



EMPLOYEES' OLD-AGE BENEFITS INSTITUTION

22nd

MINUTE BOOK

HELD AT
KARACHION
20TH APRIL, 1989TIME
10.00 A.M.

MINUTES OF THE 22ND MEETING OF THE BOARD OF TRUSTEES
OF EOBI HELD AT 10.00 A.M. ON THE 20TH OF APRIL, 1989
AT THE HEAD OFFICE OF THE INSTITUTION AT KARACHI.

1. The 22nd meeting of the Board of Trustees of EOBI was held at 10.00 a.m. on the 20th of April, 1989 at the Head Office of the Institution to consider, inter-alia, the revised budget estimates of the Institution for financial year, 1988-89 and the budget proposals of the Institution for the financial year, 1989-90. The following attended the meeting:

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| 1. | Mr. Jawaid Ahmed Mirza,
Secretary,
Ministry of Labour, Manpower
and Overseas Pakistanis, Govt. of Pakistan,
Islamabad. | President |
| 2. | Mr. Jamil Ericzada,
Joint Secretary,
Ministry of Commerce,
Government of Pakistan,
Islamabad. | Member |
| 3. | Mr. Zubair Kidwai,
Secretary Labour,
Government of Sind,
Karachi. | Member |
| 4. | Mr. Ahsanullah Khan,
Employers' Representative
on the Board. | Member |
| 5. | Mr. Khurshid A. Aziz,
Employers' Representative
on the Board. | Member |
| 6. | Mr. Javed Saifullah Khan,
Employers' Representative
on the Board. | Member |
| 7. | Mr. Jehanzeb Khan,
Employees' Representative
on the Board. | Member |
| 8. | Mr. Agha Mohammad,
Employees' Representative
on the Board. | Member |
| 9. | Mr. S. Barkatullah,
Chairman,
EOBI. | Member |
| 10. | Mr. M. Ashraf Nadeem,
Director General,
EOBI. | Member |

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2. The following officers of the Institution attended the meeting to assist the Board in its deliberations:-

1. Mr. Asadulla Khan,
Assistant Director General,
R&C Division/Law Wing/Secretary Board, EOBI.
2. Mr. Abdul Majeed,
Offg. Assistant Director General,
Finance Division, EOBI.
3. Mr. Mohammad Saleem,
Deputy Director,
Finance Division, EOBI.
4. Raja Faiz-ul-Hasan Faiz,
Assistant Director,
Law Wing/Board Secretariat, EOBI.

3. The meeting began with recitation from the Holy Quran by Mr. Jehanzeb Khan.

ITEM NO:1 CONFIRMATION OF THE MINUTES OF THE 21ST BOARD MEETING HELD ON 5TH MARCH, 1989.

4. The minutes of the above meeting, alongwith the objection of Mr. Hamid Akhtar Niazi were placed before the Board. Mr. Niazi had objected that the Board had decided not to re-open the issue of increase in the House Rent Allowance admissible to the officers of EOBI. The Board did not sustain the objection and decided that the decision of the Board on the subject had been correctly recorded in the minutes.

5. Since no other objections had been received from any other member on the minutes of the 21st meeting of the Board, the minutes of the meeting were confirmed unanimously.

ITEM NO:2 ANNUAL ACCOUNTS OF THE INSTITUTION FOR THE FINANCIAL YEAR, 1987-88.

6. Mr. Khurshid A. Aziz wanted to know whether the increase in the contribution mentioned in the accounts was due to increase in wages of insured persons or due to the efforts of the Institution. Replying to this query, Mr. Barkatullah explained that several factors were responsible for this increase in the contribution, including recovery of arrears, detection of evasions, increase in wages etc. It was decided that the break-up of the total collection into contribution and arrears should be given.

7. Mr. Jamil Ericzada wanted a clarification as to how the profit on investment in Defence Certificates had increased from Rs. 289.19 million in 1986-87 to Rs. 732.68 million in 1987-88. The increase in one year

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was more than 150 percent. Mr. Barkatullah explained the procedure of investment and reinvestment and said that the yield on Defence Saving Certificates in the 9th and 10th years of investment was very high which contributed to increase in the investment income. However, at the instance of the Board the Auditors who audited the Annual Accounts of the Institution for 1987-88 were called in the meeting and heard on the point of investment income. The Board decided that in future the mean yield on investment each year should be shown in the Annual Accounts.

8. Mr. Javed Saifullah Khan wanted to know the mode of disposal of fully depreciated vehicles in the Institution. Mr. S. Barkatullah explained that the depreciated vehicles were sold by open auction on the basis of tenders invited through the Press.

9. Mr. Jamil Ericzada wanted to know the reason for increase in staff cost. It was explained to him that due to increase in salaries by the Government and also due to agreement with the unionised staff, as a result of which financial benefits to the above staff had been sufficiently increased, the staff cost had shown increase.

10. After the above discussion and clarifications the Board approved unanimously the Annual Accounts of the Institution for the financial year 1987-88.

ITEM NO:3 REVISED BUDGET ESTIMATES OF THE INSTITUTION
FOR THE FINANCIAL YEAR, 1988-89.

ITEM NO:4 BUDGET PROPOSALS OF THE INSTITUTION
FOR THE FINANCIAL YEAR, 1989-90.

11. The Board was of the view that in order to keep medical expenses under control, a ceiling on medical expenses for officers should also be prescribed. It was decided that the Institution would examine this proposal and bring a working paper for consideration of the Board at its next meeting.

12. In order to be accurate in assessing the financial impact of the budget proposals for 1989-90, it was decided by the Board that actual expenditure for 9 months (July, 1988 to March, 1989) should be worked out by the Institution and the revised estimates for 1988-89 re-estimated on the basis of 9 months actual expenses and 3 months estimates and submitted to the Board at its next meeting. The nine months actual expenditure was not available at this stage. The budget estimates for 1989-90, if necessary, should be revised and put up in the next meeting of the Board. While the budget estimates for 1989-90 were being discussed Mr. Barkatullah referring to the manpower requirements during the next

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financial year, said that the Institution, in order to avoid increase in expenditure, had asked for upgradation of certain posts, instead of creation of new posts. He said that some senior officers had reached the maximum of their pay scales for the last many years and their cases for moveover to the next higher pay scales had been rejected by the Finance Division, despite the approval of the Board.

13. Mr. S. Barkatullah further pointed out that some of the officers of the Sind Employees' Social Security Institution who were junior had already been allowed move-over in BPS-20 as far back as 1987. Upgradation in their cases was the only method by which the officers could be saved from financial loss which was likely to adversely affect their efficiency and morale. They having reached the maximum of their pay scales for the past 3 years may be upgraded which involved very negligible financial implications. Mr. Ahsanullah Khan in view of the position explained and having personal knowledge, fully supported the proposal.

14. The Board was receptive to the proposal and desired that the case of upgradation should be included in the budget for 1989-90.

ITEM NO:5 APPOINTMENT OF AUDITORS FOR THE FINANCIAL YEAR, 1988-89

15. The Board approved the recommendations of the F&A Committee regarding appointment of M/s. Hashmi & Co. Chartered Accountants for the period of one year to audit the accounts of the Institution for the financial year, 1988-89 at a remuneration of Rs.30,000/- (Rupees Thirty thousand only), all inclusive.

16. The Board was, however, of the view that there should be two auditors instead of one and desired that offers from reputable auditors should be invited and proposals for appointment of the second team of Auditors should be submitted to the Board for its approval.

ITEM NO:6 OPENING OF A FIELD OFFICE AT SUI.

17. Agreeing with the recommendations of the F&A Committee, the Board did not approve the opening of a field office at Sui.

ITEM NO:7 OPENING OF A FIELD OFFICE AT ABBOTTABAD.

18. The Board desired that the Institution should put up a proposal regarding the feasibility of opening a Regional Office at Haripur. The Board approved, in principle, the opening of field offices at Abbottabad and Bannu and provision of a new Suzuki Jeep to Abbottabad

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Field Office for inclusion in the budget proposals for 1989-90.

19. Mr. Khurshid A. Aziz and Mr. Jawaid Saifullah Khan desired that the Institution should put up budget proposals for the opening of more Regional and Field Offices in Punjab and NWFP in the next Board meeting because of the scattered units and longer distances involved particularly from the pensioners' point of view.

ITEM NO:8 IMPROVEMENT IN THE COVERAGE OF INSURED PERSONS AND COLLECTION OF CONTRIBUTION THROUGH EXPANDED INSPECTION ACTIVITIES.

20. The Board approved the recommendations of the F&A Committee regarding creation of three additional Inspection Teams each comprising one Deputy Director, two Assistant Directors, one Typist and one Naib Qasid, to be posted at Rawalpindi, Lahore and Multan. The following manpower was approved by the Board for these three additional Inspection Teams:

1.	Deputy Director	3	(by upgradation)
2.	Assistant Director	6	(by upgradation)
3.	Typist	3	(promotion through selection)
4.	Naib Qasid	3	(by recruitment)
	Total:-	15	

21. Before close of the meeting the following decisions were also taken by the Board:

1. The President desired that the Chairman, EOBI may attend, as member, the meetings of the F&A Committee, whenever he deems necessary.
2. In the next Board meeting a presentation should be given to the Board about pension procedure.
3. A review about the performance of the Institution showing upto date position of the activities should be put up at every meeting of the Board.

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

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