



EMPLOYEES' OLD-AGE BENEFITS INSTITUTION

PAGE No. 271

18th

MINUTE BOOK

HELD AT
KARACHI

ON
2ND JANUARY, 1988

TIME
10.00 A.M

MINUTES OF THE 18TH MEETING OF THE BOARD OF TRUSTEES
OF EOBI HELD AT 10.00 A.M. ON 2ND JANUARY, 1988
AT THE HEAD OFFICE OF THE INSTITUTION.

The 18th meeting of the Board of Trustees of the EOBI was held at 10.00 A.M. on 2nd January, 1988 at the Head Office of the Institution at Karachi. The following attended the meeting:-

- | | | | |
|-----|--|----|-----------|
| 1. | Mr. Jawaid Ahmad Mirza,
Secretary,
Ministry of Labour, Manpower
and Overseas Pakistanis,
Government of Pakistan. | - | President |
| 2. | Mr. Hameed Akhter Niazi,
Financial Adviser,
Labour Division. | -- | Member |
| 3. | Mr. S.S. Hoda,
Joint Secretary,
Labour Division. | - | Member |
| 4. | Mr. Saleem Maqsood,
Joint Secretary,
Ministry of Industries. | - | Member |
| 5. | Mr. Jawaid Ashraf Hussain,
Secretary,
Labour Department,
Government of Sind. | - | Member |
| 6. | Mr. Tariq Hameed,
Employers' Representative
on the Board. | - | Member |
| 7. | Mr. Abdullah Ismail,
Employers' Representative
on the Board. | - | Member |
| 8. | Mr. Nabi Ahmed,
Employees' Representative
on the Board. | - | Member |
| 9. | Mr. Malik Mehrban,
Employees' Representative
on the Board. | - | Member |
| 10. | Mr. Khair Mohammad Baluch,
Employees' Representative
on the Board. | - | Member |
| 11. | Mr. Zahoor Awan,
Employees' Representative
on the Board. | - | Member |

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| 12. | Mr. S. Imran Shah,
Chairman, EOBI. | - | Member |
| 13. | Mr. S. Barkatullah,
Director General, EOBI. | - | Member |

2. The following Officers of the Institution were also present in the meeting to assist the Board:

1. Mr. M. Ashraf Nadeem,
Deputy Director General.
2. Mr. Iqbal Ahmed Siddiqui,
Assistant Director General (F&A).
3. Mr. Asadullah Khan,
Assistant Director General (R&C)
4. Mr. Abdul Majeed,
Director (Audit).
5. Raja Faiz-ul-Hassan Faiz,
Assistant Director (Law).

3. After recitation from the Holy Quran, the President welcomed the members to the meeting and wished them a happy new year. Mr. Barkatullah thanked the President for the new year greetings and good wishes.

4. The following decisions were taken by the Board on the items of the agenda:-

Item No.1. CONFIRMATION OF THE MINUTES OF THE LAST BOARD MEETING HELD ON 23RD APRIL, 1987.

5. Two members of the Board (namely M/s. Abdullah Ismail and Nabi Ahmed) had made certain observations which were discussed and disposed of as under:-

a) Observation of Mr. Abdullah Ismail:

Mr. Abdullah Ismail was of the view that the Board had decided that the timings for the EOBI offices should be from 9.00 A.M. to 4.30 P.M. with lunch and prayer break. This was not recorded in the minutes.

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Replying to this Mr. Nabi Ahmed said that the Board had decided that the Institution should observe a six-day working week but fixation of timings was left to the Institution. Since the Institution was following government timings, he suggested that the status-quo should be maintained. Mr. Abdullah Ismail did not press his point further.

b) Observations of Mr. Nabi Ahmed

(i) Legal Advice on definition of "Employees".

Mr. Nabi Ahmed was of the view that the legal opinion obtained on the definition of "employee" was not on the lines given by the Board and that it dealt more with I.R.O. than with the ECB Act. Mr. Barkatullah informed that the legal opinion formed part of item 2 of the Agenda and this matter should be discussed when Item 2 was taken for discussion. So far as the recording of the minutes was concerned, the minutes had been correctly recorded. Mr. Nabi Ahmed did not press the point further.

(ii) Reservation of one post of Assistant Director General for Defence Personnel.

Mr. Nabi Ahmed was of the view that while upgrading 2 posts of Directors to those of Assistant Director General it was decided that one post would be reserved for 'defence quota'. This was not recorded in the minutes. Explaining the position Mr. Barkatullah said that as a matter of fact one of the two posts of ADG had been earmarked for the 'defence personnel' and which had been filled up by appointment of a retired officer of the Pakistan Navy.

6. There being no further objections on the minutes, the Board confirmed the same.

Item No.2. PROGRESS REPORT ON THE IMPLEMENTATION OF THE DECISIONS OF THE BOARD TAKEN IN ITS LAST MEETING.

7. The Board examined the Progress Report with particular reference to the following items:-

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Sr.No.1 of the Report

8. The decision of the Board was that meetings of the Board should from time to time be held at the Provincial Capitals. This, Mr. Nabi Ahmad said, was not being done.

9. After some discussion, it was decided that the decision could not be followed rigidly. Normally the meetings of the Board should be held in Karachi but occasionally outside Karachi in the different provincial capitals at the convenience of the Institution.

Sr.No.2 of the Report.

10. The decision of the Board was that meetings of the F&A Committee should be held a few days before the BOT meetings. Mr. Nabi Ahmed pointed out that this decision was not being implemented, as the current meeting of the F&A Committee was called only two days before the BOT meeting.

11. The Board decided that in future, meetings of the F&A Committee should be convened at least two weeks before the Board meeting.

Sr. No.3 of the Report.

12. The decision of the Board was that a day before the next meeting of the Board, list of rejected claims of 1986 should be made available to the employees' representatives at a joint meeting for their examination. Mr. Malik Meherban objected that this had not been done. Mr. S. Barkatullah explained that the list alongwith claims cases was kept ready with Benefits Division for the inspection of the Trustees.

13. It was decided that they would meet at 10.00 O'clock on the next day (i.e. 3-1-1988) and examine these cases.

Sr.No.4 of the Report

14. Mr. Nabi Ahmed had suggested in the 17th meeting that legal advice should be obtained as to the exact interpretation of the definition of the word "Employee" and coverage of insured persons under the Scheme. This suggestion was accepted by the Board and the necessary opinion had been obtained and presented to it. Mr. Nabi Ahmed was not satisfied with this interpretation as he felt that it was not given on the lines suggested by the BOT.

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15. After some discussion it was decided that Mr. Nabi Ahmed and the other Employees' representatives on the Board may discuss and give a paper on the issue for consideration of the Board.

16. In its 17th meeting the Board, approving the suggestion of the F&A Committee, had decided that EOBI numbers should be given, alongwith the NIC numbers, wherever available, and a system should be devised by the Institution for checking of duplication in the allocation of the Institution's own registration number. F&A Committee was informed that the proposed system would be introduced from January, 1988 after contribution cards for the year 1987 were withdrawn and fresh contribution cards prepared and supplied to the employers. The work of allocation of Institution's own registration numbers was expected to be completed by June, 1988.

17. The Board took note of the above position and decided that the work should be completed by June, 1988.

Item No.3. REVIEW OF THE PERFORMANCE OF THE INSTITUTION DURING THE PERIOD FROM APRIL, 1987 TO NOV. 1987.

18. In pursuance of the Board's previous meeting, the EOBI presented the statistics of its performance activities regarding:

- i) Registration of employers.
- ii) Registration of employees.
- iii) Collection of contribution.
- iv) Investment of funds of the Institution.
- v) Disposal of pension claims.

19. The Board noted the recommendations of the F&A Committee that in addition to above five items, EOBI should also cover the following aspects of its activities:

- i) Region-wise details of outstanding arrears both for the public and private sectors.
- ii) Performance of inspection teams.
- iii) Region-wise position regarding preparation of contribution cards and contribution history of insured workers.

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20. The Board took note of the above position and decided that in addition to the activities listed in the foregoing two paragraphs, the performance report should also include the budget of institution vis-a-vis expenditure, compared with the budget and the expenditure for the corresponding period of the last year alongwith relevant percentages.

Item No.4. RATIFICATION OF THE AGREEMENT WITH THE EOBI EMPLOYEES FEDERATION.

21. The Board took note of the provisions contained in the Memorandum of Agreement, signed between EOBI & the Employees' Old-Age Benefits Institution Federation and effective from 1-7-1985 to 30-6-1990. The Board ratified the agreement and approved an amount of Rs.2,777,000 in the head of account of "staff cost" for the budget for 1987-88, being the additional expenditure for the current year resulting from this agreement.

Item No.5. WAIVER OF INCREASE IMPOSED ON REGISTERED ESTABLISHMENTS ON DETECTION OF EVASIONS IN PAYMENT OF CONTRIBUTION AS A RESULT OF CHECKING DONE BY THE INSPECTION TEAM OF THE H.O.

22. The Board was informed that the EOBI's Inspection Team, constituted in pursuance of an earlier decision of the Board, conducted surprise checks of registered establishments. The Team found during the course of inspection that some employers could not pay the due contributions to the EOBI due to confusion in the interpretation of EOBI Act. The Institution felt that a clear-cut policy needed to be evolved for cases where the evasion was not intentional so that unnecessary litigations, complaints and appeals could be avoided which involved long delays.

23. The Board therefore decided that for cases where evasions are not intentional, the following procedure may be applied by EOBI:

- i) Where the employer agreed to pay the full amount found due, in lump sum, within 45 days of the demand, the whole amount of increase be waived.
- ii) Where the employer agreed to pay the amount found due, within six months of the demand, in equal monthly instalments, 50 percent of the amount of increase be waived
- iii) Where the employer agreed to pay the amount found due, within 12 months of the demand in equal monthly instalments, 25 per cent of the increase be waived.

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24. While the subject of evasions detected by the Inspection Team was being discussed, Mr. Hoda suggested that the scope of activities of the Inspection Team should be extended beyond Karachi. He also said that an earlier decision of the Board regarding frequent visits of the senior officers of the Head Office to Regional Offices had not been reported upon as yet. Mr. S. Barkatullah informed that Inspection Team had already been working on the lines suggested and during the period it had inspected Karachi, Hyderabad, Sukkur, Lahore North, Lahore South and Gujranwala Regional Offices.

25. The Board desired that the decision regarding visits of senior officers should be implemented and a working paper on the expansion of the activities of the Inspection Team be put up to it in the next meeting.

Item No.6. MINUTES OF THE MEETING OF THE CENTRAL VIGILANCE COMMITTEE OF THE BOARD.

26. The Board noted the recommendations of the F&A Committee regarding the Central Vigilance Committee.

27. The Board decided that regarding the de-registration of closed units, a Committee may be constituted consisting of a Trustee, a senior officer of the EOBI's Head Office and the concerned Head of the Regional Office. The Committee should carefully examine the cases of the closed units. The procedure for de-registration of the closed units would include:

- i) Certificate from relevant Government Agencies, e.g., Labour Department, Industries Department, Local/Municipal Bodies to the effect that unit had closed and was not in existence or in operation.
- ii) Recommendation of the above mentioned Committee.
- iii) Approval of the Board of Trustees of the EOBI.

28. It was further decided by the Board that the Provincial Labour Secretaries should be requested to send to the EOBI on a regular basis particulars of those industrial and commercial establishments which had been registered or de-registered by them. EOBI would submit a periodical report to the Board in this regard.

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Item No.7. OPENING OF FIELD OFFICES AT GHOTKI, KHAIRPUR AND SHIKARPUR OR KASHMORE/KANDHKOT.

29. The EOBI submitted proposals for opening of three Field Offices at Ghotki, Khairpur and Shikarpur or Kashmore/Kandhkot. The Board, after considering the number of establishments, insured persons and pension cases and other factors decided that for the present one field office may be opened at Kashmore/Kandhkot.

30. As regards the proposals for other Field Offices at Ghotki and Kahirpur, the Board decided that these may be included in the budget proposals for 1988-89 for consideration of the Board.

Item No.8. CREATION OF NEW REGIONS AT KARACHI AND LAHORE BY BIFURCATION OF THE EXISTING REGIONS.

31. EOBI proposed the creation of three new Regional Offices in Karachi and two Regional Offices in Lahore by bifurcating the existing three Regional Offices in Karachi (Karachi East, Karachi West and Karachi South) and existing two Regional Offices in Lahore (Lahore North and Lahore South). For this purpose 69 new posts were proposed by EOBI to be created. It was stated that the proposed new offices and additional staff were essential so as to exercise effective control and management in matters of registration of employers, and insured persons, checking of relevant records and provision of various benefits to the workers.

32. The Board, after considering relevant details, approved the creation of three new Regional Offices in Karachi and one new Regional Office in Lahore with effect from 1 July, 1988. The EOBI was advised to meet the staff requirements through readjustments of its existing staff resources and additional 34 posts were approved as shown in Annexure-1.

33. While the subject of opening of new regions was being discussed Mr. Zahoor Awan pointed out that there was scope for bifurcation of the existing Peshawar Region in 2 independent regions. The Board decided that a proposal for opening of one more region in the N.W.F.P. should be included in the budget proposed for 1988-89 for consideration of the Board.

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Item No.9. AMENDMENTS IN REGULATIONS.

34. The Board approved the amendments proposed by the Institution in Employees' Old-Age Benefits (General) Regulations, 1980 as shown in Annexure II. On a query raised by Mr. Tariq Hamid as to whether an employer, having his own computer, would still be required to complete PR-04 cards, introduced by the Institution, he was informed that if such an employer could give computerised information he could use the PI-11C form prescribed by the Institution.

35. The Board approved this form, to be used by those employers who wanted to give computerised information, in place of PR-04 cards, and desired that the regulation may be amended accordingly, to incorporate PI-11C form.

36. The revised EOB (Payment of Old-Age Pension, Old-Age Grant and Survivors Pension) Regulations, 1988 were submitted to and approved by the Board.

Item No.10. LIST OF ARREARS - REPORT OF THE COMMITTEE
OF SENIOR OFFICERS OF THE INSTITUTION ON
BUILDING UP OF ARREARS.

37. In an earlier meeting, the Board had asked the EOBI to prepare and submit list of arrears to the Board at each meeting. EOBI constituted a Committee of its officers, for this purpose. The Committee, after studying the system of records maintained on manual basis by the Social Security Institutions, proposed to adopt this system, with certain changes, for operation on the computer.

38. The Board took note of the proposal made by the Committee and decided that the list of arrears may be submitted to the Board at each meeting on the lines suggested by the Committee.

Item No.11. RECRUITMENT PROCEDURES UNDER REGULATION
14 OF THE EOBI(SERVICE) REGULATIONS,1980.

39. In pursuance of the EOBI (Employees' Service) Regulation, 1980, recruitment procedures containing methods, qualifications and other conditions for recruitment to the posts of Director General, Deputy Director General, Assistant Director General, Director, Deputy Director, Assistant Director and Executive Officers of the EOBI were prepared and after concurrence of the Establishment Division, Government

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of Pakistan, were submitted to the Board.

40. The Board considered and approved the recruitment procedures. The Board directed that all recruitments in future should be made strictly in accordance with the approved procedures. However, in case of urgency, vacancies of Executive Officers may be filled in on ad-hoc basis, if found necessary, from the applications available/received in the Institution in order to save time.

Item No.12. PAYMENT OF CONTRIBUTORY PROVIDENT FUND AND GRATUITY TO EMPLOYEES AT THE TIME OF LEAVING THE INSTITUTION.

41. In its 16th meeting, "the Board approved introduction of pension scheme for the employees of the Institution but desired that when the draft of EOBI Employees (Pension) Rules, is approved by the Finance Division, the same should be put up to the Board for its approval". Accordingly the Employees' Old-Age Benefits Institution (Employees Pension and Gratuity) Regulations, 1987 as approved by the Finance Division and effective from 1 July, 1987 were submitted to the Board.

42. The Board considered the EOBI (Employees Pension and Gratuity) Regulations, 1987 and approved it.

43. In this connection, the Board further approved the following EOBI's proposals:

a) Those employees who do not opt for the pension scheme should continue to be benefited by the existing scheme of gratuity and contributory provident fund.

b) Those employees who are selected for appointment against the post in the next higher grade and have to resign from their posts may be allowed the benefit of continuity of service from the date of publication of the pension regulations.

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Item No.13. EMPLOYMENT OF STUDENT SURVEYORS TO CONDUCT SURVEY OF UNREGISTERED ESTABLISHMENTS IN KARACHI.

44. The Board approved the suggestion contained in the working



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paper of the EOBI that a pilot survey project, through the Sociology Department of Karachi University should be launched in F.B. Area of Karachi, to unearth unregistered establishments and, that an amount of Rs. 20,000 (rupees twenty thousand) be paid to the Sociology Department to meet the cost of this pilot survey project. Mr. Hoda gave a list of 13 Associations and Departments (Annexure-III) from which the Institution can obtain the details of registered and unregistered establishments. Mr. S. Barkatullah informed that some of the organisations given in the list had already been approached by the Institution for obtaining details of such employers and that the matter would be further pursued with the organisations concerned.

45. The Board decided that relevant lists from all the above mentioned sources should be obtained by the EOBI so as to complete the registration of establishments at an early date.

46. There being no other items for discussion, meeting ended with a vote of thanks to the chair.

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ANNEXURE-I

TIME
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EMPLOYEES' OLD-AGE BENEFITS INSTITUTION
REQUIREMENT AND AVAILABILITY OF OFFICERS & STAFF FOR THE FOUR NEW REGIONS.

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DESIGNATION	EXISTING IN 5 REGIONS	REQ. IN 9 REGIONS	ADDL. REQD.	BY ADJUSTMENT FROM EXISTING MANPOWER	ADDITIONAL REQ- UIRED AFTER ADJUSTMENT	STAFF COST PER MONTH	R E M A R K S
Director	5	9	4	1	3	20,616/-	
Dy. Director	5	9	4	-	4	26,160/-	Two by upgradation and two by direct recruitment.
Astt. Director	14	18	4	-	4	22,432/-	Three by selection from the existing Law Graduate E.O. by open competition through conducting written examination and interview and one by direct recruitment.
E.O. (Office)	17	27	10	6	4	11,412/-	Direct appointment from candidates having financial background.
P.A.	5	9	4	-	4	9,464/-	
Assistant/Typist	29	36	7	-	7	14,896/-	
Driver	5	9	4	-	4	8,148/-	
Qasid/Naib Qasid	16	20	4	-	4	7,356/-	
TOTAL	96	137	41	7	34	120,484/-	

S U M M A R Y

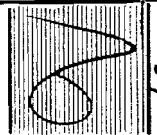
REVENUE EXP.

Additional staff cost for 4 new Regions	1,20,500/- P.M.
Other office Expenses for 4 new Regions	67,500/- P.M.
	<u>1,88,000/- P.M.</u>

CAPITAL EXP.

Suzuki Van/Jeep/Car(4)	5,50,000/-
Furniture, Office Equipment & Machine etc.	3,45,000/-
	<u>8,95,000/-</u>

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ANNEXURE 'II'

In exercise of the power conferred by section 45 of the Employees' Old-Age Benefits Act, 1976 (XIV of 1976), the Board of Trustees of Employees' Old-Age Benefits Institution is pleased to make following amendments in Employees' Old-Age Benefits (General) Regulations, 1980:

- 1) In Regulation 5:-
 - a) In Sub-Regulation (2) for the word "Two" the word "Three" shall be substituted, and
 - b) for sub-Regulation 3, following shall be substituted, namely:-
 - 3.1) An Employer shall submit to the Institution PE-01 Form in respect of every insured person in his employment, who has not already been registered as a person employed in his establishment/industry. On receipt of Form PE-01, the Institution shall issue a PR-04 Card on yearly basis to the employer in respect of the said Insured Persons.
- 2) Every Employer shall by 31st day of January every year submit to the Institution all the PR-04 Cards, issued to him duly completed in all respects for the period upto 31st December of the previous year and the Institution shall issue fresh Cards in exchange thereof;

Provided that where an insured person leaves the employment at any time during the year, the Employer shall surrender to the Institution his PR-04 Card, duly completed in all respects within 15 days of his leaving the employment.

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ANNEXURE-III

1. Census of establishments (Federal Bureau of Statistics)
2. Provincial Social Security Institutions
3. Chambers of Commerce and Industry
4. Employers' Federation.
5. Association of Manufacturers, Trade and Business
6. Registered Factories (Provincial Labour Departments)
7. Registration under Shops and Establishments Act (Provincial Departments of Labour)
8. Establishment Enquiries (Provincial Departments of Labour - Manpower Wing)
9. Firms and Companies listed on Stock Exchange
10. Lists of Firms and Companies maintained by Income Tax Department/CBR
11. Directory of industrial establishments (Provincial Departments of Industry)
12. List of Corporations, Autonomous Bodies (Ministry of Finance and other Ministries)
13. Business directories
14. Others

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