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MINUTES OF 95TH MEETING OF BOARD OF TRUSTEES OF EOBI

The 95th meeting of Board of Trustees (BOT) of EOBI was held on September 24, 2010 at EOBI Head Office Karachi to consider the following agenda:

1. Presentation on deployments and sectoral analysis.
2. Presentation on real estate properties.
3. Presentation on joint venture proposal for purchase of DHA plots.
4. Appointment of statutory auditors for the financial year 2009-2010.

2. The following attended the meeting:

1.	Mr. Tariq Iqbal Puri, Federal Secretary, Labour & Manpower	President, BOT	In Chair
2.	Mr. Zafar Iqbal Gondal, Chairman, EOBI	Member, BOT	
3.	Mr. S. M. Mustafain Kazmi, Joint Secretary, Labour & Manpower	Member, BOT	
4.	Mr. Abdul Rauf Khan, Secretary Labour, Govt. of the Punjab	Member, BOT	
5.	Mr. Muhammad Naseer Jamali, Secretary Labour, Government of Sindh.	Member, BOT	
6.	Mr. Habib-ud-Din Junaidi, Employees' Representative (Sindh)	Member, BOT	
7.	Malik Imtiaz Mehfooz, Employees' Representative (Balochistan)	Member, BOT	
8.	Syed Inran Ali Shah, Employees' Representative (Punjab)	Member, BOT	
9.	Mr. Gul Rehman, Employees' Representative (KPK)	Member, BOT	
10.	Mr. Muhammad Iqbal Dawud, Employers' Representative (Sindh)	Member, BOT	
11.	Mr. Ijaz Qayyum Butt, Employers' Representative (Punjab)	Member, BOT	
12.	Syed Iqbal Shah, Employers' Representative (Balochistan)	Member, BOT	
13.	Malik Zahid Hussain, Employers' Representative (KPK)	Member, BOT	
14.	Mr. Mushtaq Ahmed Sammo, EOBI	Secretary, BOT	

M. Iqbal
 Deputy Secretary
 Ministry of Labour, Manpower &
 Overseas Pakistanis
 Islamabad, Pakistan

3. The meeting commenced with recitation from the Holy Quran. The President BOT welcomed the participants and expressed deep sorrow and concern over the national catastrophe/flood disaster and prayed for the betterment and early rehabilitation of flood victims. He informed that with the blessing of Al-mighty Allah, he has completed his service tenure and will retire on 01st October, 2010 on attaining the age of superannuation. He conveyed appreciation to the Board members for their support and cooperation and tendered apologies for any unpleasant remarks from his side during the meetings. He explicitly mentioned that there was nothing personal against anyone.

4. The BOT members also individually expressed their gratitude and appreciation for the valuable services rendered by the President BOT. They particularly mentioned about his inspiring/able guidance and expert way of handling the Board affairs and his tenure was unanimously viewed as a successful and progressive period. The Chairman BOBI especially thanked the President BOT for the guidance and support rendered by him on various occasions, particularly for capacity building of the employees and Institution etc. The BOT members also passed a resolution as a tribute to the President (Annex- I). The Board then proceeded with the agenda items.

Agenda Item No.1:

Presentation on deployments and sectoral analysis:

5. Secretary, BOT informed that in the last meeting, minutes of 92nd BOT meeting were not confirmed for want of justification and deployment of demanded additional manpower by the management. In order to apprise the Board, Director General (Ops) was required to provide the details of deployment of new recruits and to justify the request for additional manpower. Mr. Muhammad Hanif Balouch, officiating DG(Ops) made a presentation about the sanctioned strength, present working strength and the requirements for additional manpower. He also explained the structure and present working setup of the Operation Department, along with the list of regions/ field offices and deployment status of officials in the regions, and the need for additional manpower.

Muhammad Hanif Balouch
 Director General (Ops)
 Board of Directors
 Ministry of Water Resources
 Government of Pakistan

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6. While discussing the issue, President BOT asked about the number and ratio of employees working or would be working at Head Office in comparison to the employees deployed in regional offices/field offices. He observed that number of employees engaged in the head office was almost the same as were posted in the field offices and this was not in conformity with his directions for appropriate administrative arrangements, i.e. more employees should be employed in the field to strengthen the core activity rather than mere support jobs in the head office. The Chairman explained that the management has already introduced structural changes in the working setup, by way of re-assigning the job of reconciliation and audit to regions instead of head office etc., and this restructuring will bring fair improvement in efficacy of the services rendered by the Institution. He, however, directed DG(Ops) to provide details and the %age ratio as desired by the honourable President BOT.

7. Considering the EOBI's proposal of opening of new regional office, the President, BOT observed that the request was neither convincing nor justified. He asked the DG(Ops) to provide the details of registered employers and IPs in the areas where management proposes to open new regions and also to substantiate as to how many additional establishment IPs would be served with opening of new regions.

8. Secretary Labour Sindh and Punjab observed that additional manpower demanded included the employees required for new regional offices, which have not been approved, therefore, while allowing the additional manpower, management may also be advised to suitably modify the number of employees deployed in the existing regions. The Chairman explained the need and importance of the request made for the additional manpower and sought approval of the Board.

9. After detailed discussions, the Board allowed/approved the creation of 144 additional posts, as demanded in the 93rd and 94th BOT meeting but did not agree to the proposal of opening of new regional offices. However, the Board recommended to the management to be candid and financially conscious while deciding opening of new field offices / relocating of existing offices on the basis of commercial and economic activity in the area after proper evaluation and analysis so as to extend due benefits and maximum services to the workers community.



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Agenda Item No.2:

Presentation On Real Estate Properties

10. The Director General (Investment) made a detailed presentation on real estate properties of EOBI. He informed that these properties were under the administrative control of the PRIMACO (a subsidiary of EOBI) and, unfortunately, during their control, these were neither properly taken care of nor any value had been added thereto. While revisiting the job assignment, it revealed that PRIMACO works under an agreement to look after EOBI properties against a given percentage of fees. The management accordingly decided to save the additional expenditure on agency fee as well as to improve the status of these properties by way of taking over these properties and handover the same to the Investment Department, which had been taking care of these properties prior to the establishment of PRIMACO. And now all properties of EOBI have been taken over by the Investment Department and only the current projects will remain under the control of PRIMACO. The Board unanimously appreciated the move and supported the decision of EOBI for taking over the charge of EOBI properties.

11. The DG(Investment) also presented update about the current/on-going projects and informed that besides these projects, a few project proposals are in the pipeline. Mr. Gul Rehman, employees' representative from KPK province observed that while preparing future proposals, EOBI may also consider opening of a four star hotel in Peshawar. Chairman EOBI explained the criteria for initiating new projects and advised the Investment Advisor to consider opening of a hotel near Peshawar to facilitate the vicinity from Dera Ismail Khan to Peshawar. He further advised that while proposing future plans, opening of new projects in Faisalabad, Multan, Sukkur, Balochistan and other provinces may also be considered.

12. The Investment Advisor while briefing about the shifting process of the Head Office building informed that preparations were under way and shifting will be completed soon. He further informed that KESC has also agreed to provide electricity connection. Chairman EOBI added that the matter was being actively pursued and management was trying to accommodate head offices in three floors and to save two floors for rent to earn additional revenue to meet expenses on contingency and utilities.

M. J. Khan
Chairman EOBI
10/11/2011

Board appreciated the efforts of the Institution. President BOT advised to expedite the work and get the shifting effected within two months.

13. The Board approved hiring of consultant(s) for all projects mentioned in the presentation and added the projects of hotels at Peshawar & Sukkur and Hydel power station in Swat and thermal power stations at Sukkur & Quetta (copy of the presentation is attached as part of these minutes at Annex-II)

AGENDA ITEM NO. 3

Presentation on joint venture proposal for purchasing of DHA plots

14. Director General (Investment) apprised that in the last BOT meeting, M/s Elysium Holding gave a presentation mentioning the details of the proposed project, the company profile of the parties, the terms and conditions of the proposed investment and after detailed deliberations, the Board referred the matter to the Investment Committee for scrutiny and formulation of proper proposal/business plan. He stated that M/s Elysium was accordingly contacted and advised to provide the following basic details:

- Mutational record of 17,500 kanal.
- Bank guarantee of buy-back.
- Financial feasibility (Cash-flow projection)
- Agreement with investors.

15. M/s Elysium partly provided the record of 17500 kanals, the feasibility reports and the agreement with investors. The bank guarantee issue was discussed with DHA and Elysium and after considering contentions of both the parties, the Investment Committee decided to drop the demand for bank guarantee. The DG(Investment) further informed that according to DHA and M/s Elysium, the properties purchased by M/s Elysium had already been transferred in favour of DHA and the Defense Housing Authority shall give ^{Corporate} written guarantee to pay back to EOBI, and as such no bank guarantee in this regard would be needed. After thorough examination of the available record, agreement, feasibility report and deliberations with DHA as well as with M/s Elysium, the Investment Committee decided to approve the investment proposal subject to the condition that M/s Elysium Holding would provide the mutation record in


DIRECTOR GENERAL (INVESTMENT)
BOARD OF INVESTMENT
PESHAWAR

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favour of DHA, Islamabad. Investment Advisor requested the BOT to approve the investment proposal.

16. The Board members asked a number of questions about the present status of the plots and development status of the land in the respective sector of Islamabad. The pros and cons of the proposal and its terms & consideration were also discussed at length. The Secretary Labour, Sindh observed that the approved minutes of the Investment Committee were not provided to them and it was as such difficult for them to arrive at any decision in respect of purchasing the plots. Besides, the price of plots was very high and therefore the proposal does not merit support without any bank/payback guarantee. The Secretary Labour Punjab also seconded his views and opposed the proposition. He was of the opinion that without assured/guaranteed pay back, it was not feasible to approve the investment. Mr. Iqbal Daud, employers' representative (Sindh) and Convenor of the Investment Committee observed that it was a good investment opportunity under the prevailing circumstances and management should not waste time and must avail it without any delay.

17. The Board decided to approve the investment on the basis of Investment Committee's recommendation, which has already approved the proposal for investment *mutatis mutandis*. The President BOT directed that minutes of the Investment Committee meeting approving/supporting the investment be annexed with BOT minutes to substantiate the decision of the BOT. A copy of minutes of the Investment Committee is, therefore, made part of these minutes as Annex- III.

Agenda Item No.4:

Appointment of Statutory Auditors for the financial year 2009-2010

18. Secretary BOT informed that in the last BOT meeting, the working paper on the appointment of statutory auditors for the financial year 2009-10 was discussed at length and the proposed Auditors were also called to justify their re-appointment for the next year. They made a presentation on their working and profile. The Director General (F&A) further apprised the Board about the entire process of appointment of the auditors.

Signature
Director General
Finance & Accounts
Islamabad

19. After due deliberations, the Board allowed re-appointment of statutory auditors for the financial year 2009-10 on the same terms & conditions (as already agreed for the year 2008-09) against a consolidated fee of Rs833,750/ (Rupees Eight hundred thirty-three thousand seven hundred & fifty only).

20. There being no other business item to discuss, meeting ended with thanks to and from the Chair.

[Handwritten Signature]
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RESOLUTION

The Board of Trustees, EOBI hereby unanimously resolves to place on record the appreciation expressed by the Board members for Mr. Tariq Iqbal Puri, Secretary, Ministry of Labour & Manpower/President, Board of Trustees, EOBI for the valuable services and able guidance rendered by him for Institution's affairs during his short but very effective tenure.

His association with the BOT remained highly beneficial for the Institution, particularly in view of his rich experience and deep concern regarding the performance monitoring & evaluation and betterment of the Institution.

The Board wishes him a very healthy, prosperous and comfortable life and success in future endeavours.

A handwritten signature in black ink, appearing to read 'M. Iqbal Puri', is written over a faint rectangular stamp area.