



EMPLOYEES' OLD-AGE BENEFITS INSTITUTION

19th

MINUTE BOOK

HELD AT
KARACHION
29TH MAY, 1988TIME
9.00 A.M.

MINUTES OF THE 19TH MEETING OF THE BOARD OF TRUSTEES OF EOBI HELD AT 9.00 A.M. ON 29TH MAY, 1988, AT THE HEAD OFFICE OF THE INSTITUTION

1. The 19th meeting of the Board of Trustees of the EOBI was held at 9.00 a.m. on the 29th May, 1988 at the Head Office of the Institution at Karachi. The following attended the meeting:-

- | | | |
|-----|--|------------|
| 1. | Mr. Jawaid Ahmed Mirza,
Secretary,
Ministry of Labour, Manpower &
Overseas Pakistanis,
Government of Pakistan. | President, |
| 2. | Mr. Ismail Maarif,
Financial Adviser, Labour Division. | Member |
| 3. | Mr. S.S. Hoda,
Joint Secretary, Labour Division. | Member |
| 4. | Mr. Abdul Hakim Baluch,
Secretary (Labour),
Government of Baluchistan. | Member |
| 5. | Mr. Abdullah Ismail,
Employers' Representative on the Board. | Member |
| 6. | Mr. Nabi Ahmed,
Employees' Representative on the Board. | Member, |
| 7. | Malik Mehrban
Employees' Representative on the Board. | Member |
| 8. | Mr. Zahoor Awan,
Employees' Representative on the Board. | Member |
| 9. | Mr. Khair Mohammad Baluch,
Employees' Representative on the Board. | Member |
| 10. | Mr. S. Imran Shah,
Chairman, EOBI. | Member |
| 11. | 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. Mohammad Ashraf Nadeem, Dy. Director General.
2. Mr. Iqbal Siddiqui, A.D.G. (F&A)
3. Mr. Asadulla Khan, A.D.G. (R&C) & Secretary of the Board.
4. Raja Faizul Hasan Faiz, Assistant Director (Law).

3. After recitation from the Holy Quran, the President took up for consideration the Items of the Agenda, and the following decisions were taken on the Items:-

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ITEM No-1: CONFIRMATION OF THE MINUTES OF THE 18TH BOARD MEETING HELD ON 2ND JANUARY, 1988.

4. The minutes were confirmed.

ITEM NO-2: REVIEW OF PROGRESS ON THE IMPLEMENTATION OF THE DECISIONS TAKEN IN THE LAST BOARD MEETING HELD ON 2ND JANUARY, 1988.

5. The Board examined the recommendations of the F&A Committee on the progress report and also discussed the following items of the report:-

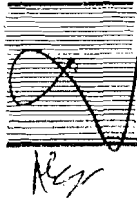
Sr. No.6 of the report:

6. Mr. Hoda pointed out that according to the decision of the Board the work of allocation of EOBI numbers to the contribution cards for the year 1988 was to be completed by June, 1988, but the progress achieved so far showed the work would not be completed within the time limit. Mr. Maarif said that this point was discussed in the meeting of the F&A Committee held on 5th April, 1988 in which the proposal of the Institution for provision of an amount of Rs. 1 lac, to complete the task by utilization of additional hands, was considered and rejected. The President also felt that since this was part of the normal duties of the Institution no additional staff was required. Mr. Asadulla explained the old and the new systems of allocation of numbers in detail and pointed out that the decision of the Board to replace NIC numbers with EOBI numbers had necessitated preparation of several other documents like EOBI numbers registers, preparation of PI-II forms for each registered person and replacement of the existing 5 lacs identification cards (PI-03) of the Insured Persons. It was pointed out that a separate working paper, giving the details of job to be done had been put up as item No.10 of the Agenda, requesting the Board for allocation of Rs. 1 lac for meeting the cost of utilization of additional hands needed for the job. After some discussions, the Board approved an amount of Rs.75,000 (instead of 1 lac) and decided that the job should be completed by 31st December, 1988, and that proper account of expenditure incurred, be maintained.

Sr. No-12 of the report:

7. The Board examined the information put up by the Institution on the performance of the Inspection Team, and the proposals for its

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expansion. It approved the disciplinary procedure for issue of warnings and charge-sheets to the field officers in whose areas evasions would be detected as mentioned in the working paper, and also the extension of the activities of the Team throughout the country. The following additional staff was sanctioned for the Inspection Team:-

- | | |
|-----------------------|---|
| 1. Deputy Director | 1 |
| 2. Assistant Director | 3 |

Sr. No-13 of the report:

8. Mr. Hoda pointed out that the Board, in its last meeting, had constituted a committee comprising a Trustee, Senior Officer of EOBI, Head Office, and the concerned Regional Head to examine the deregistration of closed units. This committee had not yet started functioning. Mr. Barkatullah suggested that the Committee may be constituted consisting of a Trustee, an officer from the Head Office not below the status of an Assistant Director General and the concerned Regional Head where the de-registration work was involved. The Board agreed to the proposal.

Sr. No-13(A) of the report:

9. Mr. Hoda said that there was no progress on the collection of information about registration & deregistration of establishments done by the provincial directorates of Labour in various provinces. Mr. Barkatullah explained that as decided by the Board, letters had been written by the Chairman, EOBI to the Provincial Labour Secretaries requesting them to direct their Regional Labour Directorates to supply, on monthly basis, to the Regional Offices of the Institution, details of registrations and de-registrations done by them, so that the Regional Offices of the Institution could take necessary action in the matter. Progress could be reported after the required information was supplied by the Labour Departments to the Regional Offices of the Institution.

Sr.No-17 of the report:

10. Mr. Zahoor Awan wanted to know as to why the Institution had not included in the budget for 1988-89 the proposals for opening of one

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more region in the NWFP, as decided by the Board. He was informed that at present the potential of employers/ ^{and employees} in the area did not justify opening of one more region in the NWFP. The Institution had, therefore, suggested in the progress report that proposal for a new region in NWFP would be included in the budget of 1989-90, because by that time the potential of the insured persons and employers could warrant opening of a second region in that province.

Sr.No-24 of the report.

11. Mr. Hoda wanted to know the progress made on obtaining the lists of unregistered establishments from the 13 organizations whose names had been supplied by him to the Institution. His attention was invited to the details given in the progress report and he was informed that as soon as further progress was made, it would be reported.

ITEM NO-3: REVIEW OF THE PERFORMANCE OF THE INSTITUTION DURING THE PERIOD FROM DECEMBER, 1987 TO MARCH, 1988.

12. The Board examined the review of the performance of the Institution during the period from December, 1987 to March, 1988 and was satisfied with it. It was decided that in future, the performance review should cover the period from the 1st month of the financial year (i.e. July) to the month preceding the date of the meeting of the Board. M/s. Nabi Ahmed and Abdullah Ismail suggested that Field Officers who showed good performance should be rewarded and those who did not be punished.

ITEM NO-4: APPROVAL OF THE ANNUAL ACCOUNTS OF THE INSTITUTION FOR THE FINANCIAL YEAR 1986-87.

13. The F&A Committee, while examination the item, had noted that the auditors had observed that matching and reconciliation of the payments made by the banks had not been done with the actual payment, sanctioned to the pensioners, and had, therefore, desired that a detailed note on the subject should be put up to the Board. It also desired that another paper, containing replies to all the audit observations be submitted for information of the Board. Accordingly, the required working papers were put up to the Board which examined them and it was decided

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that arrears of reconciliation work should be disposed of expeditiously and in future reconciliation should be done on monthly basis. With these observations the Board approved the annual accounts for the financial year 1986-87.

ITEM NO-5: REVISED BUDGET ESTIMATES OF THE
INSTITUTION FOR THE YEAR 1987-88

14. The Board agreed with the recommendations of the F&A Committee and approved the revised Revenue Budget Estimates of the Institution for the year 1987-88 amounting to Rs. 35.659 million with the amendments that saving of Rs. 3.2 million during the year may be transferred to capital expenditure to purchase buildings for the new regions in Karachi and Lahore reducing the capital budget from Rs. 17.66 million to Rs. 14.46 million for the year 1988-89 (details as per Annexure-I).

15. The Board ^{29th May} / the revised contribution target of Rs. 365 million for the year 1987-88.

ITEM NO-6: PROPOSED BUDGET ESTIMATES OF THE
INSTITUTION FOR THE YEAR 1988-89

CAPITAL BUDGET

16. As against the proposed amount of Rs. 17.66 million after deducting Rs. 3.2 million already transferred to the revised capital budget of 1987-88 for the purchase of Office Buildings before 1-7-1988 an amount of Rs. 14.46 million was approved as capital budget for the year 1988-89 (details as per Annexure-II).

REVENUE BUDGET

17. While reviewing the Revenue Expenses the President pointed out that reduced petrol ceiling as prescribed by Government has not been shown in the budget. After some discussion, and in the light of observations made by the President, the proposed revenue expenditure as against Rs. 43.308 million was reduced to Rs. 43.287 million, (details as per Annexure-III) and the expenditure incurred on Courier Service, henceforth be shown in the head of postage and telegraph.

CONTRIBUTION TARGET FOR 1988-89

18. The contribution target of Rs. 400 million for the year 1988-89 was approved by the Board alongwith the recommendations of the

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F&A Committee as contained in para-23 of the minutes of their meeting.

ADDITIONAL STAFF

19. The Board approved the recommendation of the F&A Committee regarding the staff, as under:-

1. Additional Staff

- a) Gestetner Operator 1
- b) Drivers 5

2. Upgradation

- a) Two Executive Officers (DPO/DEO) to the posts of Assistant Director.
- b) 13 Assistant/Typist to the Posts of Senior Assistant/Senior Typist.

COMPUTER

20. The Board approved purchase of Personal Computer at a cost of Rs. 1 lac, as mentioned in the budget.

BUILDING

21. The Board approved the proposals for acquisition and construction of buildings, as proposed in the budget. The President, however, was of the view that in construction of buildings, inclusion in the budget should not be taken as final approval, and the feasibility report, with the details of the buildings to be constructed, should be brought before the Board for approval before the scheme is undertaken.

LAND

22. The Board approved part payment of Rs. 990,000 for acquisition of the plot of land in Gulistan-e-Jauhar for construction of Head Office Building.

PENSION DISBURSEMENT

23. The Board approved amount of Rs. 219,356 million on account of pension disbursement during 1988-89, as mentioned in the budget.

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ITEM NO-7: APPOINTMENT OF AUDITORS AND FIXATION OF THEIR REMUNERATION FOR THE YEAR 1987-88

24. The Board accepted the recommendations of the F&A Committee on this item and approved the appointment of M/s. Hashmi & Co., Chartered Accountants, as Auditors of the Institution for the financial year 1987-88

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at remuneration of Rs. 30,000/- (all inclusive).

ITEM NO-8: OPENING OF
FIELD OFFICES AT GHOTKI AND KHAIRPUR IN SIND

25. The Board accepted the recommendations of the F&A Committee and approved establishment of field offices at Ghotki and Khairpur. The Board also approved following additional posts with budget:-

Posts:

Executive Officer	2
Assistant	2
Naib Qasid	2

TOTAL:	6
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Budget:

Capital Expenditure	Rs. 43,000.00
Revenue Expenditure	Rs. 1,93,000.00

26. It was also decided that the possibility of opening a field office at Sui in Baluchistan may be examined by the Institution.

ITEM NO-9: AMENDMENTS IN EOBI (EMPLOYEES' SERVICE) REGULATIONS (1)

27. The Board approved the recommendations of the F&A Committee regarding amendments in EOBI Service Regulations, 1980.

ITEM NO-10: FUNDS FOR ENGAGEMENT OF TEMPORARY STAFF TO COMPLETE THE ALLOCATION OF EOBI NUMBERS TO INSURED PERSONS, REVISE THEIR EXISTING IDENTITY CARDS AND PREPARE THEIR CONTRIBUTION CARDS FOR 1988

28. Already discussed and decided under Item-2.

ITEM NO-11: ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR

1. SECOND STATUTORY ACTUARIAL VALUATION OF EOB SCHEME

29. The Board, after detailed discussion, decided that the F&A Committee should approve the terms of reference and the scope of the Actuarial Report before awarding the job to M/s. Aldter Hassan & Co.

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2. AMENDMENTS IN EOB (DETERMINATION OF WAGES FOR COMPUTATION OF CONTRIBUTION) REGULATION, 1980

30. The Board approved the omission of Regulation-7 of the above Regulations.

3. APPOINTMENT OF AN ACTUARY

31. The matter regarding appointment of an Actuary was discussed at length and it was decided that a working paper containing justification for useful utilization of a full time Actuary may be put up in the next Board meeting.

4. AMENDMENTS IN EOB (EMPLOYEES' SERVICE) REGULATIONS, 1980 (2)

32. The Board approved amendments in existing Regulation 15 to provide for 6 months probation for direct appointees as well as promotees, as suggested in the working paper.

33. Mr. Sami-ul-Hassan, Consulting Actuary, on special invitation, gave the details of various alternative schemes for betterment in benefits and simplification thereof. He also pointed out their strong and weak points. The Board desired that the Consulting Actuary should re-examine the case without involving the employees' contribution.

34. The Board also decided that its next meeting should be held at Quetta.

35. Before conclusion of its meeting, the Board was informed that contribution statements of the insured persons for the year 1986, had already been despatched by the EDP Division of the Institution to the Regional Offices for onward delivery to the employers for distribution amongst the insured persons. Copies of these statements were shown to the Board which appreciated the quick preparation of these statements and their despatch, and desired that this appreciation be placed on record.

36. There being no other item for discussion the meeting ended with a vote of thanks to the Chair.

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TITLE OF ACCOUNTS	REVISED ESTIMATES 1987-88
<u>REVENUE EXPENDITURE</u>	
A) <u>STAFF COST</u>	
Basic Pay	13,127,000
Indexation Pay	-
Allowances	9,100,000
P.F. Contribution	128,000
Gratuity	-
Emp. Pension Contribution	1,310,000
Overtime	175,000
Medical Expenses	2,230,000
Rest & Recreation	23,000
Emp. Welfare	90,000
Emp. Tea Expenses	424,000
Group Ins. Premium	220,000
Education Cess	2,000
Emp. Transfer expenses	160,000
Wages (Part-Time)	170,000
Transport Exp. (Field Officer)	450,000
Emp. Contingent Expenses	15,000
Other Staff Cost	-
TOTAL STAFF COST:	27,624,000
B) <u>OTHER OFFICE EXPENSES</u>	
Board Meeting Expenses	120,000
Computer Expenses	796,000
Invalidity Medical Exp.	5,000
Stipend/Honorarium	15,000
Office Rent	700,000
Advertising & Publicity	800,000
Travelling Expenses	550,000

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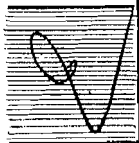
TITLE OF ACCOUNTS

REVISED ESTIMATES
1987-88

Printing & Stationery	900,000
Conveyance Expenses	50,000
Postage, Telegram & Telex	200,000
Office Shifting Expenses	15,000
Telephone Expenses	750,000
Vehicle Expenses	950,000
Training Expenses	100,000
Utilities Expenses	500,000
Meeting, Function & Conference	50,000
Entertainment Expenses	146,000
Ins. Premium (other than G.I.)	70,000
Legal & Professional	200,000
Maintenance & Repairs	800,000
Audit Fee	30,000
Misc. Expenses	10,000
Vigilance Committee Exp.	20,000
Bank Charges	15,000
Newspapers & Periodicals	25,000
Survey of unregistered Establishments	20,000
Library Books	10,000
Cartage & Carriage	50,000
Subscription & Affiliation	5,000
Courier Service Charges	40,000
Regional Head Conference	50,000
Visiting Delegation Exp.	7,000
Religious Function & Haj Exp.	35,000
Depreciation - Vehicles	-
Depreciation - Other Assets	-
Depreciation - Computer	-
Adjustment for rounding off	1,000

TOTAL OTHER OFFICE EXPENSES: 8,035,000

TOTAL REVENUE EXPENDITURES: 35,659,000

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<u>TITLE OF ACCOUNT</u>	<u>BUDGET PROPOSALS 1989-89</u>
1. Furniture & Fixture	578,000
2. Office Machine & Equipments	186,000
3. Cooling & Heating Appliances(National A.C. only)	121,000
4. Construction of Regional Office Faisalabad	4,700,000
5. Addition in Regional Office Quetta/ Sukkur/Hyderabad	2,000,000
6. Purchase of Buildings for Three Regions	3,800,000
7. Vehicles*(11)	1,985,000
8. Personal Computer	100,000
9. Balance Payment of Plot at Gulistan-e-Jahur, Karachi	990,000
TOTAL:	<u>14,460,000</u>

*DETAILS OF VEHICLES

1. Suzuki Carry	8
2. Suzuki FX-800	1
3. Rocky Jeep	1
4. Van (Varetec/Liteace)	1

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ANNEXURE-III

REVENUE BUDGET PROPOSALS FOR THE YEAR 1988-89

TITLE OF ACCOUNTS	PROPOSED BUDGET 1988-89
<u>REVENUE EXPENDITURE</u>	
a) <u>STAFF COST</u>	
Basic Pay	15,708,000
Indexation Pay	-
Allowances	11,118,000
P.F. Contribution	130,000
Gratuity	-
Emp. Pension Contribution	1,460,000
Overtime	200,000
Medical Expenses	2,400,000
Rest. & Recreation	-
Emp. Welfare	100,000
Emp. Tea Expenses	495,000
Group Ins. Premium	250,000
Education Cess	3,000
Emp. Transfer Expenses	175,000
Wages (Part-Time)	200,000
Transport Exp. (Field Officer)	550,000
Emp. Contingent Expenses	20,000
Other Staff Cost	-
TOTAL STAFF COST	32,809,000
b) <u>OTHER OFFICE EXPENSES</u>	
Board Meeting Expenses	150,000
Computer Expenses	850,000
Invalidity Medical Exp.	6,000
Stipend/Honorarium	20,000
Office Rent	1,050,000
Advertising & Publicity	1,000,000
Travelling Expenses	700,000
Printing & Stationery	1,000,000

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TITLE OF ACCOUNTS	PROPOSED BUDGET 1988-89
Conveyance Expenses	55,000
Postage, Telegram & Telex	250,000
Office Shifting Expenses	25,000
Telephone Expenses	850,000
Vehicle Expenses	1,004,000
Training Expenses	200,000
Utilities Expenses	600,000
Meeting, Function & Conference	150,000
Entertainment Expenses	185,000
Ins. Premium (other than G.I.)	82,000
Legal & Professional	400,000
Maintenance & Repairs	1,200,000
Audit Fee	30,000
Misc. Expenses	40,000
Vigilance Committee Exp.	100,000
Bank Charges	15,000
Newspapers & Periodicals	41,000
Library Books	12,000
Cartage & Carriage	75,000
Subscription & Affiliation	160,000
Courier Service Charges	60,000
Regional Head Conference	100,000
Visiting Delegation Exp.	12,000
Religious Function & Haj Exp.	55,000
Depreciation - Vehicles	-
Depreciation - Other Assets	-
Depreciation - Computer	-
Adjustment for rounding off	1,000
TOTAL OTHER OFFICE EXPENSES:-	10,478,000
TOTAL REVENUE EXPENDITURES:-	43,287,000

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