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**Minutes of the 104<sup>th</sup> Meeting of the Board of Trustees of EOBI  
held on 18.2.2013 in the Committee Room of Ministry of Human Resource Development,  
Block 'B', Pakistan Secretariat, Islamabad**

The 104<sup>th</sup> meeting of the Board of Trustees of EOBI was held on 18<sup>th</sup> February, 2013 at 10:00 a.m. in the Committee Room of Ministry of Human Resource Development, Block 'B', Pakistan Secretariat, Islamabad to consider the following agenda:

S.No	Agenda Items
i.	Confirmation of the Minutes of 103 <sup>rd</sup> BOT Meeting;
ii.	To Consider Compliance/Implementation of the decisions taken by the of 103 <sup>rd</sup> BOT Meeting;
iii.	To Consider Performance of the Institution, Minutes of the Investment Committee 199 <sup>th</sup> to 212 <sup>th</sup> and Minutes of 31 <sup>st</sup> to 42 <sup>nd</sup> BOD Meetings (PRIMACO). a) Operations b) I.T c) Investment d) PRIMACO
iv.	Revised Budget for 2011- 2012 and proposed budget for 2012 – 2013
v.	To consider Annual Audited Accounts for the Financial Year 2011- 2013
vi.	To Consider Recommendations of HR Committee:  a) Relaxation of Age and Experience for the Post of Deputy Director. b) Carrier of I.T and Law Officers to be Linked with Office Cadres c) To Consider and Approved Proposal to Review Facility of Purchase of used Vehicle by the Senior Officer on Superannuation. d) To consider and approve up-gradation of staff members. e) To consider and approve waiving off outstanding advance against (Late) Mr. Mushtaq Ahmed Sammo Ex-Secretary, BOT/DDG. f) To Consider and approve Implementation of Lahore High Courts Orders Regarding House Rent Allowance of Officers.
vii.	To consider and approve the creation of a permanent post of "Senior Medical Officer in Grade-08".
viii.	Any other item with the permission of the Chair.

2. The meeting was presided over by the Secretary, Ministry of Human Resource Development (HRD)/President Board of Trustees. The following attended the meeting:

- i) **Mr. Muhammad Ahsan Raja,** **President**  
Federal Secretary,  
M/o Human Resource Development.

  
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ii)	<b>Mr. Zafar Iqbal Gondal,</b> Chairman, EOBI.	<b>Member</b>	267 104
iii)	<b>Rao Liaquat Munir,</b> Financial Adviser, M/o Human Resource Development.	<b>Member</b>	
iv)	<b>Mr. Abid Mahmood,</b> Joint Secretary, M/o Human Resource Development.	<b>Member</b>	
v)	<b>Mr. Hassan Iqbal,</b> Secretary Labour, Punjab.	<b>Member</b>	
vi)	<b>Mohammad Akbar Khan,</b> Secretary Labour, K.P.K.	<b>Member</b>	
vii)	<b>Mr. Abdul Qayyum Kakar,</b> Secretary Labour, Baluchistan.	<b>Member</b>	
viii)	<b>Mr. M. Iqbal Dawood Pakwala,</b> Employers' Representative, Sindh.	<b>Member</b>	
ix)	<b>Syed Iqbal Shah,</b> Employers' Representative, Baluchistan	<b>Member</b>	
x)	<b>Malik Zahid Hussain, Employers Representative of</b> <b>Mr. Habib-ud-Din Junaidi,</b> Employees' Representative, Sindh.	<b>Member</b>	<b>KPK</b>
xi)	<b>Malik Imtiaz Mehfooz,</b> Employees' Representative, Balochistan.	<b>Member</b>	
xii)	<b>Mr. Gul Rehman,</b> Employees' Representative, KPK.	<b>Member</b>	
xiii)	<b>Syed Nazar Hussain Shah,</b> Employees' Representative, Punjab.	<b>Member</b>	
xiv)	<b>Ms. Sumera Rizwani</b>	<b>Secretary, BOT</b>	


3.

**Present:**

- i) Mr. Najmul Saqib Siddiqi, FA/DG (F&A)
- ii) Mr. Javed Iqbal, DG (Ops) South
- iii) Mr. Pervaiz Ahmad, Director General (HR&GA)
- iv) Mr. Wahid Khursheed IA/DG (Investment)
- v) Mr. Farooq Ahmed Khan DG (Ops North)

4.

The meeting started with the recitation of the Holy Quran. Thereafter, the Chairman, EOBI informed the Board about sad demise of Chaudhry Mohammad Tufail, a member of BoT and Fateha was offered for the departed soul. The Chairman, EOBI then, with

  
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the permission of the President, BOT welcomed all members of BOT and other officers present in the meeting.

5. The Secretary, BOT commenced the proceedings with the permission of the President, BOT. She informed the Board that Labour Secretary, Sindh Mr. Mukhtar Soomro had sent his apology for not being able to attend the meeting, due to his meeting with the CM Sindh.

**Agenda Item No. 1:**

**Confirmation of the minutes of 103<sup>rd</sup> BoT meeting.**

6. The Secretary, BoT informed the Board that she had not received 103<sup>rd</sup> BOT meeting minutes till 15<sup>th</sup> February, 2013. The approved minutes of 103<sup>rd</sup> meeting were distributed in 104<sup>th</sup> meeting and the President, BoT invited observations/suggestions from the members. The Financial Adviser, M/o HRD observed that there was some miss reporting of the decisions in the minutes that needed to be discussed. He pointed out that agenda item no.3, 7(a) and 7(b) were principally agreed. The Audit Committee meeting was held for the threadbare discussion of item no 3, but the decision in the minutes had not included any of such recommendation. The matter was once again discussed across the Board and the recommendations of Audit Committee were considered.


7. The following decisions in respect of agenda item no: 3 of 103<sup>rd</sup> BOT meeting "*To Consider Incentive for Surpassing Contribution Target Fixed by BOT i.e. one additional pay for each month since 1st July, 2011*" were approved by the Board:

- a. A onetime payment equal to one month's salary as incentive for surpassing the target.
- b. Increase in salary equal to twenty percent of the running basic pay as announced by the Federal Government w.e.f. July 2012 be carefully examined, evaluated and brought before BoT for concurrence.

8. Agenda item no 7(a) "*Presentation on Strengthening of Law Department*" and 7(b) "*Rationalization of Workload on Beat Officer*" was discussed again along with recommendations of the HR Committee. The Board approved the following:-

7(a) The Board approved the strengthening of Law Department through creation of additional posts of 14 Assistant Directors subject to the condition that the recruitment to these posts will be subject to and made after lifting the ban or on final disposal of the case by the Supreme Court of Pakistan.

7(b) The Members of Board after detailed discussion and considering the justification given by the Chairman, EOBI agreed to the creation of 348 posts of Assistant Director (Operations) to rationalize the work load on the Beat Officers subject to the condition that

  
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no recruitment to these posts will be made till lifting of the ban or final disposal of the case by the Honorable Supreme Court of Pakistan.

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**Agenda Item No. 2:**

**To consider compliance/implementation on the decisions taken by the 103<sup>rd</sup> BoT meeting**

9. No compliance report on the decisions of 103<sup>rd</sup> meeting was attached as the minutes of subject meeting were distributed in 104<sup>th</sup> BOT meeting. However, agenda item No.3 of 103<sup>rd</sup> BOT meeting was discussed which pertains to compliance of Audit Committee recommendations.

**Agenda Item No. 3**

**To Consider Performance of the Institution, Minutes of the Investment Committee 198<sup>th</sup> to 212<sup>th</sup> and Minutes of 31<sup>st</sup> to 42<sup>nd</sup> BoD Meeting (PRIMACO).**


- a) Operations
- b) I.T
- c) Investment

10. The Chairman, EOBI informed the Board that the EOBI Officer dealing with the IT was not available due to the reason that he met an accident, therefore, the presentation on IT Department of EOBI will be given in the next Board meeting. Thus, the Presentation on IT Department of EOBI was deferred.

11. The Director General (Operation South) gave presentation on operational activities of EOBI for the period from July 2012 to January, 2013. He stated that the number of registered employers had raised to 89,216 and insured persons 5,378,350. The total number of pensioners upto January, 2013 was 459,553

12. The Institution had collected Rs 78.662 billion as contribution and paid Rs 63.876 billion as pension to the pensioners. The DG informed the Board that there were arrears of Rs 3,879 million upto January, 2013. The President, BOT inquired as to what efforts had been made to recover these outstanding contribution arrears. The President, BOT referred to PAC directives on this issue and advised that the Institution should invoke Land Revenue Act for the recovery of outstanding contribution arrears including those of closed units. The Chairman, EOBI informed the Board that the Provincial Governments were not cooperating for the recovery proceedings under the Land Revenue Act. The Secretary, Labour Punjab stated that the Institution should inform his department regarding outstanding contribution arrears so that it may help EOBI in this regard.

13. The President, BOT advised EOBI that they should send a reference to the Ministry of Human Resource Development regarding recovery of outstanding contribution arrears and he will take up the matter with the respective Chief Secretaries of the Provinces. The DG (North) (Mr. Farooq Ahmed Khan) informed the Board that the Provincial Governments were of the view since the EOBI was being devolved, therefore there was no need to start recovery proceedings under Land Revenue Act. The President, BOT advised the DG(Operation South) that the Institution should bring the Province-wise details of outstanding arrears. The President,

  
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BOT also desired that Institution should put up details of such arrears to the Board. He also desired that the arrears which were under litigation and Courts where the cases were pending for the decisions be properly pursued and intimated to the Ministry.

14. The DG investment of EOBI gave the briefing to the Board on the investment portfolio of EOBI. He informed the Board that the investment department has reduced the previous loss of Rs 15 billion in share market to Rs 7 billion. The BoT was of the considered view that EOBI must make investment strategy for short term and long term investment. The Institution should make efforts to make safe investment so that no loss is occurred to the Intuition. The Institution should make the investment by observing all the relevant rules, law and codal formalities on the subject. The Chairman, EOBI ensured the Board that EOBI is fully conscious of its duty under law although media was hostile to the Institution's investment program. The President, BOT advised the Institution to tell full facts to the Media and it should timely give appropriate rebuttal to the media stories. **The BOT decided that a separate meeting should be arranged to give full fledged briefing on investment portfolio of EOBI(including losses and gains) in 1<sup>st</sup> week of March, 2013. A brief in this regard be prepared and circulated to all Members for their study so that they should come in the briefing with all the relevant questions and queries.**

15. The Chairman EOBI informed the Board that they were planning to investment on the public private partnership basis in the M-9 Karachi-Hyderabad Motorway and N-5. The Chairman, EOBI further informed to the Board they were also planning to investment in three DHAs properties i.e. Islamabad, Lahore and Karachi also on public private partnership basis.


16. **The minutes of 199th to 212th meeting of the Investment Committee and minutes of the 31<sup>st</sup> to 42<sup>nd</sup> meeting of the Board of Directors of PRIMACO were placed before the Board. Nobody raised any objection/comments thereon.**

#### Agenda Item No. 4

#### Revised Budget for 2011- 2012 and proposed budget for 2012 - 2013

17. The Secretary, BoT of EOBI presented revised budget for 2011-2012 and proposed budget for 2012-2013 for consideration of the Board. The President, BOT observed that the revised budget for 2011-2012 and proposed budget 2012-2013 be approved subject to the condition of concurrence by Audit Committee of the Board. The Secretary, Labour, Government of Punjab stated that 9<sup>th</sup> month of current financial year had already begun and Institution had brought its budget to the Board for approval at this belated stage. He suggested that the same should first be considered and examined by the Audit Committee. He stated that EOBI should continue to make expenditure but the budget of Institution should first be considered and approved by the Audit Committee. He further suggested the Institution should bring its budget for consideration/approval of the Board well in time. The President, BOT observed that the budget of EOBI should be prepared as per lay down rules and codal formalities. The Secretary, Labour, Government of Punjab also proposed that there should be a separate meeting with one agenda item to consider the budget of EOBI.

18. **The Board decided that a meeting of Audit Committee be convened in the last week of February, 2013 in EOBI House, Islamabad to consider and examine the revised budget 2011-2012 and proposed budget 2012-13 for its approval by BoT in a special meeting.**

  
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**c) To Consider and Approve Proposal to Revive Facility of Purchase of used Vehicle by the Senior Officers on Superannuation.**

24. The Secretary, BOT informed the Board that previously the senior retiring officers of EOBI were allowed the facility of purchase of vehicle on their superannuation. The President, BOT advised that the proposal may be reviewed in accordance with monetization policy of the Cabinet Division and Finance Division. The Chairman, EOBI informed the Board that the deputationists in EOBI were agitating this issue. The President, BOT observed that if the deputationists were entitled, discrimination should not be done with them. The President, BOT further observed that the monetization policy was circulated to all the departments and EOBI did not adopt the same. The Chairman, EOBI informed the Board that they have not adopted the monetization policy as EOBI was an operational organization. The President, BOT did not agree to view point of Chairman, EOBI and advised EOBI to have a look on it and if they wanted to give vehicles to the retiring officers at their superannuation, they should allow it under the monetization policy.

25. After some discussion, the Board advised EOBI to bring the facts before the Board as to why above policy was discontinued and if the Institution wanted to revive it what would be the justification and financial implications.

**d) To consider and approve up-gradation of staff members.**

26. This Item was not discussed by the Board.

**e) To consider and approve waiving off outstanding advance against (Late) Mr. Mushtaq Ahmed Sammo, Ex-Secretary BOT/DDG.**


27. The secretary, BOT informed the Board that there was an outstanding advance of Rs. 01(one) million against Mr. Mushtaq Ahmed Sammo, Ex Secretary BOT/DDG. She proposed that the Board may consider to waive off the outstanding amount.

28. The Board after discussion advised the Institution that the exact amount be verified. The Institution should bring full facts before the Board after confirming real position from his family as how much exact amount was outstanding against him.

**f) To Consider and approve Implementation of Lahore High Court Orders Regarding House Rent Allowance of Officers.**

29. The D.G. HR informed the Board that the officers of EOBI were drawing House Rent Allowance @ 70% of their salary. The Board subsequently recommended to enhance house rent allowance @ 80% of their salary but the Ministry of Finance allowed 60% house rent allowance of their salary. He further informed the Board that two officers of EOBI challenged the decision of the Ministry of Finance in the Lahore High Court, Lahore. The Court vide its judgment dated 5-10-2011 has allowed the house rent allowance @ 70% of the running pay of the officers.

30. The Board decided that the judgment of the honorable Court must be complied with in letter and spirit.

  
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Agenda Item No. 5

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To consider Annual Audited Accounts for the Financial Year 2011-2013

19. The Chairman, EOBI informed the Board that the Annual Audited Accounts of the Institution are approved by the Board which are to be signed by the EOBI and President BOT. The Secretary, Labour Department, Government of Punjab stated that the Annual Audited Accounts of the Institution for the year 2010-2011 should first be considered by the F&A Committee. He observed that audit firm has not fulfilled its obligation and entire exercised has been done by EOBI. There was not any mention of physical verification of the assets of the Institution. The Chairman, EOBI informed that auditors haddone their requisite job. The report was to be considered by the Audit Committee before putting up to the Board.

20. The Board decided that the annual audited accounts of EOBI for year 2010-2011 be considered by the Audit Committee immediately and examine it minutely and put-up to the Board for its consideration/approval.

Agenda Item No. 6

To Consider Recommendations of HR Committee:

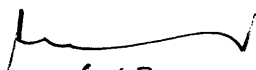
a) Relaxation of age and Experience for the Post of Deputy Director.

21. The Chairman, EOBI stated that the Institution was facing shortage of manpower due to ban imposed by the Supreme Court of Pakistan on fresh recruitment. Therefore, he proposed that the age relaxation and experience from five years to 2 years be granted for one time. The President observed that one time relaxation will be quoted as a precedent in the future. He enquired from Joint Secretary (HRD) as to what was the minimum length of experience for entry in service in BS-18. The J.S (HRD) informed that the length of experience for entry in BS-18 was 5 years in government. The Secretary, Labour Government of Baluchistan opposed the proposal. The Secretary, Labour Punjab stated at the entry level, age and experience even in the non- governmental and corporate sector was prerequisite and it should not be relaxed as one time exercise. The Institution should follow the rules and regulations in this regard. The Secretary, K.P.K and Balochistan stated that the 5 years experience was appropriate. The Chairman, EOBI stated that the EOBI was being run on the pattern of corporate sector therefore the competence and quality should be encouraged in the Institution. The President, BOT observed that the Board should not allow what cannot be defended. There should be no departure from the established norms, rules and regulations on the subject.

22. The Board did not approve the recommendation of HR Committee.

b) Carrier of I.T and Law Officers to be Linked with Office Cadres.

23. After detailed discussion, the agenda item was deferred and it was advised that pros and cons of the matter (unified seniority) be examined in detail with possible repercussions and then brought up for consideration before the Board.

  
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Agenda Item No. 7

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To Consider and Approve the creation of a permanent post of  
"Senior Medical Officer in Grade-08".

31. The Board referred the matter to the HR Committee of EOBI for reconsideration.

Agenda Item No. 8

Any other item no: 8(a) Annual Report of the Institution 2009-10

32. The agenda item was deferred to be considered by the Board in its next meeting.

Any other item no: 8(b) Bonus to the employees of the EOBI and Ministry of HRD

33. The Chairman EOBI informed the Board that the Federal Minister for Human Resource Development had desired that upon completion of democratic government its 5 years term, all employees of EOBI and the Ministry of Human Resource Development be granted one bonus equal to one month of their gross salary from the EOBI budget.

34. The Board decided that all employees of EOBI and the relevant staff of Ministry of Human Resource Development be granted one bonus equal to one month of their gross salary from the EOBI budget.

35. There being no other item on the agenda, therefore 104<sup>th</sup> Meeting of BOT ended with a vote of thanks to and from the Chair.

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