malik Asif Hayat, President BOT/ Secretary to the Government of Pakistan, Labour & Manpower Division. The following attended the meeting:-

1. **Malik Asif Hayat**
Secretary (L.&M)/President, BOT President
2. **Mr. M. Asadullah Sheikh**
Chairman, EOBI Member
3. **Mr. Shahrukh Nusrat**
Joint Secretary (LW) Member
4. **Mr. Mukhtar Ali Malik**
Financial Adviser, Labour & Manpower
(Ministry of Finance) Member
5. **Mr. Wahid Bakhsh Baloch**
Secretary Labour, Balochistan Member
6. **Mr. Alam-Din- Bullo**
Secretary Labour, Sindh Member
7. **Mr. Shah Wali Khan,**
Secretary Labour, NWFP Member
8. **Mr. Noor-Ud-Din F. Daud**
Employers Representative, NWFP Member
9. **Sardar Ali Ahmed Jomezai**
Employers Representative, Balouchistan Member
10. **Mr. Abdul Aziz Abbasi**
Employees Representative, Sindh Member
11. **Mr. Muhammad Zaman**
Employees Representative, NWFP Member
12. **Mr. Sultan Muhammad**
Employees Representative, Balochistan Member
13. **Mr. Mushtaq Ahmed Sammo,** Secretary, BOT

3. Mr. Farooq Ahmed Awan, Investment Advisor EOBI, Mr. Muhammad Hanif, Officiating ICG (Ops), Mr. Abdul Majeed, DDC (F&A), Mr. Muhammad Ayaz, PD (IT),


MUHAMMAD IQBAL
Deputy Secretary
Ministry of Labour, Manpower &
Employment, Government of Pakistan
Islamabad

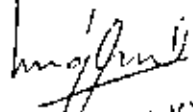
Mr. Farhat Adil, CEO, PRIMACO, and Mr. Meraj Nizamuddin, Director (HR), attended the meeting to assist the BOT/ Chairman.

4. Mr. Muhammad Ali Gardazi, Secretary Labour, Punjab could not attend the meeting. Mr. Nazim F. Haji, Employers Representative, Sindh was out of country. The meeting commenced with recitation from the Holy Quran. The President BOT, while welcoming the participants introduced the new Chairman, EOMB, Mr. M. Asadullah Sheikh. He said the new Chairman is a senior DMG Officer having vast experience in administration and financial matters. He had successfully worked on important positions like Chairman NIT, Home Secretary Sindh, Director Labour Sindh, MD SITE etc. so he had specific working experience with Labour and labour related institutions.

5. The President BOT expressed his full confidence in the new Chairman and hoped that he would fulfill the desired expectations. The President BOT also appreciated and commended the services of the Ex-Chairman, Brig. Akhtar Zamin (R) President BOT while registering his views said that Brig. Akhtar Zamin (R) was a committed, clear headed, straightforward officer. The services rendered by him would be remembered for years to come. He appreciated the reforms introduced by him during his tenure and expected with full confidence that the new Chairman would further improve the working environment and take the Institution a way forward.

6. Mr. Muhammad Zaman Employees' Representative, NWFP, Mr. Sultan Muhammad Employees' Representative, Balouchistan, Mr. Abdul Aziz Abbasi Employees' Representative, Sindh, Sardar Ali Ahmed Jogazi Employers' Representative, Balouchistan and Mr. Noor-ud-din F. Daud Employers' Representative, NWFP individually also appreciated the services of the former Chairman. They all expressed their full confidence in the new Chairman and observed that new Chairman having functional experience /association with labour and labour related institutions was aware of difficulties and challenges ahead and he, with his skills in administration and financial matters, will prove to be the most appropriate Chairman of the Institution.

7. The Chairman EOMB, while thanking the President BOT, Members and participants assured the BOT that he would try his best to come up to the expectation of the august Board and whatever could be done would INSHALLAH be done. He categorically mentioned the challenges ahead and requested all the members for their support and co-operation so that he could be able to achieve the desired goals.


MUHAMMAD IQBAL
Deputy Secretary
Ministry of Labour, Manpower &
Overseas Pakistan
Government of Pakistan
Islamabad

8. Thereafter, Secretary BOT commenced the proceedings with the permission of the President BOT, as per Agenda.

Agenda Item No. 1

TO CONSIDER CONFIRMATION OF THE MINUTES OF 81ST MEETING OF THE BOARD.

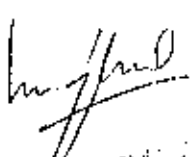
9. The Secretary BOT informed that minutes of the 81st BOT meeting had already been circulated amongst all BOT members. No written objections from any member had been received. The President BOT invited objections from the members. No one raised any objection in respect of the minutes of 81st BOT meeting.

10. The Secretary BOT referring to para 41 of additional agenda item No. 2 of 81st BOT meeting informed that Board had directed to forward its recommendations for allowing 20% increase in the pension of the retired EOBI employees for concurrence of the Finance Division. In response to the reference, the Ministry has clarified that since Pension Rules of EOBI exist and Finance Division had already clarified the position, thus there seems no need to seek further concurrence from the Finance Division. The Secretary BOT, therefore, requested to allow amending the respective para of the 81st BOT meeting minutes. **Accordingly, there being no objections, the Board confirmed the minutes of the 81st BOT meeting with the amendment in decision under para 41 by deleting the words "and directed the management of EOBI to forward the case to Labour & Manpower Division to seek concurrence of the Finance Division".**

Agenda Item No. 2

TO CONSIDER THE ONGOING IMPLEMENTATION PROGRESS OF THE AGENDA ITEMS OF LAST FIVE BOT MEETINGS (FROM 75 TO 79 MEETINGS).

11. The Secretary BOT informed that as desired by the Board, the ongoing implementation progress / compliance report of previous five BOT meetings from 75th to 79th BOT meetings had been included in the item. The details of the compliances were presented to the Board. **The Board considering the volume of the reports decided that henceforth, only those decisions of last five meetings would be reported, which have not been complied with and/or where compliance is in progress with reasons.**


MOHAMMAD I. QURESHI
Secretary (Labour & Manpower)
Ministry of Labour & Manpower
Government of Sindh
Government of Sindh

Agenda Item No. 3

**TO CONSIDER COMPLIANCE ON THE DECISIONS
TAKEN BY THE BOARD IN ITS 80TH AND 81ST
MEETINGS.**

12. The regular compliance report consisted of 80th and 81st BOT meetings. The Board was informed that 81st BOT meeting was the budget meeting, therefore only budget and budget related issues were included in 81st BOT meeting and the regular items of compliance and progress in respect of 80th meeting were not discussed, thus the compliance of 80th BOT meeting had been included in addition to 81st BOT meeting in the agenda.


13. While briefing about the compliance of 80th & 81st BOT meetings, Secretary BOT requested the Officiating DG (Ops) Mr. Muhammad Hanif to apprise the members about the progress of the Data Cleansing. DG (Ops) made a presentation and provided the Data of insured persons, registration of employers and the pensioners. He mentioned that the computerized Data Base contained the following figures as on 30th September, 2008.

Business area	Database
Total number of Employers registered (excluding de-registered employers)	59,713
Total number of Employees registered (excluding IPs who have become pensioners)	2,760,615
Total number of pensions awarded as of June 2008	320,265
- Old-Age Pension	220,085
- Invalidity Pension	4,938
- Survivor Pension	93,513
- Old-Age Grant	1,729

14. He clarified that computerization of Old Age Grant had been started recently as such records of grant cases are yet to be computerized which shall be done by March 2009.

15. He further briefed that pension had been revised in July 2007 and 2008. Pensioners had got their pensions revised in 2007 -08 and so far 186,750 pensioners have got their pensions revised.

16. The Joint Secretary (Labour Welfare) enquired about the process of verification. The Officiating DG (Ops) apprised the Board about the entire process. The Joint Secretary (LW) proposed that in order to reduce the unnecessary liability on EOBI, an


MUMHAMMAD HANIF
Deputy Secretary
Ministry of Labour, Empowerment
Overseas Pakistan
Government of Pakistan
Islamabad

SOP be prepared for identification and verification of those pensioners who do not turn up to revise their pensions. The Financial Advisor (L&M) also seconded the proposal and suggested that such pensioners should not be included in the list of active pensioners for calculating pension liability.

17. The president BOT directed that a proper procedure be evolved to address the issue so that the liability may not continue any further un-necessarily and rights of poor pensioners could be protected accordingly. He advised to develop a phase-wise strategy assigning the responsibility to Regional Heads to identify such pensioners, who did not turn up for revision. In case of death of the pensioners, benefits should be converted to survivors (if exist) otherwise they should be struck off from the list of active pensioners. The process should start in the month of January 2009 and be completed latest by the end of March, 2009.

18. Mr. Sultan Muhammad, Employees Representative, Balouchistan pointed out that the pace of registration of Mine Workers in Balouchistan was very slow. He proposed that management should take immediate action to address the issue. The DG (Ops), clarifying the position informed that all possible efforts have already been taken in this regard. A number of meetings with Provincial Government up to the level of Chief Secretary had been conducted to sort out the issue, with special reference to registration of Mine Workers in Chamalang. However due to practical difficulties progress was slow. Sardar Ali Ahmed Jogezi appraised the Board about the proposal of mine owners regarding payment of contribution on the basis of tonnage instead of number of employees. President BOT, however, clarified that EOBI contribution is based on wages and names of workers is a requirement of the Act. Collection of contribution on the basis of production would be against the spirit of law and EOBI would not be able to identify the workers to give benefits.

19. Mr. Abdul Aziz Abbasi informing about the incidents of claiming bogus benefits from Workers Welfare Board on the basis of EOBI cards, suggested that EOBI card must contain photograph of the worker as well. DG (Ops) clarified that EOBI card has NIC/CNIC number of the IPs and identification of the IPs can be verified from his NIC. Pasting of photograph will involve additional costs. President BOT advised the EOBI to study the proposal and also consult and share the experiences of Punjab Social Security Institution, who had evolved a new registration procedure in this regard.

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MUGHAL
Secretary
Ministry of Labour
Government of Pakistan

20. Project Director, Information Technology (I.T) Mr. Muhammad Ayaz made a presentation in respect of IT solution. He, while briefing about the IT solution and IT Department's progress, informed in detail all issues relating to hardware, recruitment and market based salary structure.

21. While discussing the recovery of arrears, the Chairman EOBI suggested that an incentive scheme for field officers may be introduced for encouraging the recovery of arrears. The Chairman, EOBI also requested Board members to examine the issue and come up with a feasible way out to enable the Institution to initiate the process of writing off the non-recoverable arrears of those establishments which had either closed their business or were non-existent.

22. The issue of reconciliation with Banks with regard to Contribution and Pensions was also discussed and Secretary BOT informed that Chairman EOBI had already constituted a Committee to fix the responsibility for not accomplishing the task. The President BOT, however, observed that in view of substantial funds involved, it should be ensured that contribution collected by the Banks is fully and timely deposited in Institution's designated bank accounts. Similarly it must be ensured that funds released to the banks for payment of pensions are properly utilized for the purpose, interalia, Institution's IT infrastructure as well as regional and field network should be geared up to accomplish the task in a proper manner.

23. The criteria of the honorarium was also discussed. Secretary BOT in compliance with the BOT decisions provided the criteria for honorarium. The Financial Advisor (L&M) however, observed that there is no provision in Government Rules to allow honorarium beyond one basic pay. While discussing the criteria for performance based honorarium, President BOT observed that more weightage should be given to weak areas of performance such as record building and computerization. This would help the Institution to overcome the deficiencies and would also be a challenge for field officers for improving their performance.

24. The Board, after due deliberations, decided as under:-

- (i) The Regional Heads shall be responsible to identify the pensioners, who do not turn up for revision of their pensions by 31st December, 2008. The **Head Office shall be responsible to compile the data by March 2009 and report compliance, in BOT meeting.**

Mughal
Deputy Secretary
Ministry of Labour, Manpower &
Overseas Pakistan
Government of Pakistan
Islamabad

*- Region
list of such
pensioners sent
to region for verification*

- levels*
- (ii) The process of cleansing of IP Database should be finalized latest by 31st March 2009 and placed on the website.
 - (iii) Chairman EOBI to hold a meeting with Chief Secretary, Balouchistan and pursue the Provincial Government to extend all possible help in registration of Mine Workers and getting contribution from respective mine owners.
 - (iv) EOBI to evolve a workable formula in respect of Mine Workers for collection of contribution on practicable and mutually agreed terms with mine owners, as per provisions of EOB Act, 1976.
 - (v) EOBI to study the possibility of pasting the photograph of the Insured Person on EOBI registration card with special reference to cost and the process of registration adopted by Punjab Social Security Institution.
 - (vi) Laptops shall be provided to those Field Offices which have no security arrangements. The Field Officer concerned provided with a laptop will be responsible for its safe custody and security. He will be held responsible for its lost. Before handing over Laptops, it would be ensured that officers concerned were properly trained to use the Laptop.
 - (vii) Upon Mr. Noor-ur-Din F. Daud's proposal it was agreed that a letter of appreciation would be given to those officers who were taking good care of the property, to encourage others to follow the practice.
 - (viii) Criteria for honorarium may be revised in the light of the observations of Financial Advisor (L&M) and the President BOT and submitted in next BOT meeting.
 - (ix) The case of Ex-Director Mr. Ikram Mohiuddin and other 21 officers for allowing one grade increment before retirement may be submitted with a fresh working paper.

base on copy of the report of the committee

Agenda Item No. 4

TO CONSIDER PERFORMANCE OF THE INSTITUTION AND MINUTES OF 122ND TO 129TH MEETINGS OF INVESTMENT COMMITTEE WITH COMMENTS OF AUDIT.

25. Secretary BOT while briefing about the performance of the Institution, requested Investment Advisor and DG (Ops) to apprise the Board about the performance of their Departments. They made comprehensive presentations. While discussing the performance of the Investment Department and the minutes of 122nd to 129th Investment Committee meetings on which Internal Audit had made some comments/observations, Board decided that the observations / objections raised by the Internal Audit Department on Investment Committee's minutes shall first be discussed in the Audit Committee of the BOT and the recommendations of the committee be placed before the next BOT meeting for its perusal and consideration.

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SECRETARY
Ministry of Power
Government of Pakistan
Islamabad

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26. Performance of the Institution during the first quarter 2008-09 (July to September) was shown as below:-

Area of performance	2008-09		% of annual Target
	Annual Target	Actual	
Registration of Employers	27,000	366	1
Registration of IP's	340,000	22,597	7
Collection of Current Contribution Rs. In Million	7,559	1,361	18
Collection of Arrears Rs. In Million	441	20	5
Total Collections Rs. In Million	8,000	1,381	17
Collection of PR-02A	1,840 M	149,546	8
Pension Payments Rs in Million	6,619	1,230	19

27. **Presentation by PRIMACO** Mr. Yawar Abbas Jilani, Consultant Architect was specially invited to brief the Board about the progress of the EOBI Novotel Lahore Hotel Project. Chairman, EOBI pointed out that keeping in view the tragic incident of the Marriott Hotel, Islamabad the Institution had to take all possible measures to protect its projects. Therefore, Mr. Yawar Abbas Jilani had specially been requested to apprise the Board about the measures to be taken for security arrangements of the Hotel/ Shopping Mall.

28. Mr. Yawar Abbas Jilani, gave a comprehensive technical presentation and discussed every possible factor involved in the process of Safety and Security of the Project. The presentation included Electronic Security barriers and other related items. The barriers consist of security both within and beyond the Hotel property specially strengthened structural work on lower ground and ground floor will be part of the security provision. Other security measures include special glazing with protection film to resist and impact and structural strengthening of lower ground and ground floor level.

29. Board while appreciating the technical input and considering the importance of the subject desired for another presentation on the subject with more details and updation. The Chairman, EOBI requested that the Board may kindly consider the additional cost of 15% of the total project cost.

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 Director General
 EOBI
 Ministry of Labour, Manpower &
 Social Welfare
 Government of Pakistan
 Islamabad

30. The President, BOT appreciating the presentation very specifically, advised that all endeavours be ensured to provide due safe guard to projects, security of the persons and a proper updated arrangement to manage all kinds of fire incidents.

Agenda Item No. 5

TO CONSIDER THE LEGAL/FINANCIAL AND ADMINISTRATIVE IMPACT OF THE RESTURCTURING OF THE EOBI AS APPROVED IN 80TH BOARD METTING.

31. The Secretary BOT informed that in 80th BOT meeting a number of decisions were made in respect of re-organization/restructuring of the Institution. The Board, however advised that before moving forward the management of EOBI should undertake an exercise to examine the financial, administrative and the legal aspects of these decisions and resubmit the same to the Board for consideration.

32. Accordingly, all decisions had been re-examined in consultation with the Labour & Manpower Division. Thereafter some strategic decisions in respect of cadres, tiers of the officers, have also been made in order to bring them in conformity with the Federal Government Basic Pay Scales. He further informed that in compliance to Ministry's directives issued vide letter No. 1(3)/2008/EOBI dated. 22-09-2008, existing 15 posts of ADGs have been abolished and three additional posts of DDGs created. All Directors have been placed in grade-9 (equivalent to BPS 19). The modified grades of EOBI officers are, as under:-

Sr. No	Designation	Previous EOBI Grades	New EOBI Grades	Equivalence with Govt. BPS
1	D.G	12	11	21
2	DDG	11	10	20
3	ADG	10	Abolished	-
4	Director	09	09	19
5	Deputy Director	08	08	18
6	Asst Director	07	07	17
7	EO	06	06	16

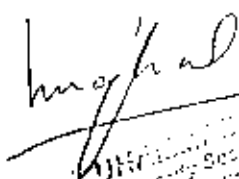
33. The Institution requested the Board to allow a few more posts of DDG, specially in Finance, M & E and B&C Departments to avoid practical problems and to streamline the reorganization accordingly. After due deliberations, Board allowed one additional post of DDG in B&C Department. The Institution should submit proposal for other posts with justification and job descriptions for further review. The President, BOT

Muhammad Iqbal
 Deputy Secretary
 Ministry of Labour, Manpower &
 Overseas Pakistanis
 Government of Pakistan
 Islamabad

advised Joint Secretary, Labour to review these requests in consultation with the Financial Advisor (L&M).

34. The Board after due deliberations on the "restructuring" decided as under:

- (i) The sanctioned strength of the Institution as per the approved Budget for the financial year 2008-09 will be 1087 consisting of 499 officers and 588 staff as against 1138. The detailed break-up of the sanctioned strength giving Department/Region/cadre-wise allocation is as per given in Annexure-I.
- (ii) The Audit and Monitoring & Evaluation Departments shall not be merged and will continue to function, as separate Departments. However, Monitoring & Evaluation Department will work as part of the Operations and report to DG (Operations). Thirty One (31) posts of Grade-7(BPS-17) (Assistant Directors) in Operations Cadre will be transferred to Audit Department for posting in Regions as Regional Audit Officers. These Audit Officers shall report functionally to HO Internal Audit Department. In order to strengthen the regional internal audit functions and thereby improve the regional offices' efficiency. Only those officers who have finance/accounts/audit qualifications/experience will be posted as regional audit officers.
- (iii) The Institution shall continue to provide drivers to entitled officers. In case of non-availability of a driver, the entitled officer would be allowed Driver Allowance as per approved policy. However keeping in view the exorbitant cost of the drivers and the service which they provide specially the attitude problem, henceforth, there would be no further recruitment of drivers. No vacancy of driver would be created, nor filled in at Head Office. The officers in the Regional Offices would continue to be provided with drivers.
- (iv) The Board approved to take action under Removal from Service (Special Powers) Ordinance 2000 against all those beat officers who according to their job description do not perform the task of data entry with effect from 1st February, 2009. However, while doing so,


Joint Secretary
Department of Labour
Ministry of Labour
Government of Pakistan

management should be fair and transparent and there should be no witch hunting. Further, trainings and hardware facilities shall be provided to them before processing the cases of non-performance under Removal from Service (Special Powers) Ordinance 2000 against them.

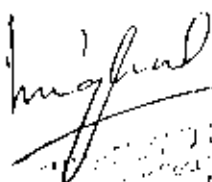
(v) Board allowed continuing with all existing cadres except the Engineering Cadre which has been abolished. Accordingly following cadre shall be maintained:

- i. Operation (2) Office, (3) Finance, Accounts, Audit and Investment (FAA&I) (4) Information Technology and (5) Law.

(vi) The Board while approving the proposed rationalization of the strength of grade-6 officers (EO) and grade-7 officers (AD) decided as under:

- a. All the existing Grade-7 Officers (AD) shall be adjusted against the newly created posts/revised strength in their respective cadres. Promotion vacancies of Grade-7 (AD) shall be filled in by promoting Grade-6 Officers in their respective Cadres as per procedure.
- b. Remaining vacant posts of Grade-7 (AD) in Operations, Office and FAA&I Cadres shall be filled in by the existing Grade-6 officers of Operations and Office Cadres through Departmental Exams, as one time arrangement. Posts for direct recruitment shall be filled through internal selection from amongst the existing Grade-6 officers of Operations and Office Cadre. Those who qualify the Departmental Exam would be interviewed by the DSC and selected on merit and placed accordingly. These Grade-6 officers of Operations and Office Cadre shall be given two chances to qualify the Departmental Exams in six months' period. The inter-se-seniority of these officers shall be maintained, after the second Departmental Exam.
- c. The posts of FAA&I Cadre which shall remain vacant after the above exercise would be filled in through direct recruitment as per rules/procedure.

vii. The two existing Junior Engineers working in Grade-6 shall be rendered surplus. These officers shall be considered for adjustment in grade-6 office cadre by way of option for which some of the laid down conditions of change of cadre shall be relaxed in their case as a special case.


Sd/-
Secretary
Ministry of Electronics
Government of Pakistan
Islamabad

- viii. The changes in the Recruitment and Promotion Procedures introducing new qualifications, training and attending specific promotion related courses to meet the service requirements for officers shall be made. To retain the share of promotion v/s direct recruitment in the grades of Director, Deputy Director and Assistant Director in Operation cadre as approved by the Board in its 80th meeting as the change is to fill most of the position from the qualified, IBA trained and experienced officers of the Institution in the interest of EOBI. The change approved by the Board is as under:-

Operation Cadre	Grade	Promotion	D/Recrt
A.D (Operation Cadre)	07		100%
D.D (Operation Cadre)	08	90%	10%
Director (Operation Cadre)	09	80%	20%

- ix. Board ratified discontinuation and reversal of all move-over and its benefits to staff in higher Pay Scale w.e.f. 30th October, 2007, as decided in 80th BOT meeting and as notified vide office order No.10/2008 dated 09-01-2008 to remain in line with the government policy, which was introduced in the year 2001. The Board also showed its displeasure that government had discontinued the practice of move-over in the year 2001 but Institution continued the practice and allowed this benefit to staff, which was not in accordance with the government policy. To avoid un-necessary litigations and to facilitate the Management, the Board graciously condoned the benefits already paid and there would be no recovery on this account. The Management should immediately revise/re-fix the salaries/perks of all Officer / staff according to Ministry of Finance O.M No.F.1 (5) Imp/2001 dated 4th September 2001 and OM No.F.1 (1) Imp/2005 dated 1st July 2005.
- x. Induction of officers in grade 6 (EO) to cease forthwith. Entry level of officers shall be Grade-7 (AD). However, 45 posts in grade-6 in office cadre (EO) shall remain as promotion posts for staff.

Signature
 Director
 EOBI
 Islamabad

- xi. Decision of the 62nd Board meeting conditioning promotion with qualification stands withdrawn. However, qualifications for direct recruitment for all posts of all cadres has been changed and are given at Annexure-II.
- xii. Posting tenure at Gilgit and Quetta shall be one year up to a maximum of two years for non-domiciled officers.
- xiii. The Board while approving the strengthening and recruitment for IT department abolished 65 data entry related positions in grade-6 and 7 and created 64 Assistant Director (IT) (grade-7) positions (40 as IT Support Officer, 12 positions for Software Engineer and 12 positions for Network Systems Engineers). The 12 Assistant Directors (Software Engineers) posts would phase out to 8 posts with the gradual retirement of existing officers.
- xiv. The existing Grade-7 officers in IT cadre shall be absorbed/ adjusted as AD (IT). These officers would have to perform the job of AD, IT (Support/Coordination Officer). For this, 3 months job related training program shall be arranged for these officers. Those who would not perform functions as AD IT (Support/Coordination) properly even after training shall be preceded under RSO-2000. There are 32 data entry related officers in Grade-6 who shall be given a chance of selection against the available vacancy of grade-7 position through internal selection in the same lines as in sub Para-vi(b) above.
- xv. The Board reviewed the decision to take action against two Directors who do not fit in skill wise in the proposed new IT set up. Keeping in view the recent developments whereby one Director is at the verge of retirement and the other has improved his skill to fit in the required job structure. Board allowed management to take appropriate action in the light of existing rules/ regulation of EOBI.
- xvi. Board approved hiring of IT professionals at compatible market based packages subject to the approval of Finance Division for which a case would be initiated separately.

Mughal
Director General
Government of Gilgit-Baltistan
Gilgit

IT Dept

xvii. Approved the purchasing of additional computers and hardware as part of core IT infrastructure project, subject to changes made in PC-I after approval of the committee which approved the PC-I in June, 2007.

*3rd BOT meeting on 24/11/07
via Report*

xviii. Board decided not to change name of the Institution as there is no need to do so, at present.

35. The Board allowed direct recruitment of officers against the vacant positions based on the approved strength.

Agenda Item No. 6

TO REVIEW BOT DECISION IN ITS 63RD MEETING REGARDING PAYMENT OF GRATUITY TO THE DAILY WAGE EMPLOYEES ON SUPERANNUATION AND TO ALLOW EX-GRATIA PAYMENT IN LIEU THEREOF IN THE LIGHT OF THE AUDIT'S OBJECTION.

36. Board was apprised that BOT in its 63rd meeting held on 8th April 2003 allowed benefit of gratuity to EOBI daily wage employees on their retirement. The Internal Audit Department however had raised objections that under Government Rules daily wage employees were not entitled of the benefit of gratuity. Provision of gratuity is permissible under Standing Orders Ordinance 1968, which is not applicable on EOBI. Therefore the decision taken in 63rd BOT meeting could not be implemented.

37. The management, keeping in view the hardships of these employees requested the Board to allow payment of ex-gratia instead of gratuity to eight (8) daily wage employees to provide some relief to them, purely on humanitarian ground. Secretary BOT also provided the particulars of those employees.

38. The Financial Advisor while examining the particulars of the eight daily wage employees pointed out that out of eight (8) employees a few employees had already retired and there is no provision in law to allow gratuity or ex-gratia after the retirement. He, therefore, suggested that management may review the proposal accordingly. Board advised the management to revisit the issue and re submit the working paper after considering the observation of the Financial Advisor, accordingly.

Signature
Deputy Secretary
Ministry of Labour
Government of Punjab

Agenda Item No. 7

TO CONSIDER QUALIFICATION PAY FOR MBA-CORRECT INTERPRETATION.

39. The management of EOBI withdrew the item.

Agenda Item No. 8

TO CONSIDER AND APPROVE THE PAYMENT OF ARREARS TO MR. QABOOL MUHAMMAD ABRO, DEPUTY DIRECTOR FOR THE PERIOD FEBRUARY 20, 1992 TO MARCH 2008 AMOUNTING TO RS.2,28,263/- (RUPEES TWO HUNDRED TWENTY EIGHT THOUSAND TWO HUNDRED SIXTY THREE ONLY) AND PAYMENT OF ARREARS TO (B) MR. JAMALUDDIN RAJPAR EXECUTIVE OFFICER ON THE ACCOUNT OF BACK BENEFITS UP TO MARCH 2008 AMOUNTING TO RS.409,764/- (RUPEES FOUR HUNDRED NINE THOUSAND SEVEN HUNDRED SIXTY FOUR ONLY).

40. The management of EOBI withdrew the item.

Agenda Item No. 9

TO CONSIDER INVESTMENT PLAN INDICATING 10 YEARS INVESTMENT PROJECTION AND NEW AVENUES IDENTIFYING THE SECTOR OF INVESTMENT, QUANTUM OF FUNDS REQUIRED, FEASIBILITY OF SUCH INVESTMENTS.

41. Item was deferred.

Agenda Item No. 10

TO CONSIDER PROPOSED AMENDMENT IN EOB (INVESTMENT) RULES 1979 - CHANGE IN LIMIT OF INVESTMENT IN BANK DEPOSITS FROM 25%

42. The Investment Advisor Mr. Farooq Ahmed Awan while apprising the Board about the need to amend the rule-4 of the Investment Rules 1979 informed that according to the prevailing Rules deposits in Bank were only permissible through invitation of bids from banks having A+ credit ratings as provided under Rule 3(c) of EOB (Investment) Rules 1979 and funds can be placed up to 25% of paid up capital of the bank or 25% of net worth or 2.5% of EOBI portfolio whichever is less, as per limits under Rule 4(2).

43. He further apprised that except National Bank of Pakistan, where, being a government guaranteed bank, unlimited funds can be placed as per Investment Rules, the

M. Ghaffar
Ministry of Finance
Government of Pakistan

space for further placement of funds with other banks is very limited owing to **large cash balances being maintained by the Institution**. However, the rate of profit offered by NBP is lower as compared to other commercial banks. He further informed that a huge amount of cash to the tune of Rs.109.157 billions would be available due to maturity of DSCs from March 2008 to March 2010. These huge cash inflows have to be parked in bank accounts before these are invested in other avenues like real estate, equities and government securities. However, if larger portion of available liquidity is deposited with NBP, as per the existing limits of investment in other banks, the Institution would not be able to maximize returns due to NBP's lower rate of profit.

44. In view of the above, the matter was discussed in the Investment Committee meeting, wherein it was resolved to amend the Investment Rules to allow more space for deposits in eligible banks other than NBP. Accordingly, the Investment Committee recommended that Rule 4(2) of the FOB (Investment) Rules 1979 may be amended, as given below:

	Existing clause	Amended clause
Rule-4 Limits of Investments	(2) No investment made in any one corporation, company or scheduled commercial or Islamic Bank under clauses (c), (e) and (f) of rules 3 shall exceed twenty-five per cent of its paid-up capital , or twenty-five per cent of its net worth in Pakistan, ten percent of the fund size in case of investment in mutual funds under clause (j) or two and a half percent of the portfolio, whichever is less	(2) No investment made in any one corporation, company or scheduled commercial or Islamic Bank under clauses (c), (e) and (f) of rules 3 shall exceed twenty-five percent of its net worth in Pakistan, ten percent of the fund size in case of investment in mutual funds under clause (j) or two and a half percent of the portfolio, whichever is less.

45. The President BOT very specifically asked from the Investment Advisor about the risk factor involved prior and after the proposed amendment. Investment Advisor replied to the query and after due deliberation **Board decided to allow the amendment only in respect of those scheduled, commercial or Islamic Banks having equity more than 10 billion rupees whereas this amendment shall not apply to those banks having 10 billion or less of equity as per latest published annual audited accounts. In case of such banks the condition of lesser of 25% of paid up capital or 25% of net worth or 2.5% of the FOBI total portfolio would continue to be applicable.**

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Agenda Item No. 11

TO CONSIDER PROPOSAL FOR INCORPORATION OF AN INVESTMENT FINANCE SERVICES COMPANY UNDER SECP, NBFC RULES.

46. After due deliberations the President of Board of Trustees advised the Management to send the proposal to Ministry for further examination.

Agenda Item No. 12

TO CONSIDER REVISION OF TA/DA RATES OF EOBI OFFICIALS.

47. Board was informed that in 78th BOT meeting Board allowed revised TA/DA rates in respect of Board members, whereas the TA/DA rates of the officers of the EOBI were not revised. It was further informed that the same had not been revised since 1996. The Secretary BOT further apprised that none of the hotels was willing to accommodate EOBI officers in existing TA/DA rates.

48. Board was therefore requested to allow the following revised rates for Hotel Accommodation/Daily Allowance, as the present rates were not sufficient to cater the present needs: -

DESIGNATION	GRADE	PROPOSED RATES
Director General	11	Rs. 7000 + Tax
Dy. Director General	10	Rs. 5000 + Tax
Dy. Director/Director	8 & 9	Rs. 3000 + Tax
Executive Officers/Assistant Director	6 & 7	Rs. 2000 + Tax
Asstt/Sr. Asstt/Superintendent	3 to 5	Rs. 1500 + Tax
Naib Qasid/Qasid	1 & 2	Rs. 1000 + Tax

Existing DA rates per day			Proposed DA Rates per day			
	Ord	Special	Designation	Grade	Ord	Spec.
Basic from Rs. 9000 & above	Rs. 520	Rs. 600	Director General	11	Rs. 700	Rs. 1000
Basic from Rs. 7500 to Rs. 8999	Rs. 440	Rs. 520	Director/Dy. Dir	9 & 10	Rs. 625	Rs. 825
Basic from Rs. 6000 to Rs. 7499	Rs. 380	Rs. 440	Asstt. Director/Dy. Director	7 & 8	Rs. 500	Rs. 640
Basic from Rs. 5000 to Rs. 5999	Rs. 340	Rs. 380	PS/Superintendent/Executive Officer	5 & 6	Rs. 280	Rs. 365
Basic from Rs. 4000 to Rs. 4999	Rs. 190	Rs. 220	Assistant/Sr. Assistant	3 & 4	Rs. 155	Rs. 220
Basic from Rs. 3000 to Rs. 3999	Rs. 150	Rs. 190				
Basic below Rs. 3000	Rs. 130	Rs. 150	Naib Qasid/Qasid/D. Uary	1 & 2	Rs. 125	Rs. 200

49. The Board approved the proposal.

mgh
Secretary
Ministry of Finance
Government of Punjab
Lahore