

MINUTES OF 186<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	30 <sup>TH</sup> MAY' 2006	

**CONFIDENTIAL AND RESTRICTED**

The 186<sup>th</sup> Meeting of the Board of Directors of State Life Insurance Corporation of Pakistan was held on 30<sup>th</sup> May 2006 at 11:00 a.m., in the Board Room, State Life Building No.9, Dr. Ziauddin Ahmed Road, Karachi.

PRESENT:

- |   |                 |
|---|-----------------|
| 1. Mr. Kamal Afsar                        | Chairman        |
| 2. Mr. Nasim Qureshi                      | Director        |
| 3. Air Marshal (Retd) Sharbat A. Changazi | Director        |
| 4. Mrs. Spenta Kandawalla                 | Director        |
| 5. Ch. Javaid Hussain                     | Director        |
| 6. Syed Hur Riahí Gardezi                 | Director        |
| 7. Mr. Shahid Aziz Khan                   | Board Secretary |

- The meeting started with recitation from Holy Quran by the Board Secretary.
- The request for leave of absence of Mr. Bashir Ahmed, Director was granted by the Board.

ITEM (01) CONFIRMATION OF MINUTES OF 185<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS HELD ON 19-05-2006.

Action:  
Board  
Secretary

Action:  
ED(B&A)/  
ED(RB)

4. The minutes of the 185<sup>th</sup> Meeting of the Board of Directors held on 19<sup>th</sup> May, 2006, were placed before the Board. During the course of confirmation of the minutes, Syed Hur Riahí Gardezi and Mrs. Spenta Kandawalla pointed out that at page-4 of item-6 in the resolved portion after the word "approved" following sentence needs to be incorporated, "however, Board directed that complete analysis of cost in each case with break up alongwith legal opinion be placed before the Board." Board agreed and accordingly the minutes were corrected.

5. Syed Hur Riahí Gardezi proposed and Mrs. Spenta Kandawalla seconded that the minutes of 185<sup>th</sup> meeting held on 19<sup>th</sup> May, 2006 be confirmed.

Accordingly, it was resolved as under:

RESOLVED:

"that the Minutes of the 185<sup>th</sup> Meeting of the Board of Directors held on 19<sup>th</sup> May' 2006, are hereby confirmed."

Action:  
Board  
Secretary

ITEM (02) IMPLEMENTATION REPORTS ON DECISIONS TAKEN IN 184<sup>TH</sup> AND 185<sup>TH</sup> MEETINGS OF THE BOARD HELD ON 15<sup>TH</sup> MARCH 2006 AND 19<sup>TH</sup> MAY' 2006 RESPECTIVELY.

6. The Board Secretary presented before the Board the implementation reports on decisions taken in the 184<sup>th</sup> and 185<sup>th</sup> meetings of the Board held on 15<sup>th</sup> March, 2006 and 19<sup>th</sup> May, 2006 respectively. At this point, Ms. Nargis Ghaloo, Executive Director (P&GS/Law/RE) also joined the meeting. While discussing the implementation reports Syed Hur Riahí Gardezi opined that the value of properties of State Life need to be assessed from time to time so the market price of the properties may be ascertained. Ms. Nargis Ghaloo

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informed that the Real Estate Division of State Life was already doing this exercise and the properties of Real Estate have recently been assessed at market rate by M/s. Iqbal Nanji & Associates.

Action:  
ED(Inv)

7. At this point, ED(B&A/Inv/Act.) and ED(PHS/CI/R&A) also joined the meeting. While discussing implementation report on item-5 of 184<sup>th</sup> meeting, Board directed ED(Investment) to place fresh memorandum on winding up of State Asset Management Company in the light of legal opinion dated May 18, 2006, given by Orr, Dignam & Co.

Action:  
Board Secretary

8. The implementation reports of 184<sup>th</sup> and 185<sup>th</sup> meetings of the Board were noted.

**ITEM (03) PRESENTATION OF BUSINESS FIGURES OF MARKETING, GROUP & PENSIONS, INVESTMENT AND REAL ESTATE DIVISIONS.**

9. The business figures for Marketing/Gulf Zone, Group & Pensions, Investment and Real Estate Divisions were presented before the Board. At this point, Divisional Head(Marketing) joined the meeting by invitation. While explaining the business figures of Marketing, he assured the Board that all efforts were being made to improve the business, quality as well as quantify wise.

10. While discussing the business figures of Group & Pensions Division, Board stressed for improvement in the business.

11. Regarding investment portfolio, Syed Hur Riahi Gardezi pointed out that in business report the corresponding period of last year need to be compared with present year's corresponding period.

12. While discussing the business figures of Real Estate Division, Board appreciated the improvement in business.

**ITEM (04) TO CONSIDER - THE REPORT OF THE COMMITTEE CONSTITUTED FOR THE VISIT OF QUETTA TO FIND OUT A SUITABLE PLOT FOR THE CONSTRUCTION OF BUILDING FOR ZONAL OFFICE QUETTA.**

13. Executive Director(Real Estate) presented before the Board, Memorandum No.05 dated 18-05-2006 on the above subject. At this point, Divisional Head(Real Estate) also joined the meeting by invitation.

14. Divisional Head(RE) briefed the Board on latest developments. Air Marshal (Retd) Sharbat A. Changazi stated that the building for Quetta Office would definitely increase the confidence of people of Balochistan in State Life and thus SLIC would be able to obtain more business. He observed that for last four/five years the efforts were being made to find out a suitable plot for construction of Zonal Office building at Quetta. The Board was informed that on the last visit of Committee constituted for this purpose, Mr. Bashir Ahmed, Ch. Javaid Hussain, Syed Hur Riahi Gardezi and Air Marshal (Retd) Sharbat A. Changazi were present to make the inspection of suitable plots at Quetta. The detailed salient features of four plots were available at annexure-A. The Committee was of

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the opinion that Plot No.4 mentioned in annexure-A to the memorandum and situated in Chilton Housing Scheme, Airport Road was the most suitable plot.

15. Replying to a query raised by Mr. Nasim Qureshi, it was explained that the purchase of plot would be for the purposes of housing the offices of Quetta Zone as well as for investment. Mr. Nasim Qureshi stressed that a proper plan and procedure need to be followed for the purchase of plot and deviation should not be made from the laid down procedures. ED(RE) informed that the proposal would be referred to M/s. NESPAK for their expert views. Chairman stated that as SLIC is the custodian of policyholders money therefore all the possible safe guards must be applied before the purchase of the plot. Syed Hur Riah Gardezi opined that the plot acquiring procedure should be transparent, negotiation for price may be made keeping in view the best interest of State Life, similarly the legal position like clearance of title on the basis of documentary proof may also be examined. Ms. Nargis Ghaloo informed the Board that M/s. NESPAK have been appointed as Consultants in the year 2004 and for acquisition/disposal of plots/land of SLIC, their expert opinion would be relevant and admissible. Chairman informed that the feasibility alongwith their recommendation may be obtained from M/s. NESPAK on urgent basis. At this point, Divisional Head(RE) left the meeting with the permission of the chair.

After thorough discussion, it was resolved as under:-

**RESOLVED:**

“that Board directed ED(RE) to obtain the feasibility report alongwith recommendations of M/s. NESPAK in connection with plots shown in annexure-A to the memorandum on urgent basis and same be placed before the Board, is approved.”

Action:  
ED(RE)

**ITEM (05) FINANCIAL FRAUD AT SUKKUR ZONE BY TAMPERING FIGURES AND AMOUNTS OF CHEQUES BY EMPLOYEES OF THE ZONE.**

16. At this point, on invitation Divisional Head(B&A) joined the meeting. Executive Director(B&A) presented a memorandum regarding financial fraud at Sukkur Zone by tampering figures and amounts of cheques by employees of the Zone.

17. In September, 2005, it came to the knowledge of the zonal administration of Sukkur Zone that a fraud had been committed where the amount of a cheque was tampered and was deposited at HBL, Tower Branch, Sukkur. A preliminary inquiry was conducted by the Principal Office of State Life. As per finding of the preliminary inquiry, 94 cheques amounting to Rs.8,910,404/- were fraudulently encashed. Based on the findings of inquiry report, 9 officers and staff were suspended. Another high level inquiry was also conducted which is being finalized by the committee.

18. In the meanwhile, the matter was also referred to NAB (Sindh) requesting them to probe into the matter. The NAB's office at Sukkur started its process of inquiry. The Director IW-1 of NAB (Sindh) at Karachi requested State Life to arrange a Special Audit of relevant bank accounts operated and maintained by Sukkur Zone through a practicing firm of Chartered Accountants for the period from 1<sup>st</sup> January, 1995 to 31<sup>st</sup> December, 2005 vide his letter dated 17<sup>th</sup> March, 2006. He further requested that on completion of the said Special Audit Assignment, a copy of their report may be provided to them for comparison

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*[Handwritten Signature]*

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of their outputs with the figures confirmed in audit report (Copy of NAB's letter is placed at Annex "A").

19. As advised by NAB, State Life requested its appointed statutory auditors, conducting audit of the accounts of State Life for the year 2005, to quote their fee for carrying out Special Audit of State Life, Sukkur Zone for the period from 1<sup>st</sup> January, 1995 to 31<sup>st</sup> December, 2005 on the basis of specified Terms of Reference (TOR) provided to each of them (copy of TOR is enclosed at Annex "B"). The firms were requested to quote their fee, time-table and other requirements of the TOR. The audit firms are as under:

- i) M/s. Anjum Asim Shahid Rahman, Chartered Accountants, Karachi
- ii) M/s. Avais Haider Nauman Rizwani, Chartered Accountants, Lahore

20. Quotations of both the firms have been received. The amount of their quotations were very high. M/s. Anjum Asim Shahid Rahman have quoted their total fee as Rs.5,500,000/- while M/s. Avais Haider Nauman Rizwani have asked for a total fee of Rs.3,480,000/-. Both audit firms have quoted to complete the assignment within six months.

21. While discussing this memorandum, Syed Hur Riahi Gardezi pointed out that why the Internal Auditor of State Life were not vigilant and why the commission of fraud remained unnoticed. The other members of the Board also expressed their deep concern over this matter and suggested that serious action may be taken as per Service Regulations against the culprits. However, while discussing the proposed fees of auditors Board expressed its reservation and pointed out that the fees demanded by the Chartered Accountant firms were on the higher side. The Board disapproved the idea of appointment of Chartered Accountant firms for such a high proposed fee as suggested above and Chairman was authorized to arrange to write an appropriate reply to the National Accountability Bureau, Karachi in this regard.

Accordingly, it was resolved as under:

**RESOLVED:**

"that the Board did not approve the appointment of Chartered Accountants firm on such a high professional fee and authorized the Chairman to arrange to write an appropriate reply to National Accountability Bureau, Karachi, is approved."

**ITEM (06) OVERTIME IN EXCESS OF APPROVED AND ALLOCATED BUDGET BY KARACHI SOUTHERN ZONE AND MULTAN ZONE IN 2005.**

22. Executive Director(B&A) presented before the Board, a memorandum regarding overtime in excess of approved and allocated budget by Karachi Southern Zone and Multan Zone in 2005.

23. The Zonal Heads of Karachi Southern and Multan Zones have allowed overtime to staff in excess of the approved amount of overtime budget for the year 2005. Karachi Southern Zone allowed overtime over and above the approved budget by Rs.555,000/- and Multan Zone exceeded the budget by Rs.338,000/-.

24. The Board of Directors was, therefore, apprised of the following actions which have

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ED(B&A)

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been taken in this respect:-

- i) Zonal Heads, Karachi Southern Zone and Multan Zone have been advised to release payments of overtime out of the budget for the year 2006. The budget for the year 2006 has been reduced by the corresponding amounts within which they will remain during the year 2006. (Copy enclosed as Annex "A" and "B".)
- ii) A Circular letter has been issued by the Executive Director (B&A) to all Regional Chiefs/Zonal Heads, with copy endorsed to all Divisional Heads, advising them that they should be vigilant and have cogent reasons for allowing late sitting to officers and overtime to staff. They have also been advised not to surpass the allocated budgetary limits and should maintain proper attendance records, improve working conditions both for officers and staff and oversee that they do not waste their time during working hours. Moreover, the assigned work should be completed within office time. Late sitting by officers and staff should be discouraged unless it is very essential.
- iii) All Divisions, Regions and Zones are now required to submit a monthly statement giving details of late sitting with justification alongwith budgetary position. (Copy enclosed as Annex "C")
- iv) Both the Zonal Heads, as mentioned above, have been issued show cause notices as to why due diligence was not exercised while allowing late sitting and overtime and why such payment was approved for payment to officers and staff and further why the amount so involved should not be recovered from them (Annex "D" and Annex "E" respectively).

25. The Board expressed its deep concern over gross negligence and serious irregularity in utilization of main budget in the head of overtime by virtue of which a cut/deduction have been made by the Management from the budget of 2006.

Accordingly, it was resolved as under:

**RESOLVED:**

"that the Management is directed to take appropriate action in accordance with the laid down Regulations against the officers responsible so that in future such acts may not recur, is approved."

Action:  
ED(B&A)

**ITEM (07) DATE OF ISSUE AND DATE OF COMMENCEMENT OF THE POLICY BY THE SAME AND THE FREE LOOK PERIOD OF 14 DAYS AND THE GRACE PERIOD OF 31 DAYS TO BE COUNTED WITH EFFECT FROM THE DATE OF COMMENCEMENT OF THE POLICY.**

26. At this point, Divisional Head(PHS) by invitation joined the meeting. Executive Director(PHS) presented before the Board, a memorandum on the above subject.

27. It was decided in the 152<sup>nd</sup> Board meeting that "the policy be back dated to the first day of month of issue to reduce pressure of work on the closing days(F/A).

28. In terms of the Rule 39 of SECP (Insurance) Rules, 2002 the Securities and Exchange Commission of Pakistan requires that the policyholder be provided a fourteen

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<p>days free look period from the date of commencement of the policy. The Rule 39 ibid (F/B) reads as under:</p>			
<p>Free Look Period for life insurance:</p>			
<p>(1) "A life insurance policy, not being a group life insurance policy, and term of which is for more than one year, shall be liable to be cancelled at the option of the policyholder within fourteen days of commencement, and if the policyholder cancels the policy within that time, all the amounts paid by way of premiums shall be refunded without any deduction of management expenses, other than expense incurred in connection with the medical examination of any person insured under the policy."</p>			
<p>29. Securities and Exchange Commission of Pakistan vide circular No.22 of 2005 dated 24-11-2005 has accordingly directed for incorporation of the Free Look Period provision in the policy documents/life insurance contracts (F/A).</p>			
<p>30. The Free Look Period will be counted with effect from the date of commencement. Currently the date of commencement of the policy in terms of the decision of the 152<sup>nd</sup> meeting of the Board as referred to have is back date to the 1<sup>st</sup> day of the month regardless of which date of the month it was issued; Free Look Period provision thus can not be made effective.</p>			
<p>31. In addition to the above, it is interesting to note that the commencement of the policy with effect from 1<sup>st</sup> day of the month deprives the policyholder to avail thirty one days grace period particularly when the first premium receipt is issued on the last day of the month thus the facility of grace period of thirty one days becomes inconsequential.</p>			
<p>32. In the larger interest of policyholders to avail the benefit of the Free Look Period of fourteen days and the grace of thirty one days, the date of commencement and the date of issue of the policy should be the same and the Free Look Period and the grace period of thirty one days be counted with effect from the date of commencement of the policy.</p>			
<p>Accordingly, it was resolved as under:</p>			
<p><b>RESOLVED:</b> "that the proposal of ED(PHS) contained in the Memorandum No.07 dated 17<sup>th</sup> April, 2006 regarding the date of commencement and the date of issuance should be the same and the free look period of 14 days and the grace period of 31 days should be counted w.e.f. the date of commencement of the policy, is approved."</p>			
<p><b>ITEM (09) PROPOSAL OF M/S. KINGDOM HOTEL INVESTMENTS, TO BUILD A HOTEL IN ISLAMABAD – UPTO DATE DEVELOPMENT.</b></p>			
<p>33. Executive Director(RE) informed the Board about the progress made in connection with proposed construction of a 5-star hotel on State Life Plot No.7, Islamabad as proposed by M/s. Kingdom Hotel Investments (KHI). She informed the Board that KHI had agreed to change their proposal as following:-</p>			
<p>(i) Country of incorporation and of jurisdiction of the Joint Stock Company. KHI agreed to change the country of incorporation from</p>			

Action:  
ED(PHS)

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<p>Cayman Islands to Pakistan and the country of Jurisdiction from UK to Pakistan.</p> <p>(ii) Government Laws and International Arbitration Location KIII agreed to change the governing laws from UK to Pakistan, State Life agreed that the International Arbitration Location to be London, UK (subject to the non-objection of the Government of Pakistan-Board of Investment).</p> <p>(iii) Development Budget figures KIII agreed and duly states that the development budget figures stated in the MOU are only indicative. The final figures will be discussed and agreed upon amongst KIII and State Life and will be presented in the final closing documents. However regarding clause (ii), State Life never agreed to them.</p> <p>34. While discussing Air Marshal (Retd) Sharbat A. Changazi opined that this fact may be brought into the notice of Ministry of Commerce/Board of Investments, that proposed plot is the property of policyholders of State Life. Syed Hur Riahi Gardezi pointed out that the method for evaluating the plot of SLIC was not understandable. The value of the land US\$:7 million (23% of share) was based on theoretical calculations and was not the actual price of land. The value of the land need to be ascertained in terms of present market value of the plot. Mr. Nasim Qureshi suggested that a face to face meeting may be arranged with the representatives of M/s. Kingdom Hotel Investments and the reservations of SLIC may be placed before them. It was also suggested that as the plot/land was only for the construction of office building therefore Capital Development Authority may also be asked to allow construction of a hotel on the land.</p> <p>The matter was discussed in great detail and Board agreed to resolve as under:</p> <p><b>RESOLVED:</b></p> <p>“that Board authorized the Chairman to write an appropriate letter to M/s. Kingdom Hotel Investments (KIII) in the light of above discussion, is approved.”</p> <p><b>ITEM (09) ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR.</b></p> <p><b>(1) STATE LIFE TOWER PROJECT-ISLAMABAD.</b></p> <p>35. At this point, Syed Hur Riahi Gardezi left the meeting with the permission of the chair. Executive Director(RE) presented before the Board, a Memorandum No.09(I) dated 26-05-2006 regarding State Life Tower Project-Islamabad.</p> <p>36. State Life building – Islamabad was initially conceived to comprise 3 basement + Ground + 18 upper floor, however Board of Directors in its 162<sup>nd</sup> meeting held on 11 August 2001 decided to construct State Life building Islamabad in three phases (Annex- A). Contract for civil and plumbing works was awarded to M/s Moin Sons for 1<sup>st</sup> phase i.e. 3 basements + Ground + 4 floors. Later Board of Directors in its 179<sup>th</sup> meeting held on 7<sup>th</sup> August 2004 decided to construct the entire building in one-go instead of phase-wise. (Annex-B)</p> <p>The decision of 179<sup>th</sup> meeting is as under;</p> <p>“ That the proposal as mentioned in Real Estate Division’s of the original</p>			

Action:  
ED(RE)

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<p>façade design with fully finished rentable areas of State Life tower, Islamabad was approved to make the construction in one-go within a period of four years with central air-conditioning, at a cost of Rs. 709 million( rupees seven hundred nine million).”</p> <p>37. In compliance to the above stated Board decision; the Consultants M/s Suhail &amp; Pasha commenced the working on various options of dovetailing to construct the remaining 14- floors/building with phase-I (ref: M/s. Suhail &amp; Pasha letter dated 18-11-2004 – Annex ‘C’), thereafter the matter came under discussion and correspondences were made with the Consultant. The foregoing matter was also discussed with the project managers M/s NESPAK in the subsequent progress review meetings. M/s. Suhail &amp; Pasha finally submitted following 4 No. of options on 10<sup>th</sup> January, 2006. (Annex ‘D’)</p> <ul style="list-style-type: none"> <li>• OPTION – I: Work of phase II is carried out thru separate tender after completion of phase –I.</li> <li>• OPTION – II: Terminate the present contract at a convenient stage and re-tender phase-I remaining works and phase –II whole work together.</li> <li>• OPTION –III: Structural work of the whole project is completed under present contract.</li> <li>• OPTION – IV: Whole work of the project of phase-II is awarded to the contractor of phase –I as additional work with price adjustment.</li> </ul> <p>38. The option-IV was recommended by the Consultants. This option was reviewed by REID and Law Division and both are of the view that option IV is not advisable as it lacks transparency.</p> <p>39. The options of Consultants were sent to M/s. NESPAK on 17<sup>th</sup> January, 2006 for their review and recommendations. Meetings were held with M/S NESPAK in this regard, on March 09, 2006 &amp; April 25, 2006 at site and Head Office Karachi, respectively. M/S NESPAK vide their letter no. 2690/08/F/A/01/2689 dated May 05, 2006, submitted their analysis and study regarding captioned matter.( Annex ‘F’) M/s NESPAK then advised for Option-II: “The present Contract may be terminated by State Life under the provisions of Clause No. 75.1 of the Condition of Contract; “Termination of Contract of Employer’s convenience”.</p> <p>40. With the enforcing of this clause M/s NESPAK has worked out the financial estimate of Rs. 16.35 million which includes Rs 9.5 million in terms of rate re-adjustment and Rs. 6.85 million for demobilization, site charges, disposal of machinery, guarantees etc.</p> <p>41. Mr. Suhail Abbasi of M/S Suhail &amp; Pasha, the Consultants of the project on his visit to State Life, Principal office on 12<sup>th</sup> May 2006 gave his opinion that the amount in difference due to the balancing of rates made at the time of tender was to ensure uniform out flow of payment to which the contractor had agreed, thus to revert back with the original rate (tender rate) will not be practical. Also the method of dove-tailing by termination of contract at “00” level being option-II. may cause legal complications in apprehension.</p> <p>42. The Architect has now given an after thought. The present contract should be continued and only external finishing items be deleted, which may be within 15% of the</p>			

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<p>Action: ED(RE)</p>	<p>contract value, however the electrical conduiting work (for slab only) needs to be done by the present civil contractor as an extra item. This electrical conduiting work is necessary at this stage as it will be embedded in the concrete while the wiring will be a part of the main electrical contract that will be floated later. The cost implication of this extra item is estimated at Rs 1.0 million (approx).</p> <p>43. In this connection a meeting was held on May 15, 2006 with Mr. Asad I. Khan of M/S NESPAK in NESPAK's office. He agreed to the suggestion given by the Architect that the project should be continued as per the agreement except the exterior finishing items, and an additional item of conduiting for electrical wiring be negotiated with the present civil contractor. In this way, we may eliminate the possibility of legal complications.</p> <p>44. On a query Divisional Head(RE) informed that the minutes of meeting with NESPAK dated May 15, 2006 were still awaited. Ch. Javaid Hussain opined that technical advice of M/s. NESPAK may be obtained, while Mr. Nasim Qureshi suggested that financial impact for the proposed change should be analyzed. Chairman suggested that para-42 mentioned in the memorandum may be examined by M/s. NESPAK.</p> <p>Accordingly, it was resolved as under:</p> <p><b>RESOLVED:</b></p> <p>"that ED(RE) is directed to obtain technical advise from M/s. NESPAK on the proposal mentioned in para-42 and to proceed in the light of their recommendations, is approved."</p> <p><b>ITEM (09) ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR.</b></p> <p><b>(I) BEAUTIFICATION OF I. I. CHUNDRIGAR ROAD KARACHI.</b></p> <p>45. Executive Director(RE) presented before the Board, a memorandum No.09(II) dated 29-05-2006 regarding beautification of I. I. Chundrigar Road, Karachi.</p> <p>46. A meeting with the stakeholders of I.I.Chundrigar Road, Karachi, was held by the Governor, State Bank of Pakistan on March 10, 2004 and it was decided in the meeting to initiate a comprehensive campaign for the beautification of I.I.Chundrigar Road, Karachi. This includes to face lift the buildings by the business and property owners on I.I.Chundrigar Road, Karachi. A Beautification Committee was also formed. The Committee comprised of Dr. Ishrat Hussain, Governor, State Bank of Pakistan, as a Patron, Mr. Shaukat Tarin, President, Union Bank, as Chairman and five members from relevant organizations including Chairman, State Life Insurance Corporation of Pakistan, Ms. Yasmin Lari from Heritage Foundation and others.</p> <p>47. Several meetings have taken place regarding the beautification of I.I.Chundrigar Road, Karachi. In these meetings several decisions were taken; a fund was setup under the City Government, Karachi, a Project Steering Committee was formed, the plan of the project was finalized with total share of all stakeholders' amounting to Rs. 222.5 million. State Life was allocated a share of Rs.12.50 million. Different correspondences were exchanged between the Committee and SLIC, regarding share of contribution of stake holders in the project.</p> <p>48. The matter was placed before the Board of Directors, in its 183<sup>rd</sup> meeting held on</p>			<p>CHAIR INITI</p> 

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15th November 2005, wherein the ED (RE) was directed to place all the relevant details like how the share of SLIC and others was computed, audit of funds etc before the Board for taking a decision.

49. In pursuance to the Board decision, State Life vide letter dated March 22, 2006, requested the desired information from the Secretary, Chundrigar Road, Beautification Committee. The Secretary Beautification Committee sent the information vide letter 31<sup>st</sup> March 2006. SLIC's queries and information provided by the committee is at (Annex-1).

50. The Governor State Bank of Pakistan vide letter dated April 15, 2006 (Annex-II), has requested for co-operation for the betterment of our environment and contribution of State Life toward Corporate Social Responsibility.

51. The budget of above expenditure if approved will be met from A&SP budget as it is a Corporate Social responsibility for improvement of environment around the work place.

52. Air Marshal (Retd) Sharbat A. Changazi pointed out that it was not clear how the share of stakeholders have been calculated. Ch. Javaid Hussain pointed out that if the buses would run on I. I. Chundrigar Road would SLIC employees have some concessions? Accordingly, it was resolved as under:

**RESOLVED:**

"that Board authorized the Chairman to arrange to find out from President of Steering Committee for rehabilitation/beautification of I. I. Chundrigar Road on behalf of SLIC and get full and complete details as to how that amounts were calculated, is approved."

53. The meeting ended with mutual vote of thanks.

*Gaveed*  
CHAIRMAN

CHAIRMAN  
INITIA

Action:  
ED(RE)