

**MINUTES OF THE 173rd (BUDGET) 2025-2026
MEETING OF THE GOVERNING BODY, SESSI**

Date: 11th August 2025.

Venue: SESSI Head Office Karachi.

The 173rd meeting of the Governing Body, SESSI was held under the Chairmanship of Chairman Governing Body, SESSI/ Minister for Labour and Human Resources Department, Sindh. The following attended:-

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|-----|--|---------------------------------|
| 1. | Mr. Shahid Abdul Salam Thahim
Minister for Labour and Human Resources Sindh/
Chairman, Governing Body, SESSI | In Chair |
| 2. | Mr. Muhammad Rafique Qureshi
Secretary Labour and Human Resources Sindh/
Chairman, Governing Body, SESSI | Member |
| 3. | Mr. Safdar Hussain Rizvi
Commissioner, SESSI | Ex-Officio Member/
Secretary |
| 4. | Mr. Muhammad Danish Khan
Employers' Representative | Member |
| 5. | Engr. M.A. Jabbar
Employers' Representative | Member |
| 6. | Mr. Khalil Ahmed Baloch,
Employers' Representative | Member |
| 7. | Ms. Zehra B. Khan
Employers' Representative | Member |
| 8. | Mr. Muhammad Khan Abro
Employers' Representative | Member |
| 9. | Mr. Mukhtar Hussain Awan
Employees' Representative | Member |
| 10. | Mr. Abdul Wahid Shoro
Employees' Representative | Member |
| 11. | Dr. Kamran Awan
Medical Adviser, SESSI | Ex-Officio Member |

Members Absent:

- Mr. M. Jawaid Bilwani, Employers 'Representative.
- Secretary Finance, Govt. of Sindh.

Other Presence:

- Mr. Muhammad Fahim, Director Accounts, SESSI.

The meeting started with recitation of some verses of Holy Quran, then Chair welcomed to the participants and asked the Commissioner, SESSI/Secretary GB to present the estimated budget for financial year 2025-26. Mr. Muhammad Khan Abro congratulated to Commissioner, SESSI on his recent posting and expressed good wishes and cooperation with hope of improvement during his tenure.

The Commissioner has proceeded the meeting and explained that the budget is an estimation of expected income/receipts and expenditures of an entity during the coming financial year which sole purpose to enhance receipts/income and control the expenditures; then he first elaborated the receipts/income portion and after it the expenditures portion of budget financial year 2025-26.

ANNUAL BUDGET ESTIMATES FOR THE FINANCIAL YEAR 2025-2026

RECEIPTS/INCOME:

S. #	HEAD OF ACCOUNT	BUDGET ESTIMATES 2024-2025	REVISED BUDGET 2024-25	BUDGET ESTIMATES 2025-26 RECOMMENDED BY FINANCE COMMITTEE
1.	S. S. CONTRIBUTION	22,646.868	22,646.868	17,695.920
2.	PROFIT ON INVESTMENT	2,874.040	2,874.040	1,981.382
3.	INCOME FROM PROPERTY	24.040	24.040	26.454
4.	LOANS RECOVERY	38.400	38.400	254.700
5.	ANY OTHER INCOME	25.894	25.894	24.699
6.	EDUCATION CESS COLLECTION CHARGES	1.600	1.600	1.600
TOTAL INCOME		25,610.842	25,610.842	19,984,755

EXPENDITURES

S. #	HEAD OF ACCOUNT	BUDGET ESTIMATES 2024-2025	REVISED BUDGET 2024-25	BUDGET ESTIMATES 2025-26 RECOMMENDED BY FINANCE COMMITTEE
1.	MEDICAL CARE (RECURRING)	8,808.202	7,413.940	8,535.135
<u>CASH BENEFITS</u>				
2.	a) EMPLOYMENT INJURY BENEFIT	541.063	430.401	300.817
	b) SICKNESS, MATERNITY & DEATH GRANT	118.873	130.742	164.449
	c) REHABILITATION & WELFARE TO S/WORKERS	2.400	3.220	3.980
	d) IDDAT BENEFIT	8.595	10.963	16.511

3.	ADMINISTRATIVE EXPENDITURE (RECURRING)	2,908.757	2,502.772	3,073.710
4.	MEDICAL CARE EXPENDITURE (NON-RECURRING)	650.391	650.191	745.000
5.	ADMINISTRATIVE EXPENDITURE (NON-RECURRING)	158.776	160.936	86.000
6.	UNFORESEEN EXPENDITURE:	30.000	-	10.000
7.	<u>DEVELOPMENT EXPENDITURE :</u>			
	a) ON GOING SCHEMES	500.000	500.000	500.000
	b) NEW SCHEMES	125.000	125.000	657.000
8.	LOANS & ADVANCES	200.000	200.000	320.000
TOTAL EXPENDITURES		14,052.057	12,128.165	14,412.602
SURPLUS / DEFICIT		11,558.785	13,482.677	5,572.153
NET TOTAL		25,610.842	25,610.842	19,984,755

RECEIPTS/INCOME ESTIMATES

The receipts/income portion comprising of (I) Social Security Contribution (S.S.C.) (II) Profit on Investment and (III) Miscellaneous Income.

SOCIAL SECURITY CONTRIBUTION (S.S.C.)

The major portion about 90% of income/receipts of SESSI is SSC and it is the 6% of notified minimum wage of secured workers but here the Commissioner elucidated the concept of per capita for average of receipts of this SSC owing to absent of registered worker or no of days of working.

دسرا بہتر موقع لکھا کے اصل و ذکر پر روشنی کا جا ہ

Ms. Zehra Khan did not agree and insisted to estimate SSC on full minimum wage i.e. Rs.2400/= per registered worker.

The commissioner described that the no. of registered workers is 770,000 and now estimated target to enhance 10% i.e. 77,000 more workers to bring in social security scheme with increase of per capita Rs.1750/= for Karachi Division and Rs.1650/= for others (Hyderabad/Sukkur/Mirpurkhas/Kotri).

All members of GB concurred the estimation of SSC presented by the commissioner except Ms. Zehra.

PROFIT ON INVESTMENT.

An amount of Rs.1,981.382 million has been proposed on account of return on investment of the Institution against the Income of Rs.2,874.040 million for the last financial year where decline owing to decrease in interest rate.

MISCELLANEOUS INCOME

An income of Rs.307.453 million has been proposed for the financial year 2025-2026 as detailed below:

i.	Income from SESSI Property	Rs. 26.454	million
ii.	Recovery from Loan	Rs. 254.700	million
iii.	Any other Income	Rs. 24.699	million
iv.	Collection charges of Education Cess @2%	Rs. 1.600	million
TOTAL:		Rs. 307.453	million

EXPENDITURES ESTIMATES:-

MEDICAL CARE (RECURRING)

The total expenditure of Rs.8,535.135 million has been proposed for the financial year 2025-2026 against the revised allocation of Rs.7,413.940 million for the out-going financial year 2024-2025.

CASH BENEFITS

The payment of cash Benefit to secured workers is a mandatory obligation of the Institution. A total allocation of Rs.485.757 million has been proposed for the financial year 2025-2026 as detailed below:

i.	Employment Injury Benefit	Rs.300.817	million
ii.	Sickness Maternity & Death grant	Rs.164.449	million
iii.	Rehabilitation & Welfare to Secured Worker	Rs. 3.980	million
iv.	Iddat Benefit	Rs. 16.511	million
TOTAL:		Rs.485.757	million

ADMINISTRATIVE EXPENDITURE (RECURRING)

A total allocation of Rs.3,073.710 million has been proposed for the year 2025-2026 against the revised allocation of Rs.2,502.772 million for the out-going financial year 2024-2025.

UN-FORESEEN EXPENDITURE

An allocation of Rs.10.00 million has been proposed to meet out the unforeseen expenditure during the financial year 2025-2026.

The Governing Body, SESSI discussed some following Heads of Accounts for review and revised the allocation of amount:-

a) Medical Equipment/Lab. Equipment/X-Ray Equipment

While discussing the allocation of amount in the above head of account, Mr. Muhammad Khan Abro has reservation on not providing specification of equipments and its linkage to estimated cost. Medical Adviser said that there is acute shortage of medical equipments because last year allocated budget could not utilize as medical equipments tender had not been finalized and now the Medical staff are facing difficulties to carry out the operation and referring the patients outside SESSI Hospitals for operation which causing more financial burden to SESSI. The Members of GB agreed for

procurement of Medical Equipment/Lab. Equipment/X-Ray Equipment but however advised for providing Head specifications to have a linkage of the estimates of the equipments, which is influenced by the country of origin, brand and other features like standards under which these equipments are procured. The GB members concurred to procure the Medical equipments with advice to provide info as is required.

But Ms. Zehra objected and asked to provide office-wise detail/list of requirement for scrutiny and recommendations, otherwise she does not recommend to approve the allocated amount. However, the Commissioner, SESSI informed that the requisite information has been incorporated in the budget book (2025-2026).

b) Contingencies

The Commissioner, SESSI informed the Governing Body that an amount of Rs.33,250,000/- was estimated and allocated, which was decreased by the Finance Committee and allocated Rs.28,500,000/-. He requested the Governing Body to approve the estimated amount i.e. Rs.33,250,000/- to meet the contingencies expenses then the Members convinced for Rs.30,000,000/-.

c) Repair & Maintenance of Furniture & Fixture & Office equipment

The Commissioner, SESSI informed the Governing Body that an amount of Rs.2,000,000/- has been estimated and allocated, which the Finance Committee totally declined to allocate any amount in the said account. He stated that old furniture/office equipment required minor repair can be utilized instead of purchase of new furniture and the Members agreed on Rs.25,00,000/=.

d) Legal Expenses

The Commissioner, SESSI apprised the Governing Body that an amount of Rs.30,000,000/- has been estimated on account of legal expenses, which has been decreased and allocated Rs.10,000,000/- by the Finance Committee, which is insufficient. He requested the Governing Body to approve the proposed amount of Rs.30,000,000/-. Engr. M.A.Jabbbar was of the view that it is sufficient amount to meet out the legal expenses.

Mr. Abdul Wahid Shoro pointed out that for the last 02 years neither any meeting held of Legal Committee nor position of legal cases i.e. how many cases have been decided, how many in under process, payment made to lawyers, etc. placed before the Legal Committee.

The Chair directed to place the matter before Legal Committee, thereafter, to get approval of its recommendations/decision by the Governing Body.

Mr. Abdul Wahid Shoro pointed out that the Governing Body has constituted many committees, but since long, meetings could not be held. The Governing Body directed to note this issue and resolve accordingly.

Ms. Zehra stated that previously she has requested to provide list of legal cases, list of lawyers/advocates hired by the Institution and payment made to them, but not to do so. Director C&B replied the requisite material has already been provided to her.

GB members agreed with the recommendation of Finance Committee to allocate Rs.10,000,000/- for legal expenses and in case of need of further amount, the same would be recommended by Finance Committee to GB for approval.

e) External Audit

The Commissioner, SESSI informed the Governing Body that the Finance Committee has decreased the amount from Rs.12,000,000/- to Rs.7,500,000/- in the head

of account "External Audit", which is much less and can not meet out the expenses. Mr. Muhammad Khan Abro raised objection and stated that once the matter has been decided in Finance Committee meeting, why discussing again in this forum. The Commissioner, SESSI informed the Governing Body that external audit is required to be conducted for the last 05 years, for which a sufficient amount is required for payment of fees and other expenses. On a query, Commissioner informed that Rs.3,000,000/- are required for one year audit of whole Institution. He further informed that SESSI have 31 outlets/offices including SESSI Head Office.

Mr. Khalil Balouch was of the view that audit of accounts of SESSI should be conducted in proper manners by a well reputed Chartered Accountants Firm and to maintain the SESSI accounts properly. He stated that if any additional amount is needed in this regard, the Governing Body shall approve.

The Governing Body members agreed with the recommendation of Finance Committee to allocate Rs.7,500,000/- for External Audit purpose and in case of need of further amount required in this head, the same would be recommended by Finance Committee to GB for approval.

f) Government dues

The Governing Body noted that amount of only Rs.420,000,000/- is mentioned in the budget against government dues, while it has been informed that recently a huge amount has been paid as advance tax on profit gained from investment of SESSI. Engr. M.A. Jabbar asked regarding nature of government dues and circumstances leading to recently made huge payment to FBR. The Commissioner replied that the payments made to FBR under section 147 advance tax is on profit gained from investment of SESSI. On queries by Members of General Body, it was further informed that SESSI is not exempted from income tax/ withholding tax. Mr. M.A. Jabbar expressed that it is very astonishing and objectionable situation in terms of the legal and otherwise to be exempted position for the institution. He asked for either Institution took steps for getting exemption and hire lawyer and expert tax consultant in respect of issues of payment under section 147, Exemption Status, NPO Status, available section 100C and other eligibilities under various sections of the Income Tax Ordinance. The Governing Body members concurred for **examining** (i) payment made in excess of budgeted amount of Rs. 420,000,000/-, (ii) the whole issue in its entirety in respect of payment of huge amount made to FBR under Section 147, (iii) issues including actions not taken up until now and required actions in this respect to include but not limited to seeking "status of institution as NPO and apply / secure other documentation required in this respect" and (iv) filing of past returns of many years and claiming of refunds, if due and take all other steps required in respect of taxation and associated factors thereof.

The Governing Body showed its displeasure for such state of affairs of the Institution and directed to engage a qualified lawyer and tax consultant to file application/case in these respects as discussed to include exemption from tax as NPO status of an organization as per analogy of EOBI, etc. and to contest payment made under section 147 and refund thereof.

DEVELOPMENT EXPENDITURE

**EXPLANATORY NOTES ON ANNUAL DEVELOPMENT
PROGRAMME FOR THE YEAR 2025-26**

A. ON GOING SCHEME FOR THE YEAR 2025-26

S. #	NAME OF WORK	ALLOCATION RECOMMENDED BY HEAD OFFICE FOR THE F.Y. 2025-26	ALLOCATION RECOMMENDED BY FINANCE COMMITTEE FOR THE F.Y. 2025-26
1.	NADRA – Benazir Mazdur Card	Rs.520.000 Million	Rs.500.000 Million

B. NEW SCHEME FOR THE YEAR 2025-26

S. #	NAME OF WORK	ALLOCATION RECOMMENDED BY HEAD OFFICE FOR THE F.Y. 2025-26	ALLOCATION RECOMMENDED BY FINANCE COMMITTEE FOR THE F.Y. 2025-26
1.	Reconstruction / Remodeling of KVSS Hospital, Karachi.	Rs.50.000 Million	NIL
2.	Construction of Staff Flat at KVSS Hospital 3 & 4 Rooms G+7 Karachi	Rs.50.000 Million	Rs.85.000 Million
3.	Construction of underground and over-head water tank at Landhi Hospital Karachi.	Rs.57.000 Million	Rs.57.000 Million
4.	Installation of separate Gas meters at Landhi Hospital Karachi	Rs.15.000 Million	Rs.15.000 Million
5.	Construction of new building at Nooriabad Medical Centre (80'-0" x 100,-0") / sqft only Ground Floor	Rs.100.000 Million	Rs.200.000 Million
6.	Construction of additional block at SS Kotri Hospital	Rs.50.000 Million	Rs.100.000 Million
7.	Comprehensive integrated automated solution for SESSI by PITB	Rs.100.000 Million	Rs.200.000 Million
Total		Rs. 422.000 Million	Rs. 657.000 Million

Total: (On-going Scheme)

Rs. 500.000 million

Total: (New Scheme)

Rs. 657.000 million

Grand Total:

Rs.1,157.000 million

An amount of Rs.1,157.00 million has been proposed under "Development Expenditure" during the financial year 2025-2026, as below:

On-going scheme

Rs. 500.00 million

New Scheme

Rs. 657.00 million

Total :

Rs.1,157.00 million

During the discussion regarding NADRA Card, Ms. Zehra asked the position of issuance of number of NADRA cards and payment made in this regard in one year. She further asked to clarify the position regarding engagement of two separate software one from PITB and another from NADRA. It was informed that each software has different nature of work. Ms. Zehra also suggested to train the SESSI staff to operate the system and take duty round the clock especially in the hospitals.

The Commissioner, SESSI informed that in new schemes, an amount of Rs.50,000,000/- was proposed and estimated for reconstruction and remodelling of KVSS Hospital Karachi, but the Finance Committee did not agree to the same. He requested the Governing Body to look into the matter and allocate the said amount in this regard.

The Commissioner, SESSI apprised the Governing Body that the Finance Committee enhanced the allocation from Rs.50,000,000/- to Rs.85,000,000/- in new scheme for construction of staff flat at KVSS Hospital 3&4 rooms G+7 Karachi.

Engr. M.A. Jabbar stated that it has been discussed from time to time in this board meetings that instead of reconstruction/remodelling the old structure of KVSS Hospital, a new building may be constructed at available on vacated land adjacent to KVSS hospital. He further stated that in the previous meetings it has been decided to prepare PC-1 and hire a consultant to go forward. The Secretary Labour opined that till the completion of new building to run the hospital, old building shall be utilized, as such got done repair and maintenance work where essential and necessary. The Minister for Labour/Chairman Governing Body was also of the view it will take time to complete the new building at KVSS Hospital as such to allocate the amount for repairing and maintenance of existing building to run the hospital smoothly.

The Secretary Labour apprised the Governing Body that he may depute the Consultant of Worker Welfare Board for consultation.

The Governing Body agreed to hire a Consultant for construction of new building for preparation of PC-1 and feasibility report for KVSS Hospital. Engr. M.A. Jabbar suggested to hire consultant for all civil work would be carried out in SESSI instead of only KVSS Hospital.

Mr. Mukhtar Awan identified that, sufficient space available at F.B. Area Directorate where exclusive medical centre for Gyne & Peads to be established to facilitate a large no of families of secured workers of this Directorate and also to minimize burden of KVSS and Landhi hospitals.

The Commissioner, SESSI informed that the Institution has initiated the process and contacted some tax consultants/lawyers regarding issue of advance tax applicable u/s 147 of Income Tax Ordinance-2001 and to get exemption from income tax by conversion of status of SESSI from Company to Non Profit Organisation (NPO).

LOANS AND ADVANCE

The allocation of Rs.320.00 million has been proposed under "Loan & Advance to Employees" for the financial year 2025-2026.

FIXED CAPITAL (ADMN & MEDICAL)

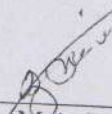
The total allocation of Rs.831.00 million has been proposed for Non-Recurring Expenditure on Admn (Rs.86.00 m) and Medical side (Rs.745 m) for the financial year 2025-2026 against the revised allocation of Rs.811.127 of the last financial year 2024-25.

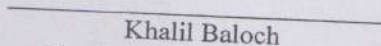
DECISIONS

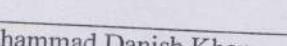
The Governing Body in majority approved the Budget Estimates 2025-2026 with follow decisions:-

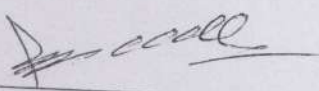
1. To enhance 10% (Ten) in present registered workers i.e. 7,70,000 to bring in Social Security network that accumulate to 8,47,000 with per capita Rs.1750/= for Karachi division and Rs.1650/= for others divisions.
2. Unanimously declined for post-facto approval for payment of **Rs.661.173 million** advance tax to FBR u/s 147 of Income Tax Ordinance-2001.
3. Enhanced the amount in the sub-head of account "Contingencies" from Rs.28.50 million to Rs.30.00 million.
4. Enhanced the amount in hospitalization in confinement at S.S. Kotri Hospital from Rs.5.00 million to Rs.9.00 million.
5. Sanctioned an amount in repair & maintenance of furniture and fixture amounting to Rs.2.50 million each admin. & medical side.
6. Approved allocation of Rs.10.00 million for Legal expenses.
7. Approved allocation of Rs.7.50 million for External audit expenses.
8. Enhanced the amount of disablement pension in respect of S.S. Kotri Directorate from Rs.30.00 million to Rs.80.00 million.
9. An amount of Rs.100.00 million allocated for repairing & maintenance and reconstruction where needs of KVSS hospital.
10. An amount of Rs. 50.00 million allocated for establishment of new medical centre for Gyne and peads at open plot in F.B Area Directorate office.
11. To hire a Consultant for preparation of PC-1 and feasibility report for construction of new building for KVSS Hospital and also for all civil works to be carried out at SESSI.
12. Six schemes approved as recommended by Head Office.

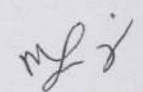
The meeting ended with mutual vote of thanks.

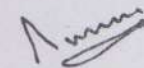

 Engr. M.A. Jabbar
 Employers' Representative/
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 Khalil Baloch
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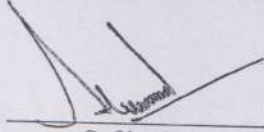

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 Mukhtar Hussain Awan
 Employees' Representative/


 Abdul Wahid Shoro
 Employees' Representative/

Member Governing Body

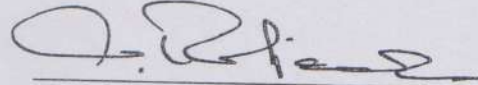
Ms. Zehra B. Khan
Employees' Representative
Member Governing Body



Safdar Hussain Rizvi
Commissioner, SESSI
Ex-Officio Member

Member Governing Body

Dr. Kamran Awan
Medical Adviser, SESSI
Ex-Officio Member



Muhammad Rafique Qureshi
Secretary Labour
Member of Governing Body

Shahid Abdus Salam Thahim
Minister for Labour and Human Resources Sindh/
Chairman, Governing Body