



EMPLOYEES' OLD-AGE BENEFITS INSTITUTION

PAGE No 57

38th

MINUTE BOOK

HELD AT
KARACHION
06.12.1994.TIME
10.30.A.M.

MINUTES OF 38TH MEETING OF THE BOARD OF TRUSTEES OF EOBI HELD ON 06TH DECEMBER, 1994 AT KARACHI

The 38th meeting of the Board of Trustees of EOBI was held in the Board Room of the Institution, at its Head Office at Karachi on 06th December, 1994 at 10.30 A.M. The following attended the meeting.

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|---|-----------|
| 1. Mr. Sultan Hameed
Secretary, Labour, Manpower
and Overseas Pakistanis Division | President |
| 2. Mr. Irfan Husain
Financial Adviser, EOBI | Member |
| 3. Mr. Khalique Ahmed Khan
Joint Secretary, Labour Division | Member |
| 4. Mr. Anwar Ali khokhar
Secretary (Labour), Sindh | Member |
| 5. Mr. Mubashir Ahmed Zafar
Secretary (Labour), Balochistan | Member |
| 6. Mr. Arshad Tanveer
Employers' Representative, Sindh | Member |
| 7. Mr. Javaid Siafullah
Employers' Representative, NWFP | Member |
| 8. Mr Muhammad Rafiq
Employees' Representative, Punjab | Member |
| 9. Mr. Nabi Ahmed
Employees' Representative, Sindh | Member |
| 10. Mr. S. Barkatullah
Chairman, EOBI | Member |
| 11. Mr. M. Ashraf Nadeem
Director General, EOBI | Member |
| 12. Mr. Mujtaba Rasul | Secretary |

2. Mr. Nasim Ahmed, Deputy Director General (P&GS) and Mr. Abdul Majeed, Deputy Director General (F&A), EOBI were also in attendance to assist the Board in its deliberations.

3. The meeting commenced with a recitation from the Holy Quran by Mr. M. Ashraf Nadeem.

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ITEM No.1 TO CONFIRM THE MINUTES OF
THE 37th MEETING OF THE BOARD OF TRUSTEES

4. It was observed that an objection regarding recording of his views in the minutes was communicated to the Board Secretariat by Mr. Khaliq Ahmed Khan, Joint Secretary Labour. The President desired that the views as communicated by the member be incorporated in the minutes of the last Board meeting and then the minutes were confirmed.

5. Mr. Javaid Saifullah informed the Board that about two years back at his initiative it was decided that the meetings of the Board will be held in the provincial capitals by rotation but the meetings are always being held at Karachi. Mr S Barkatullah explained that the Institution did not have the necessary logistics to organize Board meetings in the provincial capitals. After discussion, it was decided that in future meetings of the Board will be held in Karachi and Islamabad, but the Budget meeting would be held in Karachi.

ITEM No.2 TO CONSIDER PROGRESS ON THE DECISIONS
TAKEN BY THE BOARD IN ITS LAST MEETING

6. The President desired to know the progress made on the decisions of the Board recorded at para 13 of the minutes of its last meeting. Mr.S. Barkatullah informed him that the management had offered a package of a 26% overall increase in emoluments of the staff which was not accepted by the CBA. The Board, however, allowed an overall increase of 28% which was communicated to the CBA as the final offer. The CBA requested for some time so that the offer may be discussed with their members. Simultaneously, they approached the Minister of State for Labour who advised them to accept the managements final offer. He further informed the Board that perhaps the Package offered by the management had not been appreciated in its true perspective by the employees and if the employees knew the correct position of the package offered by the management, the charter of demands could be settled amicably.

7. Mr Nabi Ahmed expressed the view that 28% overall increase as against 35% given by the government to its employees was confusing and needed to be explained. Mr. Anwar Ali Khokhar

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agreed with him, stating that it would be difficult to convince the ordinary workers who would obviously consider 35% given by the government to be more than the 28% being offered to them by the management. Mr. Arshad Tanveer stated that the F & A committee had agreed to 26% which was raised by the Board to 28% which is a very good package. Giving any further increase now would not be proper. Mr. Javaid Saifullah expressed the view that these are the times when unemployment in the country is rampant, many industries are in trouble and are closing down. The package offered by the management is more than reasonable and if the CBA still does not agree, they could go to the NIRC for adjudication. Haji Muhammad Rafique expressed the view that the NIRC may even reduce the package offered to the CBA in adjudication on consideration of the terms and conditions prevailing in other similar organisations. Mr.S. Barkatullah expressed that generally the behaviour of the employee has been cordial and with a little more education, arriving at an amicable settlement could be possible.

8. THE BOARD decided the clarification to be issued as Annex-A and if the CBA still did not accept the offer, the matter should go to NIRC for adjudication.

ITEM NO.3 TO EVALUATE PERFORMANCE OF THE INSTITUTION
DURING THE PERIOD JULY - OCTOBER, 1994

9. While item 3 was being considered, Mr Javaid Saifullah pointed out that the number of registered employers was shown as 31,165, whereas contribution was paid by 13,392 employers only. He said that this reflected that recovery of contribution from employers was not satisfactory. Mr S. Barkatullah explained that actually the employers do not always pay regularly every month. Some may pay contribution with arrears after two or three months, and thus the number of employers paying in a certain month appears to be less than the number registered. Out of the total number registered, some are seasonal and do not operate round the year, and some of them are now non-existent but have not yet been deregistered. Thus, the number of paying employers in a particular month does not depict the correct contribution collection position; however, it will be seen the contribution collection target given by the Board has not only been achieved but excelled.

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10. Mr. Nabi Ahmed was of the view that the number of registrable employers should be counter-checked from various other sources, viz., registration under shops & Establishments Act, factories Act, Education cess paid to the Income Tax department and other government departments. Alphabetical lists can be obtained from such departments for comparison with employers registered with EOBI. Mr. Ashraf Nadeem stated that he had tried to obtain a list of registered employers with SSSI as well as from PESSI for this purpose, but without success. Mr. Arshad Tanveer said that he was on the De-Registration committee of the Karachi Zone and his experience was that necessary information did not come from the Labour Department and the committee had to rely on the Executive Officer's report. Mr. Anwar Ali Khokhar stated that there appeared to be lack of coordination, otherwise there should not be any difficulty in obtaining such information.

11. After some more discussion, the Board constituted a special Committee comprising of the following:

<u>Secretary Labour, Sindh</u>	<u>Convenor</u>
<u>Employers' Representative, Sindh</u>	<u>Member</u>
<u>Employees' Representative, Sindh</u>	<u>Member</u>
<u>Director General, EOBI</u>	<u>Member</u>

for obtaining necessary information with regard to registrable employers at Karachi from various departments and matching them with those registered by EOBI. The special Committee was advised to complete its assignment expeditiously and put its report for information of the Board.

ITEM No.4 TO CONSIDER PURCHASE OF WAPDA AND KESC BONDS FROM NIT

12. Mr Irfan Husain informed the Board that in order to solve the liquidity problem of WAPDA, a special issue of WAPDA Bonds of 5 year maturity period was to be floated with a return @ 15.5% per annum, and by a directive of the Finance Division, EOBI was required to subscribe Rs 500 million. The matter was considered by the Investment Committee of the Board in its 16th meeting held on 28-09-1994 and the committee was of the view that in order to purchase WAPDA Bonds the Institution would have to encash its investment in PICIC incurring a loss. In order to purchase these Bonds, the committee felt that the government should be requested

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to release its outstanding contribution to EOBI as early as possible. The features of the Bonds were not available at that time and the " Letter of Comfort" was also not issued. The convertibility ratio of the Bonds was also not available , and EOBI had sought a clarification in this regard from the Finance Division which is still awaited. However, in the meantime a fax message has been received from Deputy chairman, planning Commission on 23-11-94 requiring EOBI to purchase further WAPDA Bonds as well as KESC Bonds from NIT to the extent of Rs 500 million each.

13. Mr Arshad Tanveer stated that the proposed investment of the desired amount would be against the EOBI investment Rules since it would exceed the limit of 2.5% of the portfolio. Moreover, there has been no working on the KESC Bonds as yet. He further said that as already pointed out in the last meeting, the Institution should not be made to suffer a loss by disinvesting at this stage for investing in WAPDA and KESC Bonds.

14. Mr Javaid Saifullah was of the view that if NIT has to get liquidity of one billion, the proper course would be to sell the shares held by it in the Stock Exchange and if considered profitable , EOBI should purchase these shares. In fact, EOBI should enter the stock market on a large scale to maximise its yield.

15. Mr khaliq Ahmed Khan was of the view that the difficulties foreseen by the Institution may be brought to the notice of the government.

16. After some discussion the Board decided that the Institution should prepare a summary containing the following:-

- i) The incoming resources may be diverted towards investment in WAPDA and KESC Bonds from NIT and dis-investment of its funds causing loss of investment income may be avoided.
- ii) The government contribution matching grant may be expedited and may be utilised for purchase of WAPDA/KESC bonds.
- iii) An amendment/relaxation in the investment rules be obtained before making the investment.
- iv) The conversion ratio for WAPDA bonds may be obtained

ITEM No.5 TO CONSIDER REORGANISATION OF F&A DIVISION

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ITEM No.6 TO CONSIDER PROVISION OF MICRO COMPUTERS
TO THE OFFICERS OF THE INSTITUTION

ITEM No.7 TO CONSIDER PROVISION OF SO/PS/PA
FOR THE SR. OFFICERS

17. The Board decided that these items Nos 5, 6 and 7 may be put up for consideration before the F&A Committee and the recommendation of the F&A Committee may be placed before the board in the next meeting of the Board of Trustees.

ITEM No.8 TO CONSIDER APPOINTMENT OF MRS. BIBI KULSOOM
WIDOW OF SYED KARAM ALI SHAH (LATE) AS EXECUTIVE OFFICER.

18. Mr S. Barkatullah informed the Board that Mr S. Karam Ali shah was a permanent employee of the Institution. His kidneys had failed and he was operated upon for a kidney transplant for which officers of the Institution had contributed an amount of around Rs 200,000/- , but after the kidney transplant , he expired. He said it has been a tradition in the Institution that if any dependent of a deceased or retired employee is fit to hold a job in the Institution, the Board approves his/her appointment to a post commensurate with his/her qualifications. Widow of the deceased employee fulfills the requirements for the post of an Executive Officer and the Board was requested to approve her appointment as an Executive Officer in the Institution

19. The Board approved the appointment of Mrs. Bibi kulsoom widow of Syed karam Ali shah as an Executive Officer in the Institution.

ITEM No.9 TO CONSIDER SLOW PROGRESS
OF DE-REGISTRATION COMMITTEE

20. Mr. Ashraf Nadeem informed the Board that the Convener of the De-Registration Committee for NWFP, Deputy Director General, Islamabad Zone, has intimated that the Employees' Representative from NWFP, Mr . Fazle Rabbi Dard, due to his pre-occupation generally is not available for meetings of the Committee , and therefore , no progress could be made by the Committee. It was requested that the Employees Representative from Punjabd, Haji Muhammad Rafiq may be co-opted as a member of the NWFP Committee so that even if Mr. Dard is not available, the quorum of the Committee may be complete.

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21. Mr Javid Saifullah observed that he too is a member of the NWFP Committee, but he has not received any notice regarding meetings of the Committee for over two year. He said if convenience of members is kept in view, the meetings could certainly be held. He said that he would make himself available at Peshawar if the meeting is convened on 22-12-1994.

22. Mr.S. Barkatullah pointed out that Employers' Representative from Punjab had expired and therefore it would be proper to co-opt any other representative of employers as a member of De-Registration Committee for Punjab. Mr Arshad Tanveer gave his consent to participate in the meetings of the De-Registration Committee for Punjab.

23. The Board decided to co-opt Mr Arshad Tanveer as a member on the De-Registration Committee for punjab to represent the Employers and Haji Muhammad Rafiq as a member on the De-Registration Committee for NWFP to represent the Employees. It was further directed that notice of meeting of the Committees must be issued to all members of the Committee for record even if it is understood that their availability on the date of meeting may not be possible. It also directed that Convenor of De-Registration Committee for NWFP be advised to convene a meeting of the Committee at Peshawar on 22-12-1994.

ITEM No.10 WRITING OFF OUTSTANDING BALANCE OF LOANS ADVANCES IN RESPECT OF LATE MR. MUHAMMAD YOUSAF, DRIVER.

24. Mr.S.Barkatullah informed the Board that it has been the tradition of the Institution that in cases where an employee of the Institution expires leaving behind balance of a loan, recovery of such amount is waived off. In this item, the Board has been requested to waive off the balance of house rent advance amounting to Rs 19,530/- outstanding against deceased Mr. Muhammad Yousuf, Driver.

25. The Board decided to waive off recovery of the amount of Rs 19,530/- outstanding as balance of the House Rent Advance against deceased Mr. Muhammad Yousuf , Driver.

ITEM No.11 RE-DESIGNATION OF PROGRAMMERS AND JR. PROGRAMMERS

26. Mr Irfan Husain informed the Board that at present the

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Institution has 9 programmers, 2 of whom are in the grade of Deputy Director and designated as Programmers, whereas 7 are in Assistant Director grade and designated as junior. Programmers. The designation of junior Programmer gives an impression of inexperience, whereas these programmers's are working in this capacity with the Institution for the last 8 years and have written a number of complicated programmes and have gained considerable experience. He, therefore, requested the Board that the posts of ' Programmer ' and ' Junior Programmer ' be redesignated as ' Senior Programmer ' and ' Programmer ' respectively. The proposal is for redesignation of the posts only and will have no financial implication.

27. The Board agreeing with the proposal and decided to redesignate the existing posts of ' junior Programmer ' as ' programmer ' and the existing posts of ' Programmer ' as ' Senior Programmer ' w.e.f. 01-07-1994.

ITEM NO.12 ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR

28. Mr.S. Barkatullah requested for permission of the President to present some other items for consideration of the Board which was accorded.

ITEM No. 12-A

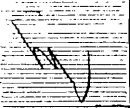
29. Mr.S. Barkatullah informed the Board that Mr. Ghulam shah, Naib Quasid, had undergone operations twice and had to take medicines under advice of the authorised medical attendant for post operation treatment. His entitlement for outdoor medical treatment including medicines is only Rs 2,600/- per annum . The medical expense incurred by him on account of purchase of medicines has exceeded his limit by Rs 16,899.35/- . He, being a low paid employee, cannot meet the cost of medicines out of his salary. The Board is, therefore, requested to waive the excess amount incurred on account of his medical treatment.

30. The Board decided to waive the excess medical expense of Rs 16,899.35 incurred by Mr Ghulam Shah, Naib Quasid.

ITEM No. 12-B

31. Mr.S. Barkatullah informed the Board that Mr . Jamal Haider, and Assistant Director of the Institution, had developed some eye ailment for which his doctor advised him to obtain immediate treatment from an eye specialist in London as delay in the proper

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treatment could result in total blindness. He, therefore, immediately proceeded to London for necessary treatment on his own. After his return from London, he requested for re-imburement of his medical expenses. The Medical Attendance Regulations of the Institution do not provide for specialist treatment abroad and even if it could be considered, prior sanction from government would be necessary. As he had proceeded for treatment abroad without obtaining prior sanction for the purpose, the cost of travel abroad is not at all admissible. However, since it was a genuine emergency in which he had proceeded abroad, it was proposed that the Board may allow re-imburement of the cost of medicines and radiological and pathological tests carried out during the course of his treatment to him as a very special case.

32. The Board decided not to allow the cost of air passage to London as he had proceeded without obtaining prior approval from the government however, in view of the fact that emergency treatment was required to save him from total blindness and in any case if he had taken medical treatment for the same in Pakistan, taking necessary radiological and pathological tests and use of medicines would have been required, as a very special case, the Board allowed the re-imburement of the cost of such tests and medicines only, not exceeding Rs 20,000/-

ITEM No 12-C

33. Mr.S. Barkatullah informed the Board that a list of 364 registered employers. Which were considered by various De-registration Committees of the Board and recommended for their de-registration were annexed with the working paper for information and approval of the Board.

34. The Board approved the De-registration of 364 registered units as recommended for de-registration by the various De-Registration Committees of the Board

ITEM-12-D

PROPOSAL FOR CONVERTING THE
STAFF POSTS INTO JUNIOR OFFICERS CADRE

ITEM-12-E

TERMS OF REFERENCE FOR
CONSULTANCY SERVICE (TOR) FOR PROPOSED STUDY TO REVIEW
DEVISE AND INTERGRATE THE EXISTING SYSTEMS OF THE INSTITUTION

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35. The BOARD decided that these items Nos . 12-D and 12-E may be put for consideration before the F&A Committee and the recommendation of the F&A Committee may be placed before the Board in the next meeting of the Board of Trustees.

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

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