

MINUTES OF 199<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

HELD AT	ON	TIME
KARACHI	2 <sup>ND</sup> FEBRUARY 2009	

CONFIDENTIAL AND RESTRICTED

The 199<sup>th</sup> Meeting of the Board of Directors of State Life Insurance Corporation of Pakistan was held on Monday, 2<sup>nd</sup> February' 2009 at 10.30 a.m. in the Board Room, State Life Building No.9, Dr. Ziauddin Ahmed Road, Karachi.

PRESENT:

- |                             |                 |
|-----------------------------|-----------------|
| 1. Mr. Shahid Aziz Siddiqi  | Chairman        |
| 2. Mr. Qamar Zaman Chaudhry | Director        |
| 3. Mrs. Sponta Kandawalla   | Director        |
| 4. Mr. Aslam Faruque        | Director        |
| 5. Mr. Amin Qasim Dada      | Director        |
| 6. Mr. Rasheed Y. Chinoy    | Director        |
| 7. Syed A. Wahab Mehdi      | Director        |
| 8. Syed Hur Riahi Gardezi   | Director        |
| 9. Mr. Akbarali Hussain     | Secretary Board |

2. The meeting started with recitation of verses from the Holy Quran by the Chairman.

3. Syed Arshad Ali, Executive Director, Ms. Nargis Ghaloo, Executive Director(Mkt/G&P), Mr. Allah Rakha Aasi, Executive Director(B&A/Act/Inv), Mr. Mohammad Yahya, Executive Director((PHS/RE/P&GS/Law), and Mr. Shoaib Mir, Executive Director(IT/R&A) and attended the meeting by invitation.

**ITEM (1) CONFIRMATION OF MINUTES OF 198<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS.**

4. The minutes of the 198<sup>th</sup> meeting of the Board of Directors held on 4<sup>th</sup> December, 2008 together with implementation report were placed before the Board.

5. Mr. Aslam Faruque and Syed A. Wahab Mehdi requested that a business plan be prepared for the next five years highlighting the strategies and vision of the Corporation and incorporating therein the marketing plan, financial plan, manpower requirement, the new products to be introduced, banc assurance, the projected share of State Life in the individual and group life business in the market, investment strategies including that of purchase and development of real estate, projected rental space available, projected rents, Implementation on IT strategy and disaster recovery plan.

6. Accordingly, It was resolved as under:

RESOLVED:

"that a five year business plan including financial, marketing, investment and manpower plan be presented to the Board of Directors at its next meeting to be held exclusively for this purpose by Divisional Head(B&A) in coordination with other Divisional Heads covering all aspects of State Life activities."

CHAIRMAN'S  
INITIALS

*[Handwritten Signature]*

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7. To a query by Mr. Aslam Faruque and Syed A. Wahab Mehdi, DH(B&A) mentioned that the total impact of increase in pay scales and allowances and other fringe benefits approved by the current Board would be Rs.242 million per annum.

Action:  
ED(RE)  
DH(RE)

8. Mrs. Spenta Kandawalla pointed out that action taken should be mentioned in the action column of the implementation report instead of an explanatory note as given in paras 31 and 32 of the minutes. Syed Hur Riahi Gardezi mentioned that the location of the plot on page-2734 para-29(h) of the minutes should have been given i.e. Abbasi Shaheed Road next to NIC Building.

Action:  
ED(IT)  
DH(IT)

9. Mrs. Spenta Kandawalla inquired as to when was the letter mentioned in para-67 of the minutes sent to M/s. Bearing Point Pakistan Limited inquiring about its bonafide and credentials as the entire IT strategy of State Life depended on it. ED(Computer) replied that the letter was sent a fortnight ago in the middle of January, 2009 and that he would be following it up for an early reply.

10. To a query by Syed Hur Riahi Gardezi, it was informed that the Chairman was awaiting clearance from the Prime Minister Secretariat for visit to Saudi Arabia. The Chairman informed the Board that there was a great scope of increasing State Life business in the Middle East specially Saudi Arabia and for that purpose he is in touch with the insurance companies and business houses whom he intends to call upon during his visit to Saudi Arabia. Noting that the business in Kuwait is also down, the Board requested the Chairman to also stop over in Kuwait while going to Saudi Arabia for reviewing the existing business position.

Action:  
ED(Mkt)  
DH(Mkt)

11. The Board also desired that prospects of doing business in Greece, Italy and Spain be also looked into.

12. The Board desired to know whether it was possible for an expatriate Pakistani to convert his policy in Pak Rupee on his return to Pakistan to which the ED(Marketing) replied that it was not allowed by State Life since the policy was issued in UAE Dh., or US dollar.

13. Implementation report of 198th meeting of the Board of Directors was noted.

14. Subject to the above amendments, Syed Hur Riahi Gardezi proposed and Mrs. Spenta Kandawalla seconded that the minutes of 198<sup>th</sup> meeting of the Board of Directors be confirmed.

15. Accordingly, it was resolved as under:-

**RESOLVED:**

"that the Minutes of 198<sup>th</sup> meeting of Board of Directors held on 4<sup>th</sup> December' 2008, are confirmed."

Action:  
DGM(BS)

**ITEM 2(i) CONFIRMATION OF MINUTES OF 26<sup>TH</sup> MEETING OF BOARD AUDIT COMMITTEE HELD ON 04-12-2008.**

16. The minutes of the 26<sup>th</sup> meeting of the Board Audit Committee held on 4<sup>th</sup>

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*[Handwritten Signature]*

**MINUTES OF 199<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

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December, 2008 was presented before the Board of Directors for confirmation.

17. On a query, it was pointed out to the Board that the Board of Directors at its 149<sup>th</sup> meeting held on 15-11-1999 had approved the IA&E manual consisting of audit approach, guides of audit procedure and standard forms alongwith reporting formats prepared by M/s. Yousuf Adil Saleem & Co. after incorporating the comments and suggestions of the Executive Directors and the Divisional Heads for implementation in all the Divisions, Regions and Zones of the Corporation w.e.f. 1-1-2000. The Board had also then directed that a training program be launched by IA&E Division in coordination with HRD Division and M/s. Yousuf Adil Saleem & Co. to familiarize the officials of the processing departments with their new responsibilities for internal control within the Principal, Regional and Zonal offices.

Action:  
ED(P&GS)  
DH(P&GS)

18. The Board was informed by the Chairman that every effort will be made by State Life to recover the embezzled amount in respect of Sukkur fraud case and anybody involved would not be spared.

Action:  
ED(RE)  
DH(RE)

19. The Board instructed DH(RE) to provide a one page executive summary containing talking points to Mrs. Spenta Kandawalla who has offered her good services to get the outstanding rent recovered and spaces vacated in respect of State Life Building housing the Ministry of Information and Broadcasting. The Board thanked the Directors for her gesture.

20. After deliberation, the Board resolved as under:

**RESOLVED:**

Action:  
DH(IA&E)

(i) "that the minutes of 26<sup>th</sup> meeting of Board Audit Committee held on 4<sup>th</sup> December, 2008 was confirmed."

Action:  
DH(IA&E)

(ii) "that the existing audit manual be reviewed by the IA&E Division and a report be submitted to the Board Audit Committee at its next meeting which would then submit its recommendations as regards the extent of implementation of the existing audit manual carried out and whether the services of an outside consultant is still required to further review the functions of the Audit Division to the Board for approval."

**ITEM 2(ii) CONFIRMATION OF MINUTES OF 2<sup>ND</sup> MEETING OF THE REAL ESTATE COMMITTEE HELD ON 23-01-2009.**

Action:  
ED(RE)  
ED(Law)


21. The minutes of the 2<sup>nd</sup> meeting of the Real Estate Committee was presented before the Board for confirmation and approval of recommendations of the Committee to the Board.

22. On the suggestion of Syed Hur Riahi Gardezi, the Board agreed that a presentation be given by Law Division on the pattern of presentation given at Lahore in respect of all State Life properties at Karachi.

23. After deliberation, the Board resolved as under:

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<p>Action: ED(RE) DH(RE)</p>	<p><b><u>RESOLVED:</u></b></p> <p><b>“that the minutes of 2<sup>nd</sup> meeting of the Real Estate Committee held on 23<sup>rd</sup> January, 2009 is confirmed, implementation of actions arising out of decision taken at the 1<sup>st</sup> meeting of the Real Estate Committee noted and following recommendations to the Board, is approved.”</b></p> <p><b>(a) State Life Plot at Yuhanabad(Christian Mutual Colony #1, Ferozepur Road, Lahore.</b></p> <p><b>“that the recommendation of Real Estate Committee to allow M/s. Hajvari Law Group to immediately file civil suits for possession against all the identified occupants of the land against the fee/expenses of Rs.50,000/- plus 10% miscellaneous expense per case demanded by the said law firm, is approved.”</b></p> <p><b>(b) State Life Property at Dallo Khurd (Christian Mutual Colony #2, Ferozepur Road, Lahore.</b></p> <p><b>“that the recommendation of Real Estate Committee to allow M/s. Hajvari Law Group to immediately file civil suits for possession against all the identified occupants of the land against the fee/expenses of Rs.50,000/- plus 10% miscellaneous expenses per case demanded by the said law firm, is approved.”</b></p> <p><b>(c) Mutation &amp; placement of title documents on LDA record and commercialization of State Life Property 24-D/1, Gulberg-III, Lahore.</b></p> <p><b>“that the recommendation of Real Estate Committee to allow M/s. Hajvari Law Group to immediately proceed for completion of all the requirements/ documentations to have the property mutated in the name of State Life and to get it commercialized from the department concerned against professional fee of Rs.60,000/-demanded by the law firm and miscellaneous expenses to be claimed and paid on actual, is approved.”</b></p> <p><b>(d) Mutation &amp; placement of title documents on LDA record and commercialization of State Life Property 66-C/1, Gulberg-III, Lahore.</b></p> <p><b>“that the recommendation of Real Estate Committee that M/s. Hajvari Law Group to immediately proceed for completion of all the requirements/ documentations to have the property mutated in the name of State Life and to get it commercialized from the department concerned against professional fee of Rs.150,000/- demanded by the law firm and miscellaneous expenses to be claimed and paid on actual, is approved.”</b></p> <p><b>(e) Mutation &amp; placement of title documents on LDA record of State Life Property 133-J, Gulberg-III, Lahore.</b></p> <p><b>“that the recommendation of Real Estate Committee to allow M/s. Hajvari Law Group to immediately proceed for completion of all the requirements/</b></p>			<p>CHAIRMAN'S INITIALS</p> 

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<p>documentations to have the property mutated in the name of State Life in the record of rights against professional fee of Rs.60,000/- demanded by the law firm and miscellaneous expenses to be claimed and paid on actual, is approved."</p> <p><b>(f) <u>State Life Plot # 19, Bank Square, The Mall, Lahore.</u></b></p> <p>"that the recommendation of Real Estate Committee that M/s. Hajvari Law Group to immediately proceed for suit for declaration and possession against the illegal occupant, besides completion of all the requirements/documentations to have the property mutated in the name of State Life against professional fee of Rs.60,000/- demanded by the law firm for filing law suit and completion of mutation work and miscellaneous expenses to be claimed and paid on actual in respect of mutation, is approved."</p> <p><b>(g) <u>State Life Plot # SE-16, R-11, Davis Road, Lahore.</u></b></p> <p>"that the recommendation of Real Estate Committee not to agree with the law firm that State Life may file suit for declaration to have facilitation to get the property mutated in its name, however M/s. Hajvari Law Group be instructed to immediately proceed for completion of all the requirements/documentations to have the property mutated directly in the record of rights in the name of State Life against professional fee of Rs.50,000/- to accomplish this task as was agreed in other cases of mutation work and miscellaneous expenses to be claimed and paid on actual, is approved."</p> <p><b>(h) <u>Cooperative Building No.1 (CISP Building) 23-The Mall, Lahore.</u></b></p> <p>"that the recommendation of Real Estate Committee to instruct M/s. Hajvari Law Group to assert all their efforts to pursue all the cases for and against the Corporation in respect of this property and briefs of the law case which was handled by other lawyer namely Mr. Shakeel-ur-Rehman be taken back and handed over to M/s. Hajvari Law Group, is approved."</p> <p><b>(i) <u>State Life Building No.2, Lytton Road, Lahore.</u></b></p> <p>"that the recommendation of Real Estate Committee that M/s. Hajvari Law Group to immediately proceed for completion of all the requirements/documentations to have the property mutated in the name of State Life in the record of rights against professional fee of Rs.60,000/- demanded by the law firm and miscellaneous expenses to be claimed and paid on actual, is approved."</p> <p><b>(j) <u>State Life Building No.4, 63-D Regal Street, The Mall, Lahore.</u></b></p> <p>"that the recommendation of Real Estate Committee that M/s. Hajvari Law Group assert their all out efforts to get court decree in favour of State</p>			

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<p>Life to enable State Life to restore its possession and to enter the property in the name of State Life, is approved.”</p> <p><b>(k) <u>State Life Building No.5, 63-D Regal Street, The Mall, Lahore.</u></b></p> <p>“that the recommendation of Real Estate Committee to agree with the proposal of law firm that State Life may file suit for declaration to get the encroachers ousted from the property with due process of law and thereafter to get the same mutated in its name against professional fee of Rs.50,000/- and miscellaneous fee was agreed as well as agreement in principle to pay the fee of Rs.60,000/- and the expenses on actual for completing mutation work, is approved.”</p> <p><b>(l) <u>State Life Building No.6, 2 Mcleod Road, (Moti Mansion), Lahore.</u></b></p> <p>“that the recommendation of Real Estate Committee that M/s. Hajvari Law Group to immediately proceed for completion of all the requirements/ documentations to have the property mutated in the name of State Life in the record of rights against professional fee of Rs.60,000/- demanded by the law firm and miscellaneous expenses to be claimed and paid on actual, is approved.”</p> <p><b>(m) <u>State Life Building No.7, Patiala Ground Lined Mcleod Road, (ILACO Mansion), Lahore.</u></b></p> <p><b>(i)</b>“that the recommendation of Real Estate Committee that M/s. Hajvari Law Group to immediately proceed for completion of all the requirements/ documentations to have the property mutated in the name of State Life in the record of rights against professional fee of Rs.60,000/- demanded by the law firm and miscellaneous expenses to be claimed and paid on actual, is approved.</p> <p><b>(ii)</b>“that ejection cases also be filed against all the tenants of the building who were in default of payment of rent and against those who have sublet the premises, is approved.”</p> <p><b>(n) <u>State Life Building No.10, Bank Square, The Mall, Lahore.</u></b></p> <p><b>(i)</b>“that the recommendation of Real Estate Committee to agree with the proposal of the law firm that State Life file suit for declaration to get the encroachers ousted from the property with due process of law and thereafter to get the same mutated in its name against professional fee of Rs.50,000/- for instituting law case and miscellaneous expenses to be claimed and paid on actual as well as payment of miscellaneous fee of Rs.60,000/- and claim of miscellaneous expenses at actual for completion of mutation work, is hereby approved.</p> <p><b>(ii)</b>“that the recommendation of the Real Estate Committee to assign to this law firm the defence before the Excise &amp; Taxation Officer to have consistency in the line of actions against the land grabbers, is approved.”</p>			

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<p>(o) <u>Promulgation of Punjab Rented Premises Ordinance, 2007.</u></p> <p>(i) "that the recommendation of Real Estate Committee, considering the compulsion of law upon the land lord as well as the ground situation that mostly the tenants in respect of Lahore properties have changed hand the rented premises to others without the consent of State Life and are also paying very low rent, that the entire assignment of execution/registration of tenancy agreements as per new rent law, be assigned to M/s. Hajvari Law Group and that the ejection proceedings be initiated immediately against all those tenants who do not execute lease and against those who have sublet the premises, is approved."</p> <p>(ii) "that the recommendation of Real Estate Committee to make payment of Rs.5000 per tenant to issue notice execute/register the lease agreement as per law and in case of failure on the part of the tenant in this respect to suggest the alternate course of action to State Life, is hereby approved."</p> <p>(p) <u>Requirement of qualified/experienced officer for tenancy/legal Matters in Real Estate at Lahore.</u></p> <p>"that the recommendation of Real Estate Committee that an officer who may be well versed and experienced in rent and property matter and who would be capable to appraise the up to date position to the Committee on monthly basis in respect of all the court cases and the progress in the mutation work be posted in Real Estate, Lahore, is approved."</p> <p>(q) <u>Presentation by Architect of State Life Tower – Islamabad Mr. Naeem Pasha on the façade of State Life Tower – Islamabad.</u></p> <p>"that the recommendation of Real Estate Committee that the present design of the façade was the best option and no changes should be made, is approved."</p> <p>(r) <u>Approval of projects from development working party.</u></p> <p>"that the recommendation of the Real Estate Committee that State Life will opt for the formation of DWP for State Life and place before the Development Working Party (DWP) the upcoming projects of State Life Tower, Islamabad, State Life Building at Gujranwala, Sialkot, Sargodha and Rahim Yar Khan and any other project announced in future, is approved."</p> <p>(s) <u>Restoration of officer's hostel at Karachi and Islamabad.</u></p> <p>"that the recommendation of the Real Estate Committee for restoration of officer's hostel at Karachi and Islamabad in rented premises alongwith the</p>			

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following suggested charges, is approved:-

S.No.	Entitlement	Proposed
a.	Officers use during business trip (for rank of AGM and above)	As per maximum entitlement of the officer.
b.	Un-official stay of State Life officer (for rank of AGM and above) including retired officers).	Rs.500/- per room per day.
c.	Other than Corporation officers (with the permission of the Chairman)	Rs.2500/- per room per day.
d.	State Life officers on duty at a particular station residing on monthly basis during business trip (AGM and Above) with the permission of the Chairman.	50% of their house rent allowance per room per month.

Real Estate Division should also explore the option to purchase a property at Islamabad.

**(t) State Life Building, Rahim Yar Khan**

“that the recommendation of the Real Estate Committee for construction of State Life Building, Rahim Yar Khan at a budgeted cost of Rs.282/- million as worked out by the Consultant, is approved. The Board also approved that instruction be given to the Real Estate Division to take prompt action and to ensure that there is no delay in the work and the work is completed in 24 months instead of 30 months.”

**ITEM 2(iii) CONFIRMATION OF MINUTES OF 1<sup>ST</sup> MEETING OF THE HUMAN RESOURCE COMMITTEE HELD ON 23-01-2009.**

24. The Secretary, Human Resources Committee presented before the Board, the minutes of the 1<sup>st</sup> meeting of the Human Resources Committee held on 23<sup>rd</sup> January, 2009 for confirmation and approval of recommendations of the Committee by the Board.

25. ED(P&GS)/Secretary, Human Resources Committee submitted a corrigendum to the minutes of the 1<sup>st</sup> meeting of the Human Resources Committee held on 23-01-2009 mentioning that during the meeting, ED(Marketing) had pointed out to the members of the HR Committee that since the year 2008 had already passed, therefore the effective date of the promotion criteria be changed to 1-1-2010 which would be based on the performance as of 31<sup>st</sup> December, 2009 instead of 31<sup>st</sup> December, 2008, therefore the resolution on the above item at para-7 (1) of the minutes should read as follows:-

“that the following revised criteria for promotion of Area Manager to Manager

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<p>(Marketing) effective from the year 2010 on the basis of performance as at 31<sup>st</sup> December, 2009 is recommended to the Board of Directors for approval."</p> <p>26. After deliberation, the Board resolved as under:-</p> <p><b>RESOLVED:</b></p> <p>"that subject to the above corrigendum, after necessary corrections, the minutes of 1<sup>st</sup> meeting of the Human Resources Committee held on 23<sup>rd</sup> January, 2009 is confirmed and following recommendations to the Board, is approved."</p> <p>(i) <u>Review of criteria for promotion of Area Manager to Manager(Marketing).</u>  "that the following revised criteria for promotion of Area Manager to Manager (Marketing) effective from the year 2010 on the basis of performance as at 31<sup>st</sup> December, 2009, is approved:</p> <ol style="list-style-type: none"> <li>1) A minimum service of 4 years as "A" Category Area Manager.</li> <li>2) Completed FYP Quota of "A" Category in immediate preceding year.</li> <li>3) Completed aggregate Quota of "A" Category Area Manager during the last 3 years.</li> <li>4) A minimum persistency of 75% on an average during the last 3 years which should also not be less than 80% in the immediate preceding year.</li> <li>5) Completed a minimum of 25% of FYP in the immediate preceding year through new SRs.</li> <li>6) Minimum educational qualification of Graduation or equivalent thereto &amp; completion of M.M.S. Course. (In case, a Sales Manager disqualifies only due to condition of Graduation, he/she will be promoted but his/her promotion will be subject to completion of Graduation by 2012.</li> </ol> <p>7) <u>Allocation of Marks:</u></p> <p>(a) <u>First Year Premium</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 5%;">(i)</td> <td style="width: 70%;">Aggregate FYP Quota of "A" Category during last 3 years.</td> <td style="width: 25%; text-align: right;">15 marks</td> </tr> <tr> <td>(ii)</td> <td>For every Rs.10 Lac FYP over Aggregate quota of last 3 years.</td> <td style="text-align: right;">1 mark</td> </tr> </table> <p style="text-align: right;">(maximum 35 marks for FYP)</p> <p>(b) <u>Persistency:</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 5%;">(i)</td> <td style="width: 70%;">For each 1.00% Persistency over 75% average of immediate preceding 3 years.</td> <td style="width: 25%; text-align: right;">1 mark</td> </tr> </table> <p style="text-align: right;">(maximum 20 marks for Persistency)</p> <p>(c) <u>Seniority:</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 5%;">(i)</td> <td style="width: 70%;">For minimum 4 years service as "A" Category Area Manager.</td> <td style="width: 25%; text-align: right;">5 marks</td> </tr> </table>				(i)	Aggregate FYP Quota of "A" Category during last 3 years.	15 marks	(ii)	For every Rs.10 Lac FYP over Aggregate quota of last 3 years.	1 mark	(i)	For each 1.00% Persistency over 75% average of immediate preceding 3 years.	1 mark	(i)	For minimum 4 years service as "A" Category Area Manager.	5 marks
(i)	Aggregate FYP Quota of "A" Category during last 3 years.	15 marks													
(ii)	For every Rs.10 Lac FYP over Aggregate quota of last 3 years.	1 mark													
(i)	For each 1.00% Persistency over 75% average of immediate preceding 3 years.	1 mark													
(i)	For minimum 4 years service as "A" Category Area Manager.	5 marks													

Action:  
ED(P&GS)  
DH(P&GS)  
H(Mkt)  
DH(B&A)

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- (ii) For every additional year of service  
"A" Category. 2 marks

(maximum 15 marks for Seniority)

**(d) Field Promotion:**

- Area Managers promoted from his/her  
Area Office/Team during his tenure.  
For every one promotee. 2 marks

(maximum 10 marks for Field Promotion)

**(e) Qualification:**

Academic

- a) Graduation 5 marks  
b) M.A. 10 marks

(maximum 10 marks)

- (f) Interview/Suitability** 10 marks

**(II) Review of revision of Daily Allowance to the officers of the Corporation.**

- (i) "that the following revision of daily allowance to the officers of the Corporation, is approved:

Sr.No.	Designation	Special rates	Ordinary rates
1.	Assistant General Managers and above.	Rs.1000/-	Rs.700/-
2.	Deputy Managers/Managers	Rs. 825/-	Rs.625/-
3.	Executive Officers/Assistant Managers	Rs. 640/-	Rs.500/-

- (ii) "that the officers staying in the Hotel or Guest House, will be entitled for reimbursement of Room Rent in addition to Daily Allowance on the following limits:-

- i) For Chairman and Executive Directors Actual Room Rent.  
ii) For other Officers 4 times of admissible daily allowance.

In case if the officer has arranged private residence, such officer would be paid one day daily allowance as out of pocket expense."

Action:  
(P&GS)  
DH(P&GS)  
DH(A&E)  
DH(B&A)

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**ITEM (3) MERGER OF STANDING COMMITTEE OF THE BOARD TO CONSIDER APPEALS AND DISCIPLINARY MATTER WITH HUMAN RESOURCES COMMITTEE.**

27. Executive Director(P&GS) presented before the Board, a memorandum dated 27-01-2009 regarding merger of Standing Committee of the Board to consider appeals to review punishments (SCRIP) with Human Resources Committee.

28. The Board of Directors at its 155<sup>th</sup> meeting held on 24<sup>th</sup> August, 2002 constituted a Standing Committee of three Directors including the Chairman to whom all appeals arising out of disciplinary proceedings against the officers would be placed. The recommendation of the Committee would then be submitted to the Board for such final orders as the Board may deem fit to make.

29. Regulation 33(1) & (2) of State Life Employees (Service) Regulations, 1973 relevant to the matter was reproduced below:-

"33. Appeal and applications for revision and review:-

(1) An employee shall have the right of appeal or making an application for revision or review, as provided hereunder, against any of the punishment imposed under regulation 30.

(2) An application for review shall lie to the authority imposing the punishment sought to be reviewed and an appeal or application for revision, as the case may be shall lie:

(a) In the case of an employee in Pay Scales 10 to 13 to the Board which shall refer the same to a Standing committee of three Directors including the Chairman. The Committee shall consider the application and submit its recommendations to the Board for such final order as the later may deem fit to make.

(b) In the case of other employees, to an authority next higher to that which passed the order in questions."

30. The present Board at its 197<sup>th</sup> meeting held on 3<sup>rd</sup> November, 2008 had reconstituted the Standing Committee consisting of the following members:-

- |    |                           |           |
|----|---------------------------|-----------|
| 1. | Mr. Shahid Aziz Siddiqi   | Chairman  |
| 2. | Mr. Qamar Zaman Chaudhry  | Member    |
| 3. | Mrs. Spenta Kandawalla    | Member    |
| 4. | Mr. Amin Qasim Dada       | Member    |
| 5. | Mr. Rasheed Y. Chinoy     | Member    |
| 6. | Syed Hur Riahi Gardezi    | Member    |
| 7. | Executive Director (P&GS) | Secretary |

31. It was recommended that since the matter dealt with by the Standing Committee to consider appeals also relates to staff matters and Human Resources Committee also deals with staff matters and reviews the existing organizational structure of the Corporation and suggest steps to improve the efficiency and cost

CHAIRMAN'S  
INITIALS

  
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**MINUTES OF 199<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

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effectiveness, the above Committee be merged into Human Resources Committee which after merger would consist of the following members:

- |    |                           |           |
|----|---------------------------|-----------|
| 1. | Mr. Shahid Aziz Siddiqi   | Chairman  |
| 2. | Mr. Qamar Zaman Chaudhry  | Member    |
| 3. | Mrs. Spenta Kandawalla    | Member    |
| 4. | Mr. Amin Qasim Dada       | Member    |
| 5. | Mr. Rasheed Y. Chinoy     | Member    |
| 6. | Syed Hur Riahi Gardezi    | Member    |
| 7. | Executive Director (P&GS) | Secretary |

32. Henceforth appeal filed to review punishments under Regulation 33(1) and (2) of State Life Employees (Service) Regulations, 1973 will be placed before the Human Resources Committee which would make its recommendations to the Board for such final orders as the Board may deem fit to make.

33. The Board resolved as under:

**RESOLVED:**

(i) "that the proposal of ED(P&GS) contained in the memorandum, regarding merger of the Standing Committee to consider appeals to review punishments with Human Resources Committee is approved. Henceforth appeals and disciplinary matter file under Regulation 33(1) and (2) of State Life Employees (Service) Regulations, 1973 would be placed before the Human Resources Committee which would make its recommendations to the Board for such final orders as the Board may deem fit."

(ii) "that after merger of Standing Committee to consider appeals to review punishments with Human Resources Committee, the Human Resources Committee comprising of (1) Mr. Shahid Aziz Siddiqi, Chairman, (2) Mr. Qamar Zaman Chaudhry, Member, (3) Mr. Amin Qasim Dada, Member, (4) Mr. Rasheed Y. Chinoy, Member, (5) Syed Hur Riahi Gardezi, Member, is hereby approved. Executive Director(P&GS) will be the Secretary of the Committee.

**ITEM (4) PRESENTATION OF BUSINESS REVIEW OF MARKETING, GROUP & PENSIONS, INVESTMENT AND REAL ESTATE DIVISIONS FOR THE PERIOD ENDED ON 31-12-2008.**

34. ED(Marketing) placed before the Board, Business Review of individual life for and upto the Month of December' 2008. The Corporation secured 1<sup>st</sup> year premium of Rs.4972 million in the year 2008 as against Rs.3698 million during the year 2007 showing an increase of 34%. The Corporation has collected second year premium of Rs.3121 million in the year 2008 with second year persistency of 84% as against Rs.2587 million with 81% second year persistency during the year 2007. The third year and over persistency for the period January to December' 2008 was 94% as against 88% for the corresponding period in 2007. The number of policies sold for the period 2008 was 400,052 as against 317,961 in the year 2007 showing an increase of 26%.


Action:  
ED(P&GS)  
DH(P&GS)

Action:  
ED(P&GS)  
DH(P&GS)

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<p>Action: ED(Mkt) ED(P&amp;GS) DH(Mkt) DH(P&amp;GS)</p> <p>Action: ED(Mkt) ED(P&amp;GS) DH(Mkt) DH(P&amp;GS)</p> <p>Action: ED(Mkt) DH(Mkt)</p>	<p>35. Executive Director(Marketing) informed the Board that it was evident from the above analysis that Corporation has shown a significant improvement in all the spheres of business and was gradually improving its performance day by day. To cope up with the huge flow of business and to provide efficient and prompt services to policyholders as well as to field force. ED(Marketing) suggested that State Life may hire the services of retired officers having rich experience of PHS and underwriting on contract basis.</p> <p>36. Accordingly, the Board resolved as under:</p> <p><b>RESOLVED:</b></p> <p><b>"that the proposal of ED(Marketing) to hire the services of retired officers having rich experience of PHS and Underwriting on contract basis, is hereby approved."</b></p> <p>37. ED(Marketing) also proposed that "Elevation Scheme for Staff" be introduced for those having good academic and professional qualifications. This would motivate and encourage the staff members and will also help them in providing even better services to the policyholders.</p> <p><b>RESOLVED:</b></p> <p><b>(i)"that a detailed proposal of "Elevation Scheme for Staff" for motivating and encouraging staff members be put up to the HR Committee for detailed scrutiny and submission of its recommendations to the Board for approval."</b></p> <p><b>(ii)"that a presentation on business model including agency commission be made to the Board of Directors by ED(Marketing) at an exclusive meeting and Mr. Samee-ul-Hasan, former Chairman State Life and Consulting Actuary and Mr. Manzoor Ahmed, Ex-DH(Marketing) be invited to the meeting."</b></p> <p>38. The Board complimented the Executive Director(Marketing) Ms. Nargis Ghaloo and officers and staff of Marketing Division for increase of 34% growth in first year premium and significant improvement in all the spheres of business.</p> <p>39. ED(Marketing) then presented the business review of Gulf Zone of individual life for and upto the Month of December' 2008. The Corporation secured 1<sup>st</sup> year premium of US\$ 2,899,859 during the year 2008 as against US\$ 2,627,658 during the year 2007 showing an increase of 10%. The first year premium of KSA Sector has decreased from US\$1,032,143 in the year 2007 to US\$ 896,064 in the year 2008 showing a decrease of 13.18% whereas UAE Sector has shown an increase from US\$ 1256793 in 2007 to US\$ 1631255 in the year 2008 showing an increase of 29.80%. The second year persistency of the Gulf Zone for the year 2008 was 75% as against 65% achieved during the year 2007. The second year persistency for Kuwait Sector has decreased by 18% whereas the second year persistency for KSA Sector has increased from 57% in 2007 to 78% in 2008 showing an increase of 21%. The renewal premium for the year 2008 was US\$</p>			<p>CHAIRMAN'S INITIALS</p> 

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<p>7,199,478 as against US\$ 5,947,992 in the year 2007. The third year and over persistency for the year 2008 was 94% as against 86% during the year 2007. The number of policies sold for the year 2008 was 1,747 as against 1,841 in the year 2007 showing a decrease of 5%.</p> <p>40. ED(G&amp;P) presented before the Board the business review for the year ended December 31, 2008 during which G&amp;P Division collected a total premium of Rs.3,524.124 million as against Rs.2,831.388 million for the corresponding period of last year showing an increase of 24.17%. During the year 2008 G&amp;P Division procured 189 new policies having a collective premium of Rs.30.717 million as against 154 new policies having a total premium of Rs.19.872 million showing an increase of 54.56% in premium collection. During the year 2008, G&amp;P Division lost 147 policies having a total premium of Rs.103.528 million as against loss of 155 group policies having a total premium of Rs.40.137 million. The persistency of G&amp;P Division for the year 2008 worked out to 96.34%.</p> <p>41. ED(G&amp;P) also submitted before the Board, Zone wise business position of G&amp;P Division. The total premium of Rawalpindi Zone has increased by 53.83% whereas the total premium of Lahore Zone, Karachi Zone and Peshawar Zone has increased by 28.74%, 19.76% and 6.72% respectively over last year. Six new group policies having a total premium of Rs.5.524 million were procured by Peshawar Zone showing an increase of 280.18% over last year whereas 45 new policies having a total premium of Rs.4.591 million were procured by Rawalpindi Zone showing an increase of 223.31% in premium collection over last year.</p> <p>42. ED(Investment) presented before the Board review of Investment portfolio as at 31<sup>st</sup> December' 2008 which was Rs.181,859 million as compared to Rs.162,135 million as at 31<sup>st</sup> December 2007 showing a percentage increase of 12.17%. State Life earned Rs.18,506 million on its Investment portfolio excluding unrealized gain on Investment for the year ended 31<sup>st</sup> December, 2008 as compared to Rs.17,526 million earned during the last year. The book value of quoted equity portfolio stood at Rs.21,852 million at 31<sup>st</sup> December, 2008 while its market value was Rs.26,690 million as at 31<sup>st</sup> December 2008 showing an appreciation of Rs.4,838 million. State Life also participated in NIT Stock Market Opportunity Fund to the extent of Rs.1,500 million. State Life also was allocated shares worth Rs.396.7 million from shares placed in CFS.</p> <p>43. The Board was informed that the total investment of the Corporation in PIBs floated by Government of Pakistan since December 2000 including accrued interest as at December 31, 2008 was Rs.124,500 million. This constituted 68.46% of the total portfolio. The total investments in Government Securities amounted to Rs.125,792 million which constituted 69.16% of the total portfolio. As advised by Appointed Actuary of the Corporation, the Corporation purchased PIBs of 15, 20 and 30 years duration with a face value of Rs.15,600 million at a cost of Rs.13,781 million. The corporate debts included investments in TFCs of different companies and foreign securities. State Life purchased TFCs issued by Pakistan Mobile Communication Ltd., Engro Chemicals Ltd., and Pak Arab Fertilizer Ltd with a redemption value of Rs.443.679 million at a cost of Rs.433.453 million from the market during the period under review. The total investment in corporate debt was Rs.1,182 million as on December 31, 2008.</p>			

CHAIRMAN'S INITIALS

*[Handwritten Signature]*



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Action:  
ED(Act)  
DH(Act)  
DH(B&A)

(ii) "that the proposal of ED(Actuarial) contained in the memorandum, for enhancement of the paid up capital of State Life from Rs.900 million to Rs.1,100 million, is approved."

**ITEM (6) PRESENTATION ON STATE LIFE SUBSIDIARIES I.E. ALPHA INSURANCE COMPANY, PAKISTAN EMERGING VENTURE CAPITAL MANAGEMENT FUND, STATE LIFE ASSET MANAGEMENT COMPANY & STATE LIFE ABDULLAH HAROON ROAD PROPERTIES (PVT) LIMITED.**

Action:  
ED(Inv)  
DH(Inv)

53. The presentation on State Life subsidiaries was deferred to the next meeting of the Board due to paucity of time.

Action:  
ED(Inv)  
DH(Inv)

54. The Chairman informed the Board that since the present Managing Director of Alpha Insurance Company Limited Mr. V. C. Gonsalvez has retired, a General Manager with marketing background would be posted as Managing Director who would review the existing status of the Company and inform State Life as to necessary reforms that would be necessary to revitalize the company and make it a progressive, cost effective and profitable organization.

Action:  
ED(Inv)  
DH(Inv)

**ITEM (7) PRESENTATION ON TAKAFUL VIS A VIS CONVENTIONAL INSURANCE.**

55. The presentation on Takaful vis a vis Conventional Insurance was deferred to the next meeting of the Board due to paucity of time.

**ITEM (8) APPOINTMENT OF STATUTORY AUDITORS FOR AUDIT OF ACCOUNTS FOR THE YEAR ENDED ON 31-12-2008.**

56. Executive Director(B&A) presented before the Board, a memorandum dated 21-01-2009 for appointment of Statutory Auditors for audit of accounts of the Corporation for the year ended 31-12-2008.

57. The Board was informed that M/s. Anjum Asim Shahid Rahman and M/s. Avais Hyder Liaquat Nauman were the statutory auditors of State Life to conduct audit of accounts for 2007. The Board had approved audit fee/out pocket expenses as follows:-

Firm's Name	Audit Fee	Out of Pocket Expenses	Total
M/s. Anjum Asim Shahid Rahman	690,000/-	414,000/-	1,104,000/-
M/s. Avais Hyder Liaquat Nauman	690,000/-	402,500/-	1,092,500/-
<b>TOTAL</b>	<b>1,380,000/-</b>	<b>816,500/-</b>	<b>2,196,500/-</b>

58. For Gulf Zone, the Board had approved appointment of M/s. Sajjad Haider & Co., against audit fee and out of pocket expenses of UAE Dh.25,300/- and Dh.8,050/- respectively.

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**Business within Pakistan**

59. ED(B&A) submitted that one of the existing Auditors, M/s. Anjum Asim Shahid Rahman have completed their cycle of five years for audit of accounts upto 2007 whereas M/s. Avais Hyder Liaquat Nauman have one year remaining in completing five years' cycle upto the audit of 2008.

60. As per instructions of SECP and Auditor General of Pakistan, an audit firm has to be replaced after it completes its cycle of five year and selection of audit firms of Chartered Accountants can only be made from the list of auditors for insurers, approved by SECP. Therefore all 11 firms of Chartered Accountants placed in SECP list excluding M/s. Anjum Asim Shahid Rahman who have completed their tenure of five years, were requested to submit their technical and financial bids. Seven Chartered Accountants firms responded and submitted their technical and financial bids.

61. ED(B&A) further informed the Board that in house committee comprising of ED(B&A), SGM(IA&E), SGM(Investment) and GM(B&A) was formed for opening, scrutiny of quotations and evaluating of each firm on the basis of various pre defined factors to assess the potential of the firm to handle the audit of large insurance company whose accounting centre are spread over the entire country. The points scored by each firm out of the maximum of 100 points were as follows:

Sr.No.	Firm's Name	Points scored out of 100 points
a.	M/s. Taseer Hadi Khalid & Co.	100
b.	M/s. M. Yousuf Adil Saleem	100
c.	M/s. Ford Rhodes Sidat Hyder	100
d.	M/s. Riaz Ahmad & Co.	90
e.	M/s. A. F. Ferguson & Co.	85
f.	M/s. Ebrahim & Co.	83
g.	M/s. Ilyas Saeed & Co.	82

62. The committee opened financial bids of only those firms which had scored 90 and more points and the following was the result:-

S.No.	Name of Firm	Points Scored	Fees (Rs.)	
			Audit Fee	Out of pocket expenses
a.	M/s. Taseer Hadi Khalid	100	2,200,000	Actual
b.	M/s. Yousuf Adil Saleem	100	2,250,000	Actual
c.	M/s. Ford Rhodes Sidat Hyder & Co.	100	1,650,000	Actual
d.	M/s. Riaz Ahmad	90	690,000	Actual

63. M/s. Riaz & Co., who had quoted the lowest audited fees was requested to quote their out of pocket expenses, which they quoted to be Rs.400,000. The committee recommended to the management to select M/s. Riaz Ahmed & Co., whose quotation was the lowest one.

64. State Life had requested Ministry of Commerce to obtain the concurrence of

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INITIALS

*[Handwritten Signature]*

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Auditor General of Pakistan to the recommendation of the committee for appointment of the Auditors which was obtained and forwarded to State Life vide MOC letter No.3(34)/2008-Ins. Dated 24<sup>th</sup> December, 2008 which was placed at annexure-A to the memorandum.

**Gulf Zone:**

65. ED(B&A) also informed the Board that the accounts of Gulf Zone for 2007, comprising of UAE, Kuwait and Saudi Arabia, were audited by M/s. Sajjad Haider & Co., Dubai against the audit fee of UAE Dh.25,300/- and out of pocket expenses not exceeding to Dh.8,050/-. This is a Pakistan based firm and has been conducting audit of accounts of Gulf Zone for many years. The fee quoted by them is always reasonable and less than quoted in the past by other Chartered Accountants firms operating in UAE. The concurrence from Auditor General of Pakistan is not required for their appointment. ED(B&A) proposed that M/s. Sajjad Haider & Co., be appointed as auditor for Gulf Zone for conduct of audit for 2008 on the same fees/audit fee which was allowed for 2007.

66. The Board was requested to approve appointment of auditors for Pakistan as well as Gulf Zone for audit of accounts for the year 2008 as follows:

S. No	Name of Firm	Fees (Rs)		
		Audit Fee	Out of pocket expenses	Total
<b>Business within Pakistan</b>				
1.	M/s. Avais Hyder Liaquat Nauman	690,000	402,500	1,092,500
2.	M/s. Riaz Ahmad & Co.	690,000	400,000	1,090,000
	<b>Total</b>	<b>1,380,000</b>	<b>802,500</b>	<b>2,182,500</b>
<b>Gulf Zone</b>				
1.	M/s. Sajjad Haider & Co., UAE	Dh.25,300	Dh.8,050	Dh.33,350

67. The Board resolved as under:

**RESOLVED:**

(i)"that the proposal of ED(B&A) contained in the memorandum for appointment of M/s. Avais Hyder Liaquat Nauman and M/s. Riaz Ahmad & Co. against an audit fee of Rs.690,000/- for each audit firm and out of pocket expenses not exceeding Rs.402,500/- and Rs.400,000/- respectively as auditors for Pakistan business and (ii) M/s. Sajjad Haider & Co., UAE against an audit fee of Dh.25,300/- and out of pocket expenses not exceeding Dh.8,050/- as auditors for Gulf Zone to carry out audit of accounts for the year 2008, is approved."

(ii)"that the exercise for appointment of auditors for Pakistan business and Gulf Zone business for the year 2009 be started immediately and approval of the Board be taken before the end of year after obtaining necessary concurrence of the Government authorities as required by the directives received from the Regulatory Authorities."

Action:  
ED(B&A)  
DH(B&A)

Action:  
ED(B&A)  
DH(B&A)

CHAIRMAN'S  
INITIALS



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<p><b>ITEM (9) PRESENTATION IN RESPECT OF AMOUNT PAID TO THE GOVERNMENT OF PAKISTAN FOR THE YEAR 2001 TO 2007 FOR POLICY STAMPS, DIVIDENDS AND TAX ON DIVIDENDS.</b></p>			
<p>68. The presentation in respect of amount paid by State Life to the Government of Pakistan for the year 2001 to 2007 for policy stamps, dividends and tax on dividends was submitted to the Board for information.</p>			
<p>69. On a query, DH(B&amp;A) informed the Board that tax provision made in the year 2001 was reversed in the year 2006 resulting in lower tax provision. As regards policy stamps, the Board was informed that the increase in policy stamps cost was due to difference in provincial business mix where the rates of duties varies from province to province.</p>			
<p><b>ITEM (10) <u>UP-GRADATION OF MANAGER(MARKETING)/SECTOR HEAD.</u></b></p>			
<p>70. Executive Director(Marketing) presented before the Board, a memorandum regarding up-gradation of Manager(Marketing)/Sector Head. The Board was informed that due to one or other reasons elevation/promotion of Sector Head to the next higher cadre could not be considered as it was a pure and exclusive marketing based assignment. At present there are about 145 Manager(Marketing) who are posted as Sector Heads in different Zones of the Corporation to look after and supervise 520 Area Managers and their team. In 2007 only two Manager(Marketing) were elevated and promoted to the next higher grade due to there being no vacant post of AGM available on the marketing side. It was therefore proposed as follows:-</p>			
<p>a) all existing Managers(Marketing) not promoted since 1998 may be upgraded and placed as Assistant General Manager(Marketing), provided the incumbent:</p> <ul style="list-style-type: none"> <li>i) has a continues association on marketing side since his/her entry into the grade.</li> <li>ii) Has an unblemished service record and has no adverse remarks in any of the previous years' annual confidential appraisal reports for the year 2008 and downwards.</li> <li>iii) Has neither been involved in any disciplinary proceedings nor punished/issued any warning letter as a result thereof.</li> </ul> <p>b) since the upgradation will be a privilege, the existing posts occupied by the upgraded incumbents will be actualized as Assistant General Manager(Marketing) in their respective place of posting as their approved post, hence no transfers and postings would be required, until further orders.</p>			
<p>71. The Board advised that HR related payments and increases be brought before the Board in totality rather than on piece meal basis, once a year so that the impact of decision made can be clearly understood and total expenditure can be known which would enable to safeguard the interest of the shareholder. The Human Resources Committee of the Board was requested to look into the matter.</p>			

Action:  
ED(P&GS)  
DH(P&GS)


CHAIRMAN'S INITIALS

*[Signature]*

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<p>Action: ED(P&amp;GS) ED(Mkt) DH(Mkt)</p>	<p>72. The Board resolved as under:</p> <p><b>RESOLVED:</b> "that the above memorandum be referred to Human Resources Committee of the Board for detailed scrutiny and submission of recommendations to the Board for decision."</p> <p><b>ITEM (11) ADVANCE INCREMENTS TO NEWLY PROMOTED MANAGER (MARKETING) FROM AREA MANAGERS TO COMPENSATE FOR LOSS OF INCENTIVE BONUS.</b></p> <p>73. Executive Director(Marketing) presented before the Board, a memorandum dated 27-01-2009 regarding advance increments to newly promoted Manager (Marketing) from Area Managers to compensate for loss of incentive bonus.</p> <p>74. ED(Marketing) explained that Area Manager is a specific class of officers in the Corporation who supervise a team consisting of Sales Managers, Sales Officers and Sales Representatives for promotion of business. The Area Managers are entitled for a salary equivalent to the initial time scale of Deputy Manager, however no annual increments are allowed to them. Instead, they are paid business related perks, i.e. incentive bonus, petrol expenses, car rental, driver's subsidy, entertainment, meeting &amp; conference, commensurate with the quantum of business secured in the area.</p> <p>75. The Area Manager after fulfilling laid down criteria of promotion are considered for elevation to the post of Manager. This promotion generally causes sizeable financial loss of income to the incumbents, which is compensated to a certain extent by grant of advance increments, however does not fully cover the loss of income, specially incentive bonus.</p> <p>76. These increments are based on the accumulated incentive bonus drawn by the Area Manager as at 31<sup>st</sup> December of the year of performance for promotion. The first year premium quota of the Area Manager has since been increased and has been dynamized, i.e. increases @ 25% after every three years. Therefore, the slabs presently inforce have also become obsolete and require rationalization commensurating with the increase in annual quota.</p> <p>77. The Marketing Division has proposed that these slabs may be revised as per annexure-A of the memorandum. The annexures carries a comparison of the existing slabs and the proposed slabs. The proposed revision in slabs will certainly reduce the cost to the extent of advance increments.</p> <p>78. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED:</b> "that the proposal of ED(Marketing) regarding advance increments to newly promoted Managers(Marketing) from Area Mangers to compensate the loss of incentive bonus as given below, is approved:-</p> <table border="1" data-bbox="308 2038 1234 2150"> <thead> <tr> <th><u>Loss of Incentive Bonus</u></th> <th><u>No. of advance Increments</u></th> </tr> </thead> <tbody> <tr> <td>Loss of Incentive Bonus Upto Rs.200,000/-.</td> <td>Two</td> </tr> </tbody> </table>			<u>Loss of Incentive Bonus</u>	<u>No. of advance Increments</u>	Loss of Incentive Bonus Upto Rs.200,000/-.	Two	<p>CHAIRMAN'S INITIALS</p> 
<u>Loss of Incentive Bonus</u>	<u>No. of advance Increments</u>							
Loss of Incentive Bonus Upto Rs.200,000/-.	Two							
<p>Action: ED(Mkt) ED(P&amp;GS) ED(B&amp;A)</p>								

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	<p><b>Loss of Incentive Bonus more Than Rs.200,000/- but less Than Rs.250,000/-.</b></p> <p><b>Loss of Incentive Bonus more Than Rs.250,000/- but less Than Rs.300,000/-.</b></p> <p><b>Loss of Incentive Bonus more Than Rs.300,000/- but less Than Rs.350,000/-.</b></p> <p><b>Loss of Incentive Bonus more Than Rs.350,000/- but less Than Rs.400,000/-.</b></p> <p><b>Loss of Incentive Bonus more Than Rs.400,000/- but less Than Rs.450,000/-.</b></p> <p><b>Loss of Incentive Bonus Of more than Rs.450,000/-.</b></p> <p><b>ITEM (12) <u>REVISION OF FIELD MEDICAL FACILITIES.</u></b></p> <p>79. Executive Director(Marketing) presented before the Board, a memorandum regarding revision of field medical facilities to qualified field officers.</p> <p>80. The field officers of the Corporation are provided certain predefined medical facilities/benefits in a year on qualifying the same after completion of predefined business performance criteria consisting of procurement of First Year Premium and achievement of 2<sup>nd</sup> Year Persistency during preceding year.</p> <p>81. The existing field structure, comprising of Field Medical Facilities was approved by the Board in its 167<sup>th</sup> meeting held at Peshawar on 13<sup>th</sup> July 2002 and circulated vide Marketing Division's "Office Order" No.PO/50/2002 dated 13<sup>th</sup> July 2002. Under this facility, the limits for reimbursement of cost of medicines/room rent to the qualifiers were fixed in accordance with the rates prevailing at that time, against completion of First Year Premium according to the Slabs mentioned in the Office Order. After application of the field structure in 2002, the FYP quota of field has been increased twice @ 25% each, effective 01-01-2005 and 01-01-2008 in terms of a clause of said Office Order which prescribes that FYP quota of the field is to be increased by 25% after every three years.</p> <p>82. ED(Marketing) submitted before the Board that keeping in mind the current scenario of cost of living, few terms of medical scheme should be considered for revision which include:-</p> <p>a) <i>cost of medicine and room rent under hospitalization,</i></p> <p>b) <i>maternity charges at approved hospitals,</i></p>	<p><b>Three</b></p> <p><b>Four</b></p> <p><b>Five</b></p> <p><b>Six</b></p> <p><b>Seven</b></p> <p><b>Eight</b></p>	<p>CHAIRMAN'S INITIALS</p> 

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<p>c) <i>restriction of hospitalization for 15 days,</i>  d) <i>description of chronic diseases, &amp;</i>  e) <i>extension in time-span for special medical relief for treatment of chronic diseases.</i></p> <p>83. Item-wise detail is given below:-</p> <p>a) <u>Cost of Medicine and Room Rent under Hospitalization</u></p> <p>The cost of medicines as compared with that in 2002 has increased manifold and the rates allowed as per field structure do not match with the current rates of medicines and room rent under hospitalization. To rationalize the cost of medicines/room rent, it is proposed that the limits of benefits given against FYP slabs in the "13<sup>th</sup> July 2002 Office Order" may be increased by 75% for determination of benefits keeping in mind twice increment in the FYP quota/slabs and the present cost of medicines/hospitalization. A statement showing existing and proposed limits of benefits was placed at Annexure-A to the memorandum.</p> <p>b) <u>Maternity Charges at Approved Hospitals</u></p> <p>According to the spirit of "13<sup>th</sup> July 2002 Office Order", all maternity charges at approved hospitals are payable, however, due to given slabs of FYP for payment of maternity charges at other than approved hospitals, a confusion with regard to meeting such expenses at "approved hospitals" has been reported. In order to streamline the same, it has been proposed that the title of subject facility mentioned in the said Office Order as "Medical Facility" may be clarified and replaced with the words "<i>Medical Facility including all maternity charges/procedures at approved hospitals as per approved rates</i>". The title stands revised as mentioned at Annexure-A to the memorandum. Entitlement of maternity charges at other than approved hospitals given in the "13<sup>th</sup> July 2002 Office Order" may be enhanced by 60%.</p> <p>c) <u>Restriction of Hospitalization for 15 days</u></p> <p>As per existing field structure, the maximum duration under each hospitalization is restricted to 15 days. On rare occasions in acute conditions, this provision may lead to endanger the life of such field workers and their dependents. Therefore, under specific circumstances where this provision due to nature of ailment/condition of the qualified patient (and dependents) can not be implemented, it is proposed that the provision of 15 days' confinement may be relaxed with following conditions:</p> <p>i) The extension has been recommended by the treating consultant/hospital.</p> <p>ii) Prior approval has been accorded by a sub-Committee consisting of CMO, Divisional Head (Marketing) and Divisional Head (P&amp;GS) with final approval of Executive Director (Marketing).</p> <p>iii) The extension will be granted for one week only, and the procedure at i) and ii) above will be repeated for further extension on need basis.</p>			

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<p>d) <u>Description of chronic diseases</u></p> <p>Presently, following ailments are described as "chronic diseases" under the medical scheme for qualified field officers:</p> <p style="text-align: center;">Cancer, Paralysis, Cardio-vascular (Heart) disease, Hypertension, Diabetes Mellitus, Tuberculosis</p> <p>These ailments were considered as chronic diseases during the year 1994 in view of the then health environment and were described accordingly, in the Field Matters of 2<sup>nd</sup> January 1995, as a result of meetings held between field representatives and the management of State Life. It has been proposed that for treatment and Special Medical Relief as given in the "13<sup>th</sup> July 2002 Office Order", the existing practice shall continue, however, keeping in mind present health and medical environment, "Hepatitis-C" may be included in the above mentioned list of "chronic diseases". Special Medical Relief for this particular disease is proposed to be "payable for maximum of one year during life time of the qualifier to meet the expenses of medicines for this particular disease." All other terms and conditions for Special Medical Relief will remain unchanged.</p> <p>e) <u>Extension in time-span for Special Medical Relief for treatment of chronic diseases.</u></p> <p>The special medical relief to meet the expenses of medicines under chronic diseases is currently payable for maximum three years during lifetime of the qualifier. It has been proposed that the time span of three years may be extended to four years for chronic diseases, excluding Hepatitis-C.</p> <p>It is worthwhile to mention here that due to manifold increase in Corporation's First Year, Second Year and Renewal Premium income during past few years, the proposed revision of the scheme shall have negligible cost effect.</p> <p>84. The Board was requested to kindly approve the above changes with proposed slabs of benefits at Annexure-A to the memorandum. The changes will take effect from 1<sup>st</sup> January 2009 based on the performance of 2008 onwards.</p> <p>85. After deliberation, the Board resolved as under:</p> <p><b>RESOLVED:</b></p> <p>"that the proposal of ED(Marketing) contained in the memorandum for revision of field medical facilities attached with annexure-A to the memorandum and as reproduced below with effect from 1<sup>st</sup> January, 2009 based on the performance of 2008 onwards, is approved."</p> <p><b>SENIOR SALES REPRESENTATIVES</b> Medical facility(including all maternity charges/procedures at approved hospital as per approved rates of State Life. (Increase of 75% in limits of benefits given against FYP slabs in the 13<sup>th</sup> July, 2002 office order, keeping in mind twice increment in FYP quota/slabs and the present cost of medicines/hospitalization)</p>			

Action:  
ED(Mkt)  
ED(P&GS)  
ED(B&A)

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F.Y.P.	Medicines + medical attendants yearly limit	Lab. Test/ Consultation per annum	Hospitalization/Room rent per day.
Rs.3,12,500/- to Rs.6,24,999/-	Rs.5,250/-	Rs.5,250/-	Rs.525/-
Rs.6,25,000/- to Rs.9,37,499/-	Rs.6,125/-	Rs.6,125/-	Rs.700/-
Rs.9,37,500/- and above.	Rs.7,000/-	Rs.7,000/-	Rs.875/-

Maternity charges other than approved hospitals(entitlement of maternity charges at other than approved hospitals given in the 13<sup>th</sup> July, 2002 office order be enhanced by 60%).

F.Y.P.	Maximum limit including hospital bills.
Rs.3,12,500 to Rs.6,24,999/-	Rs.4,000/-
Rs.6,25,000/- to Rs.9,37,499/-	Rs.4,800/-
Rs.9,37,500/- and above.	Rs.5,600/-

**SALES OFFICERS**

Medical facility(including all maternity charges/procedures at approved hospital as per approved rates of State Life. (Increase of 75% in limits of benefits given against FYP slabs in the 13<sup>th</sup> July, 2002 office order, keeping in mind twice increment in FYP quota/slabs and the present cost of medicines/hospitalization)

The medical facility will be allowed as per the following slabs Based on preceding year's performance:-

F.Y.P.	Medicines + medical attendants yearly limit	Lab. Test/ Consultation per annum	Hospitalization/Room rent per day.
Rs.3,12,500/- to Rs.6,24,999/-	Rs.5,250/-	Actual	Rs.525/-
Rs.6,25,000/- to Rs.9,37,499/-	Rs.6,125/-	Actual	Rs.700/-
Rs.9,37,500/- and above.	Rs.7,000/-	Actual	Rs.875/-

Maternity charges other than approved hospitals. (entitlement of maternity charges at other than approved hospitals given in the 13<sup>th</sup> July, 2002 office order be enhanced by 60%).

F.Y.P.	Maximum limit including hospital bills.
Rs.3,12,500 to Rs.6,24,999/-	Rs.4,000/-

CHAIRMAN'S INITIALS

*[Handwritten Signature]*



**MINUTES OF 199<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

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Rs.6,25,000/- to Rs.9,37,499/-	Rs.4,800/-
Rs.9,37,500/- and above.	Rs.5,600/-

**SALES MANAGERS**

Medical facility(including all maternity charges/procedures at approved hospital as per approved rates of State Life. (Increase of 75% in limits of benefits given against FYP slabs in the 13<sup>th</sup> July, 2002 office order, keeping in mind twice increment in FYP quota/slabs and the present cost of medicines/hospitalization)

The medical facility will be provided on the basis of preceding year's performance as per the following slabs:-

F.Y.P.	Medicines + medical attendants yearly limit	Lab. Test/ Consultation per annum	Hospitalization/Room rent per day.
Rs.6,25,500/- to Rs.9,37,499/-	Rs.5,250/-	Actual	Rs.525/-
Rs.9,37,500/- to Rs.12,49,999/-	Rs.7,000/-	Actual	Rs.700/-
Rs.12,50,000/- to Rs.14,99,999/-	Rs.8,750/-	Actual	Rs.875/-
Rs.15,00,000/- and above.	Rs.10,500/-	Actual	Rs.1,050/-

Maternity charges other than approved hospitals(entitlement of maternity charges at other than approved hospitals given in the 13<sup>th</sup> July, 2002 office order be enhanced by 60%).

F.Y.P.	Maximum limit including hospital bills.
Rs.6,25,000 to Rs.9,37,499/-	Rs.4,800/-
Rs.9,37,500/- to Rs.12,49,999/-	Rs.5,600/-
Rs.12,50,000/- to Rs.14,99,999/-	Rs.6,400/-
Rs.15,00,000/- and above.	Rs.8,000/-

**SALES EXECUTIVES**

Medical facility(including all maternity charges/procedures at approved hospital as per approved rates of State Life. (Increase of 75% in limits of benefits given against FYP slabs in the 13<sup>th</sup> July, 2002 office order, keeping in mind twice increment in FYP quota/slabs and the present cost of medicines/hospitalization).

As per entitlement of SOs. or SMs. depending on the volume of premium.

Maternity charges other than approved hospitals. (entitlement of maternity charges at other than approved hospitals given in the 13<sup>th</sup>

CHAIRMAN'S INITIALS

*[Handwritten Signature]*

**MINUTES OF 199<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

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July, 2002 office order be enhanced by 60%).

As per entitlement of SOs. or SMs. depending on the volume of Premium.

Restriction of maximum duration under each hospitalization:

"that relaxation with following conditions in the provision of maximum duration under each hospitalization which as per existing field structure is restricted to 15 days under specific circumstances (where this provision due to nature of ailment/condition of the qualified patient (and dependents) can not be implemented), is approved:-

- (a) the extension has been recommended by the treating consultant/hospital.
- (b) prior approval has been accorded by a sub committee consisting of the CMO, DH(Marketing) and DH(P&GS) with final approval of ED(Marketing).
- (c) The extension will be granted for one week only, and the procedure at (a) and (b) above will be repeated for further extension on need basis.

Description of Chronic Diseases:

(i) "that inclusion of Hepatitis "C" under the description of chronic diseases under the medical scheme for qualified field officers for treatment and special medical relief as given in the 13<sup>th</sup> July, 2002 office order and special medical relief for this particular disease payable for a maximum period of one year during life time of the qualifier to meet the expenses of medicine for this particular disease with all other terms and conditions for special medical relief remaining unchanged, is approved."

Extension in time span for special medical relief for treatment of chronic diseases

(ii) "that the proposal for extension in the time span from three years to four years for special medical relief to meet the expenses of medicines under chronic diseases excluding Hepatitis "C", is hereby approved."

As per ED(Marketing), the revision of the scheme as per above, will have negligible cost effect due to manifold increase in Corporation's premium income during the past few years.

**ITEM (13) PRESENTATION ON GROUP LIFE BUSINESS.**

86. The presentation on Group Life Business of State Life was given by ED(G&P).

87. ED(G&P) mentioned that there were four Group & Pension Zones at Karachi, Lahore, Rawalpindi and Peshawar who were reported to DH(G&P) at Principal Office. Each Zone had a PHS, Claim, B&A, IA&E, P&GS and IT Department reporting to the Zonal Head(G&P) alongwith the Marketing Sector Heads.

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INITIALS



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<p>88. The approved staff strength of G&amp;P Division was 110 for officers and 137 for staff whereas they were 80 existing officers and 40 staff.</p>			
<p>89. The group life and pension premium has gone up from Rs.1525.7 million in 2002 to Rs.3524.1 million in 2008, whereas group life and pension claim have gone up from Rs.638.5 million in 2002 to Rs.2770.5 million in 2008. The number of lives covered have gone up from 3731 thousand in 2005 to 3967 thousand in 2008. The premium from government organizations as a percentage of total premium has fallen from 58% in 2005 to 52% in 2008 whereas the premium from commercial organizations has increased from Rs.42% to 48%.</p>			
<p>90. ED(G&amp;P) informed the Board that reasons for fluctuation in business of G&amp;P was three years contract in the case of provincial government polices, delay in finalizing of cases and communication of rates, higher rates as compared to competitors, low free cover limit, rapid turn over of personnel, premium billing on budgetary staff strength instead of actual working strength in government departments and lack of training/logistic support for marketing and office personnel.</p>			
<p><b>ITEM (14) <u>REVIEW OF PAST INCIDENTS OF FIRE FOR THE INFORMATION OF THE BOARD.</u></b></p>			
<p>91. Executive Director(Real Estate) presented before the Board, a memorandum giving summary of fire incidents that occurred during the year 2007/2008 in State Life buildings all over Pakistan for information of the Board which was noted.</p>			
<p><b>ITEM (15) <u>RE-NAMING AND RE-CONSTITUTION OF THE DIVISIONS.</u></b></p>			
<p>92. Executive Director(P&amp;GS) presented before the Board, a memorandum regarding re-naming and reconstitution of the Divisions which would not only meet the corporate requirement of the time but also reflect a new look in line with the modern terminology and corporate culture.</p>			
<p>93. ED(P&amp;GS) suggested that the Board of Directors may kindly approve renaming/ reconstitution of the Divisions as mentioned in the memorandum.</p>			
<p>94. After deliberation, the Board resolved as under:</p>			
<p><b><u>RESOLVED:</u></b></p>			
<p>(i) "that as suggested by ED(P&amp;GS) in the memorandum, the renaming of the Divisions as follows, is hereby approved:-</p>			
<p>(a) Budget &amp; Accounts Division as Finance &amp; Accounts Division.  (b) Internal Audit &amp; Evaluation Division as Internal Audit &amp; Compliance Division.  (c) Law Division as Legal Affairs Division.  (d) Real Estate Division as Real Estate Management Division.  (e) Board Secretariat as Corporate Affairs Division.</p>			

Action:  
ED(P&GS)  
DH(P&GS)

CHAIRMAN'S  
INITIALS

*[Handwritten initials]*

**MINUTES OF 199<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

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(ii) "that the bifurcation of Personnel & General Services Division into Human Resources Division and General Administration Division is hereby approved. The General Administration Division would look after General Administration and Medical Department."

(iii) "that the change of name of Advertising & Sales Promotion Department to Corporate Communication Department is hereby approved."

**ITEM (16) MODIFICATION IN PROMOTION CRITERIA FOR OFFICERS.**

95. Executive Director(P&GS) presented before the Board, a memorandum regarding modification in promotion criteria for officers.

96. The Board of Directors at its 183<sup>rd</sup> meeting held on 15<sup>th</sup> November, 2005 had approved the criteria for promotion of employees to the effect that the officers promotion shall be cut off by 50% of the seniority table.

97. ED(P&GS) informed that it was observed that the number of vacancies available in the officers cadre are greater than 50% of the strength as appearing on the seniority table as on 31-12-2007 which has resulted in a larger number of vacancies remaining unfilled after the completion exercise in 2008, therefore it would be appropriate if the existing promotion criteria previously approved by the Board is amended to the extent that where the number of unfilled vacancies are greater than 50% of the employees appearing on the seniority table, all such vacancies are allowed to be filled. He further informed the Board that only officers in the Assistant Manager cadre for their promotion as Deputy Manager shall be covered while there shall be no provision for consideration of promotion in other cadres i.e. from Deputy Manager to Manager and upwards.

98. It is pertinent to note that the number of vacancies in Deputy Manager cadre are greater than the employees appearing within 50% of the seniority table as on 31-12-2007, therefore it is recommended to amend/modify the above criteria to the extent that where the number of vacancies are greater than 50% of the employees appearing on the seniority table, a selection committee may go beyond 50% of the employees in any cadre subject to availability of vacancies and the approved promotion criteria, so that the remaining vacancies in the said cadre can be filled.

99. The Board resolved as under:

**RESOLVED:**

"that the above memorandum be referred to Human Resources Committee of the Board for detailed scrutiny and submission of recommendations to the Board for decision."

**ITEM (17) CREATION OF REAL ESTATE MANAGEMENT AND ENGINEERING DIRECTORATE.**

100. Executive Director(Real Estate) presented before the Board, a memorandum regarding creation of Real Estate Management and Engineering Directorate.

Action:  
ED(P&GS)  
DH(P&GS)

CHAIRMAN'S  
INITIALS

  
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CHAIRMAN

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101. ED(Real Estate) informed that State Life is one of the largest landlord of Pakistan having 88 commercial, residential buildings and plot all over Pakistan with over 2.6 million sq.ft. of rentable area worth Rs.24.31 billion. Most of the buildings/properties owned by State Life are inherited whereas a number of building projects were completed after nationalization, details of which were given in the memorandum. The inherited buildings are quite old while the new ones have modern facilities. The volume of work in Real Estate Division have increased in many fold with the commissioning of five new multi storied commercial buildings having modern facilities like central air-conditioning, high tech lifts, electrical network, fire alarm systems and standby generators.

102. The Real Estate Division basically consist of two major portions i.e. engineering section and real estate management section. The engineering section consist of electrical engineering, air-conditioning and mechanical engineering, elevators, civil engineering(maintenance) and civil engineering(projects), whereas Real Estate Management looks after tenancy and utility services like, securities, janitorial services, water supply, fumigation and termite proofing.

103. It was therefore proposed that the Division be bifurcated into two portions namely Engineering and Real Estate Management which would be headed by an Executive Director and two General Managers looking after Engineering and Real Estate Management respectively with two AGMs respectively to support them.

104. The working of the Real Estate Division would be decentralized in South Region, Central Region, North Region and Multan Region with controlling station at Karachi, Lahore, Islamabad and Multan respectively having independent powers and reporting directly to the Engineering Directorate. Based on the criteria that would be an Engineering Directorate, independent Real Estate Offices and that Building Incharges should be an Engineer preferably an Electrical Engineer, it was proposed that the officers strength should be revised at 135 consisting of two GMs, 8 DGMs, 16 AGMs, 28 Managers, 35 DMs and 46 AMs.

105. The Board resolved as under:

**RESOLVED:**

**"that the above proposal of ED(RE) be referred to Human Resources Committee of the Board for detailed scrutiny and submission of recommendations to the Board for decision"**

**ITEM (18) MANPOWER REQUIREMENT.**

106. Executive Director(P&GS) presented before the Board, a memorandum regarding approval of overall staff strength of 6018 employees against the last approved strength of 4085 employees given at the 162<sup>nd</sup> meeting of the Board held on 11<sup>th</sup> August, 2001. The estimated total financial impact of the additional proposed staff strength works out to Rs.892.85 million per annum. The grade-wise and designation-wise position will be submitted to the Executive Committee for approval.

Action:  
ED(RE)  
DH(RE)  
DH(P&GS)

CHAIRMAN'S  
INITIALS

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**MINUTES OF 199<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS**

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<p>107. ED(P&amp;GS) informed that the approved criteria for determining overall staff strength of Regional and Zonal Offices excluding Real Estate and G&amp;P Division was as follows:-</p> <ul style="list-style-type: none"> <li>a. Two persons per thousand enforced policies subject to minimum of 39 persons for each newly created Zone and 29 persons for each Regional Office.</li> <li>b. For large Zone the ratio was kept at 1.5 person per 1000 policies.</li> </ul> <p>108. Based on the above criteria and the present estimate of 2.6 million enforced policies as at 31-12-2008, the total staff strength should be 4444 including 29 persons for each Region.</p> <p>109. The Board of Directors while approving the staff strength for G&amp;P Division took into consideration the ratio of G&amp;P staff to total premium income from G&amp;P operation i.e. 1 person per Rs.5 million premium for the last three years. It is currently proposed that one person per Rs.6 million premium for the last three years should be taken into consideration while approving the staff strength for G&amp;P Division, as such based on premium income of Rs.3.51 billion for the 2008, a staff strength of 500 employees is proposed for G&amp;P Division.</p> <p>110. ED(P&amp;GS) proposed a technical staff of one employee per 12000 sq.ft. whereas for non technical staff at one employee for 10000 sq.ft. The total covered area of State Life Building is around 3.13 million sq.ft. including area of under construction building which is 488,280 sq.ft. Based on the above criteria staff strength of RED for existing completed and building under construction is provided as follows:-</p> <p style="margin-left: 40px;">Technical 261 persons Non technical 313 persons Total staff strength proposed 574 persons</p> <p>111. A strength of 500 employees is proposed for Principal Office against 443 employees approved in the year 2000.</p> <p>112. The allocation of employees between officers and unionized staff is proposed for various stations as under:-</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Stations</th> <th>Ratio (%)</th> </tr> </thead> <tbody> <tr> <td>Zones with 50,000 and above inforce policies</td> <td>40:60</td> </tr> <tr> <td>Zones less than 50,000 inforce policies</td> <td>45:55</td> </tr> <tr> <td>Regional Offices</td> <td>60:40</td> </tr> <tr> <td>Principal Office</td> <td>50:50</td> </tr> <tr> <td>Group &amp; Pension</td> <td>45:55</td> </tr> <tr> <td>Real Estate</td> <td>45:55</td> </tr> <tr> <td>Overall Corporation basis</td> <td>45:55</td> </tr> </tbody> </table>				Stations	Ratio (%)	Zones with 50,000 and above inforce policies	40:60	Zones less than 50,000 inforce policies	45:55	Regional Offices	60:40	Principal Office	50:50	Group & Pension	45:55	Real Estate	45:55	Overall Corporation basis	45:55
Stations	Ratio (%)																		
Zones with 50,000 and above inforce policies	40:60																		
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Regional Offices	60:40																		
Principal Office	50:50																		
Group & Pension	45:55																		
Real Estate	45:55																		
Overall Corporation basis	45:55																		

CHAIRMAN'S INITIALS

*[Signature]*

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113. The summary of overall staff strength proposed is as follows:-

**1. Overall staff strength:**

	Approved (A)	Existing (B)	Proposed (P)
Total	4085*	3448	6018

\*including 119 approved posts, reserved for direct recruitment and 09 approved floating posts of DGMs.

**2. Regions:**

Southern:

	Approved (A)	Existing (B)	Proposed (P)
Total	658	664	998

Central:

	Approved (A)	Existing (B)	Proposed (P)
Total	970	846	1354

Multan:

	Approved (A)	Existing (B)	Proposed (P)
Total	427	414	790

Northern:

	Approved (A)	Existing (B)	Proposed (P)
Total	867	720	1302

**3. Group & Pension**

	Approved (A)	Existing (B)	Proposed (P)
Total	247	221	500

**4. Real Estate Division:**

	Approved (A)	Existing (B)	Proposed (P)
Total	345	222	574


**5. Principal Office:**

	Approved (A)	Existing (B)	Proposed (P)
Total	443	361	500

CHAIRMAN'S  
INITIALS



*[Handwritten Signature]*

MINUTES OF 199<sup>TH</sup> MEETING OF THE BOARD OF DIRECTORS

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<p>Action: ED(P&amp;GS) DH(P&amp;GS)</p> <p>Action: ED(B&amp;A) DH(B&amp;A)</p> <p>Action: ED(B&amp;A) All EDs DH(B&amp;A)</p> <p>Action: ED(Mkt) ED(P&amp;GS) DH(P&amp;GS) DH(Mkt)</p>	<p>114. The Board resolved as under:</p> <p><b>RESOLVED:</b> "that the above memorandum be referred to Human Resources Committee of the Board for detailed scrutiny and submission of recommendations to the Board for decision."</p> <p><b>ITEM (19) PRESENTATION ON FIVE YEARS BUSINESS AND FINANCIAL PLAN OF STATE LIFE</b></p> <p>115. The Board was informed that five year business and financial plan is under preparation and would be presented at the next meeting of the Board.</p> <p>116. Mr. Qamar Zaman Chaudhry, suggested that the meeting at which the five year business and financial plan would be presented should be exclusively for discussion on the same.</p> <p><b>ITEM (20) APPROVAL OF REVISION OF GUIDELINES AND CHART OF DELEGATION OF FINANCIAL POWERS.</b></p> <p>117. A note was received from DH(B&amp;A) mentioning that the draft proposal is in final stages and would be put up to all the Executive Directors for their perusal and submission of final proposal to the Board for approval.</p> <p><b>ITEM (21) ANY OTHER ITEM WITH THE PERMISSION OF THE CHAIR.</b></p> <p>(A) <b>INDUCTION OF MR. S. ALAMDAR H. KAZMI, EX-DGM MARKETING, REGIONAL CHIEF(S) AS CONSULTANT FIELD MANPOWER.</b></p> <p>118. Executive Director(Marketing) presented before the Board, memorandum for appointment of Mr. S. Alamdar H. Kazmi as Consultant (Field Manpower Development) initially for a period of six months against consideration of last pay drawn with related perks as remuneration for his services as Consultant.</p> <p>119. ED(Marketing) informed the Board that Mr. Kazmi had vast experience of marketing where he had worked on different portfolios to the entire satisfaction of the management and that his expertise and professional know how can be utilized in Field Manpower Development and training programs. Mr. S. Alamdar H. Kazmi has retired from the services of State Life on 31<sup>st</sup> December, 2008 as DGM(Marketing)/Regional Chief(South).</p> <p>120. Accordingly it was resolved as under:</p> <p><b>RESOLVED:</b> "that appointment of Mr. S. Alamdar H. Kazmi as Consultant, Field Manpower Development initially for a period of six months against consideration of last pay drawn with related perks as remuneration of his services as Consultant, is hereby approved."</p>	<p>CHAIRMAN'S INITIALS</p> 	



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DIRECTORS	HELD AT	ON	TIME
MINUTE BOOK	KARACHI	2 <sup>ND</sup> FEBRUARY 2009	
<p data-bbox="284 459 1136 504"><b>(B) <u>RENOVATION OF STATE LIFE BUILDING, LARKANA.</u></b></p> <p data-bbox="251 526 1339 638">121. Executive Director(RE) submitted before the Board a memorandum for approval of budget of Rs.48 million regarding renovation of State Life Building, Larkana.</p> <p data-bbox="251 660 1339 851">122. The ED(RE) informed that State Life Building, Larkana which was constructed in 1999 was set on fire and completely burnt out during the incident following the demise of Mohtarma Benazir Bhutto on 27-12-2007. The claim for insurance has already been filed with M/s. National Insurance Company which is in the final stages of approval.</p> <p data-bbox="251 873 1339 1019">123. The work of renovation of building was awarded to M/s.Nespak for which the tenders were called following post qualification system through PPRA and press advertisement. Four contractors participated in the tender out of which M/s. Al Hasan, M/s. Mehran Associates and M/s. Jaf Sons were post qualified.</p> <p data-bbox="251 1041 1339 1265">124. The financial bid of the post qualified contractors were opened on 27-1-2009 and M/s. Al Hasan Engineering Services quoted the lowest at Rs.38,739,570/-, the rates of lowest bidder is under scrutiny with M/s. Nespak which is expected to be finalized within the next week. Based on the rate of the lowest bidder, it is expected that the project cost would be of Rs.48 million details of which were given in Annexure-B to the memorandum.</p> <p data-bbox="251 1288 933 1332">125. After deliberation, the Board resolved as under:</p> <p data-bbox="251 1355 438 1400"><b><u>RESOLVED:</u></b></p> <p data-bbox="251 1422 1339 1512">(i)"that the budgeted cost of Rs.48 million for the project of renovation of State Life Building, Larkana as proposed by ED(RE) is hereby approved."</p> <p data-bbox="251 1523 1339 1612">(ii)"that the award of work would be processed in the light of the delegation of financial powers and after completion of all the procedural formalities."</p> <p data-bbox="251 1657 982 1713">126. The meeting ended with vote of thanks to the chair.</p> <div data-bbox="1088 1646 1299 1814" style="text-align: right;">             (CHAIRMAN)         </div> <div data-bbox="1356 1881 1494 2094" style="text-align: right;">           CHAIRMAN'S            INITIALS   </div>			

Action:  
ED(RE)  
ED(B&A)  
DH(RE)  
DH(B&A)