

24TH MEETING OF THE BOARD OF DIRECTORS

HELD AT	ON	TIME
Karachi	Friday, the 15th February, 1974	12.30 PM

The 24th meeting of the Board of Directors of the State Life Insurance Corporation of Pakistan was held on Friday/Saturday, the 15th/16th February, 1974 at 12.30 P.M. and 10.00 A.M. respectively in the Board Room of the Corporation at Karachi.

The following Directors were present:-

1. Mr. H.U. Beg Chairman
2. Mr. S.F. Alam
3. Mr. Samee-ul-Hasan
4. Mr. M.S. Janjua
5. Mr. D.M. Quraishi
6. Mr. P. Sequeira
7. Mr. A.A. Toor
8. Mr. S.A. Walajahi
9. Mr. M. Zulqarnain

Mr. S.A. Zahid and Mr. S.S. Akhtar, Consulting Actuaries attended by invitation.

Mr. Nisar Hussain and Mr. M. Sadiq Khan were also present.

The following business was transacted:

ITEM I: CONFIRMATION OF THE MINUTES OF THE 23RD BOARD MEETING HELD ON 5TH/6TH NOVEMBER, 1973, AT LAHORE.

The minutes of the 23rd meeting of the Board of Directors held on Monday/Tuesday, the 5th/6th November, 1973 respectively were considered and the following observations were made.

ITEM I: Confirmation of the Minutes of the 22nd meeting of the Board held on Saturday, the 13th October, 1973 at Karachi.

(1) Cash Flow:

The Executive Director (Investment) informed that he had not been able to complete the necessary examination because some information was still awaited from 'A' Beema Unit. The General Manager, 'A' Beema Unit was requested to give the required information. A list of the points on which information was required was supplied to the General Manager, 'A' Beema Unit. It was also agreed to depute a person from Principal Office to Lahore in order to expedite the matter.

The Chairman remarked that the lack of information about cash flow was also due to the fact that the integration of accounts of all the components of the Units had not as yet taken place. Mr. Toor explained that among others, there were two main reasons for the present position. Firstly

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the uniform accounting code prescribed early last year in consultation with M/s Fergusons had not so far been adopted in all cases, which was creating difficulties in the integration of accounts of various components which were previously on widely different systems of Accounts. Secondly the bank reconciliations were not being effected every month with the result that the exact position of cash was not known at any time.

Mr. Walajahi observed that there was apparently no reason for non-implementation of Accounting Code. It was agreed that the General Managers should give their personal attention to accounting problems and ensure that the instructions issued by the Principal Office were promptly complied with.

It was decided that a detailed study of the procedures should be undertaken by a Committee consisting of Executive Director (Investment), Executive Director (Accounts) and the three General Managers with a view to streamlining the accounts and ensuring free and prompt flow of cash.

- (2) ITEM III: To consider steps for improving service to the Policyholders and to review the progress regarding systems and procedures.

It was reported that the Committee appointed to draw up a code of discipline for the staff had not been able to meet as yet. It was desired that the Committee should meet soon and should also draw up administrative instructions regarding disciplinary proceedings against staff as per recent settlement with State Life Insurance Employees Federation.

- (3) ITEM III(2): Systems and Procedures Sub-Committee.

It was reported that the Systems and Procedures Sub-Committee was busy producing a system for the 'A' Beema Unit and was expected to give its recommendations shortly. However, it was pointed out that the very nature of the job entrusted to the Committee was time-consuming. It was agreed that the recommendations of the Committee should be awaited.

It was further agreed that as 'A' Beema Unit was bearing the expenses of salary etc. of Mr. C.M. Anwer, Convener of the Committee, the TA/DA expenses of his visits to Karachi and other places on Committee's business should be borne by the other two Units jointly.

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(4) ITEM III(3): Inspection Team:

The question of setting up an Inspection Team again came up for discussion. It was observed that the purpose of setting up such a Team was to undertake a sort of self-appraisal and to keep a constant watch over the activities of the Corporation so as to ensure that it was working as a healthy Organisation all along the line and that remedial action was taken, where-ever necessary, in time.

The Board, after due consideration, approved in principle, the establishment of an Audit and Inspection Service, which would inspect various offices of the Corporation and report on any irregularities, wastefulness or any other unhealthy or inefficient practices detected by them, for timely remedial action by the concerned authorities. The Service would work under an Executive Director in the Principal Office who will be responsible for framing its programmes and terms of reference in consultation with the Chairman and report to him on the progress of work from time to time.

(5) Review of Corporation's performance.

It was decided that there should be a total review of the performance of the Corporation from all angles. In the first instance the business operations i.e. the growth in premium income (both first year and renewal), sum assured, No. of Policies sold and inforce, lapses and surrenders, claims settled and the quality of service provided to the Policyholders, should be examined. Later the financial aspect of the operations i.e. the expense ratio, the investment income and the expected growth in life fund etc. should be considered.

The Chairman also enquired about the progress on the preparation of a 5 Year Plan for the Corporation. Mr. S.A. Zahid who had been earlier requested to prepare the plan, pointed out that he was waiting for the business results for the year 1973. It was decided that he would provide the General Managers with a proforma on which information would be supplied by them. The General Managers were requested to extend full help and assistance to Mr. Zahid in this regard.

(6) ITEM X: To consider a paper submitted by Mr. M.S. Janjua regarding amendment in the State Life Employees (Service) Regulations 1973 and Incentive and Awards.

A separate Committee consisting of the following was constituted to make recommendations for amendments to the State Life Employees (Service) Regulations 1973.

1. Mr. Nisar Husain, Principal Office,
(Convener)

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2. Mr. N.C. Bhamani - - 'A' Beema Unit
3. Mr. S.Z.H. Jaffery - 'B' Beema Unit
4. Col.A. Bashir Khan - 'C' Beema Unit

Subject to the above observations/amendments the minutes of the 23rd Meeting of the Board were confirmed.

ITEM II: TO CONFIRM THE FOLLOWING ALREADY APPROVED BY CIRCULATION.

- (i) Representation of State Life in the Annual General meeting of Investment Corporation of Pakistan - Nomination of Mr. Nazier Ahmad Jajvi as duly authorised representative.

The Board confirmed its resolution dated 1.1.74 already approved by circulation regarding the nomination of Mr. Nazier Ahmed Jajvi as duly authorised representative of State Life in the Annual General Meeting of Investment Corporation of Pakistan held on 10.1.74 as follows:

RESOLVED:

"That Mr. Nazier Ahmad Jajvi, Assistant General Manager of State Life Insurance Corporation of Pakistan, registered share-holder of the Investment Corporation of Pakistan (herein called the Corporation) holding 1,15,000 shares is hereby authorised as our representative to attend and vote for us and on our behalf at the Seventh Annual General Meeting of the Corporation to be held at National Bank of Pakistan Building (fifth floor), I.I. Chundrigar Road, Karachi on the 10th day of January, 1974 and any adjournment thereof".

- (ii) To approve an amendment in State Life Insurance Corporation (General) Regulations 1972 to include in the 'C' Beema Unit the East Pakistani Companies.

The Board confirmed its resolution dated 1.1.74 already approved by circulation regarding the amendment to State Life Insurance Corporation (General) Regulations 1972 to include in the 'C' Beema Unit the East Pakistani companies, as follows:

RESOLVED THAT -

"Whereas the Federal Government has been pleased to transfer to and vest in State Life Insurance Corporation of Pakistan, the Life Insurance business and all assets and properties of East Pakistani companies based in West Pakistan and all that appertains to the said business and whereas it is, therefore, expedient to amend the State Life Insurance Corporation (General) Regulations 1972 in this behalf;

Now, therefore, in the exercise of its powers under Article 49 of the Life Insurance (Nationalisation) Order, 1972, (P.O.10 of 1972), the State Life Insurance Corporation of Pakistan with the previous approval of the Federal

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Government makes the following amendments in the State Life Insurance Corporation (General) Regulations 1972;

In Regulation 8, the existing clause "(3) - 'C' Beema Unit" shall stand replaced by the following:

"(3) 'C' Beema Unit. It shall comprise the life insurance business of -

- i) Eastern Federal Union Insurance Co.Ltd.
- ii) Bengal Life and General Insurance Company Ltd.
- iii) Eastern Insurance Co. Ltd.
- iv) Easter Life Insurance Co.Ltd.
- v) Eastern Mercantile Insurance Co.Ltd.
- vi) East Pakistan Cooperative Insurance Society Ltd.
- vii) Great Eastern Insurance Co.Ltd.
- viii) Homeland Insurance Co.Ltd.
- ix) National Insurance Co.of Pakistan Ltd.
- x) Popular Insurance Co.Ltd. "

ITEM III: TO REVISE THE STATE LIFE EMPLOYEES (GRATUITY) ORDER 1973.

The Board was informed that subsequent to the approval of the amended State Life Employees (Gratuity) Order - 1973 by the Board by circulation, some further changes had become necessary in the Gratuity Order as a result of the settlement reached with the State Life Insurance Employees Federation. The Board considered the matter and approved the revised State Life Insurance Employees (Gratuity) Order - 1973 as follows:

STATE LIFE EMPLOYEES (GRATUITY) ORDER 1973

In exercise of the powers conferred by Regulation 68 of the State Life Employees (Service) Regulations 1973, the Board of Directors of the State Life Insurance Corporation of Pakistan, is hereby pleased to issue the following Order :-

1. Short title, commencement and application.

- (1) This Order may be called the State Life Employees (Gratuity) Order, 1973.
- (2) It shall come into force from 1st January, 1973.
- (3) It shall apply to the employees of the State Life Insurance Corporation of Pakistan, except employees on deputation or on contract to whom it shall apply only to the extent, if any, specified in the terms of their deputation or contract, as altered from time to time.

2. Definitions.

- (a) "Corporation" means the State Life Insurance Corporation of Pakistan.

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(b) "Service" means continuous service as an employee with the Corporation together with continuous service, if any, rendered prior to the formation of the Corporation and transferred to the Corporation under Article 19 of the Life Insurance (Nationalisation) Order, 1972.

Provided that a transfer made between 18th March, 1972 and 31st October, 1972 by virtue of appointment as Trustee/sub-Trustee or otherwise within the Life Insurance sector, the management of which stood vested in the Federal Government under Article 4 of the Life Insurance (Nationalisation) Order 1972, shall be deemed to be a continuation of service.

Change of employment from one insurer to another prior to 18th March, 1972 shall, however, constitute a break in service.

(c) "Year" means a period of twelve completed calendar months.

(d) Words and expressions used but not defined in these Regulations shall have the same meanings as are respectively assigned to them in the State Life Employees (Service) Regulations 1973.

3. Eligibility.

(1) An employee who has completed at least 5 years service and leaves the Corporation by virtue of retirement, resignation duly accepted by the Corporation, or termination of service by the Corporation or death shall be entitled to gratuity;

Provided that in the event of death before completion of 5 years service, he shall be deemed to have completed 5 years service for the purpose of this Order.

(2) No gratuity shall be payable to an employee who is dismissed from service for misconduct including fraud or loss to the Corporation's property.

4. Entitlement:

(1) The Gratuity shall be paid at the following rates:-

<u>No. of completed years of service</u>	<u>Amount of Gratuity</u>
5 to 20	For each completed year of service one month's salary last drawn.
Above 20	20 months salary last drawn.

The amount payable shall not, however, exceed Rs.50,000 in any case.

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(2) Salary for the purpose of this Order shall mean as follows:

(a) In the case of an employee of category A or B who was in service on 1st November, 1972, the salary shall mean gross salary i.e. basic pay plus house rent plus conveyance allowance as admissible under the State Life Regulations.

(b) In the case of an employee of category C or D who was in service on 1.11.72 and whose basic pay does not exceed the maximum gross salary of a 'B' category employee, the salary shall mean his own gross salary or the maximum gross salary of 'B' category employee whichever is less.

Note:- Gross salary here has the same meaning as in (a) above.

(c) In all other cases salary shall mean the basic pay.

5. Payment in the event of death.

In the event of death during service, the gratuity shall be paid to the legal heirs of the deceased.

6. Recovery of liabilities to the Corporation.

(1) If the competent authority so directs, a deduction may be made from the amounts payable under this Order, for any amount for which an employee may be liable to the Corporation.

(2) The competent authority for the purpose of this Order shall be the General Managers in the case of Units and Executive Director (Admin.) in the case of Principal Office.

ITEM IV: TO APPROVE NOMINATION OF MR. SAMEE-UL-HASAN ON THE BOARD OF INVESTMENT CORPORATION OF PAKISTAN.

The Board in its meeting held on 12th June, 1973 had nominated Mr. Samee-ul-Hasan to represent State Life on the Board of Investment Corporation of Pakistan. The term of Mr. Samee-ul-Hasan expired in terms of clause (c) of Sub-Section (1) of Section 12 of the Investment Corporation of Pakistan Ordinance. However, Mr. Samee-ul-Hasan was eligible for re-election also.

The Board approved the nomination of Mr. Samee-ul-Hasan to represent State Life on the Board of Directors of Investment Corporation of Pakistan for another term and passed the following resolution in this behalf:

"RESOLVED -

"WHEREAS in terms of a Resolution of the Board of Directors of State Life Insurance Corporation of Pakistan dated June 12, 1973 the Board had nominated Mr. Samee-ul-Hasan, Executive Director, State Life Insurance Corporation

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of Pakistan to represent State Life on the Board of Directors of Investment Corporation of Pakistan.

AND WHEREAS he is eligible for re-election to the Board of Directors of Investment Corporation of Pakistan.

NOW THEREFORE it is resolved

"That Mr. Samee-ul-Hasan, Executive Director of State Life Insurance Corporation of Pakistan be and is hereby nominated by the Board to continue as a Director of Investment Corporation of Pakistan representing State Life Insurance Corporation of Pakistan.

Further resolved that a true copy of this Resolution be sent to the Investment Corporation of Pakistan duly certified by an Executive Director of State Life".

- ITEM V: TO REVIEW THE MEDICAL SCHEME FOR FIELD STAFF.
- ITEM VI: TO REVIEW AREA MANAGERS' SCHEME AND CRITERIA FOR ADDITIONAL APPOINTMENTS FOR THE YEAR 1974.
- ITEM VII: TO CONSIDER REVISION OF THE SCHEME OF PRODUCTION BONUSES TO SALES REPRESENTATIVES/SALES OFFICERS/SALES MANAGERS.
- ITEM VIII: TO CONSIDER INCENTIVE BONUSES FOR AGMs/CMs/MANAGERS ENGAGED ON DEVELOPMENT WORK (LIFE & GROUP).
- ITEM X: TO CONSIDER AND APPROVE REVISED STIPEND SCHEME.
- ITEM XI: TO CONSIDER AND APPROVE EXEMPTION FROM EXAMINATION OF CERTAIN CATEGORIES OF FIELD WORKERS.

The General Managers presented to the Chairman a note prepared by them regarding field operations in 1973 and the proposed changes in 1974. It was felt that the matter required detailed consideration. A Committee consisting of the following was accordingly constituted to consider this note and make recommendations, inter-alia, on all the above items:-

1. Mr. Samee-ul-Hasan
2. Mr. S.A. Walajahi
3. Mr. S.S. Akhtar
4. Mr. M. Zulqarnain (Convener)

It was agreed that the above Committee should consult Mr. P. Sequeira, Mr. S. F. Alam and Mian Abdul Qadir on the recommendations made in the note presented by the General Managers.

The meeting then adjourned to meet again on Saturday, the 16th February, 1974 at 10.00 A.M.

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SATURDAY, THE 16TH FEBRUARY, 1974.

The meeting was reconvened and the following were present:

1. Mr. H.U. Beg Chairman
2. Mr. S.F. Alam
3. Mr. M.S. Janjua
4. Mr. D.M. Quraishi
5. Mr. P. Sequeira
6. Mr. A. A. Toor
7. Mr. S.A. Walajahi
8. Mr. M. Zulqarnain

Mr. Samee-ul-Hasan could not attend due to indisposition and was granted leave of absence.

Mr. M. Sadiq Khan was also present.

The following business was transacted.

ITEM IX: TO CONSIDER AND APPROVE THE PUBLICITY BUDGET FOR 1974.

The Executive Director (Public Relations) explained the draft publicity budget for the year 1974, to the Board. It was generally felt that in order to make a correct appraisal of the budget it was necessary, inter-alia, to review the results of the publicity made during the year 1973. It was ultimately decided that information on the following points should be obtained and reported to the Board:-

- i) Comparative utility of different media of publicity during the year 1973 and the need, if any, to change their inter-se share.
- ii) Relation of the publicity expenses incurred in different regions of the country to their respective business potentials. The idea was to see whether adequate expenses were incurred in regions where there was greater scope for development.
- iii) What are the business projections for 1974 and how much amount would be justifiable for publicity on that basis.
- iv) What should be the share of Group Insurance and Group Pensions, in the Publicity Budget.

In order to obtain the required information it was decided that Mr. Walajahi will issue a proforma to the General Managers.

ITEM XII: TO CONSIDER AND APPROVE APPORTIONMENT OF CREDIT AND PAYMENT OF COMMISSION ON PENSION BUSINESS.

It was decided that as the Sales Representative, Mr.S.H. Ansari, had been responsible for bringing the initial reference in this case, the commission may be paid to him at the maximum rates. However, for future guidance, draft rules should be

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prepared to determine the minimum role that a Sales Representative should perform to be eligible for commission on group pension business.

It was further decided that as group pension was a highly specialised field and necessary expertise was not available at all places, it should be dealt with in the Principal Office for the time being. It was also agreed that a circular be issued to the Units in this regard. The Principal Office was given a target of underwriting at least 15 cases before deciding the permanent set up of the Group Pension Department.

ITEM XIII: TO CONSIDER THE PROPOSAL FOR CELEBRATING INSURANCE WEEK ON THE 2ND ANNIVERSARY OF NATIONALISATION ON 19TH MARCH, 1974.

The Board considered the above proposal. It was observed that the programme of activities suggested for organising an Insurance Week needed detailed planning for which very little time was left. It was, therefore, decided that only one day's programme might be observed by arranging talks on Radio/T.V. and by holding Press Conferences etc. However, for the 2nd anniversary of the Corporation the question of celebrating an Insurance Week may be taken up in May/June, this year.

ITEM XIV: (a) CO-OPERATIVE SOCIETIES - PAYMENT OF INITIAL GRANTS TO THE UNITS BY STATE LIFE (b) PAYMENT OF LIFE INSURANCE PREMIUM FROM G.P. FUND.

(a) Co-operative Societies - Payment of initial Grants to the Units by State Life.

The Board considered a note prepared by Mr. S.F. Alam regarding the progress made towards the establishment of Co-operative Societies and requesting for an initial loan of Rs.5 lacs each for the Societies.

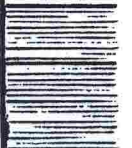
The Executive Director(Investment) stated that under the Insurance Act, it was necessary first to lay aside funds for meeting the Section 27 liabilities. If any funds were left after meeting this statutory requirement, these could be used for advancing loans to the Societies. He added that he had also sought legal advice in the matter.

The Executive Director (Investment) was requested to obtain legal advice and if advancing of loan to the Co-operative Societies was permissible, it may be done by providing them Rs.5 lacs each.

(b) Payment of Life Insurance Premium from G.P. Fund.

It was decided that in respect of Life Insurance policies of Government servants financed from the G.P. Fund, the Government may be moved to allow payment of premia from the G.P.Fund directly to the State Life. For that purpose a reference may be made to the Government over the Chairman's signatures and the draft of that reference should be prepared by the General Manager, 'B' Beema Unit, Mr. S.F. Alam.

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ITEM XV: TO CONSIDER QUESTION OF FIXED ENTERTAINMENT ALLOWANCE TO OFFICERS.

It was decided that the condition regarding certification by an officer that he had exhausted his fixed entertainment allowance before he could be eligible for re-imburement of entertainment expenses incurred by him, should be dispensed with.

It was also decided that in order to keep proper control over the entertainment expenses, the General Managers should lay down limits on the entertainment expenses of different officers depending on their duties, within their Units' entertainment budget.

ITEM XVI: REVIEW OF RURAL INSURANCE PROJECT OPERATIONS- FIRST QUARTER.

The Board noted with satisfaction the results achieved so far. It was observed that the acquisition cost formed only 47.11% of the premium secured, which was a satisfactory percentage.

Mr. M.S. Janjua, however, observed that on the expense side a number of items relating to administrative expenses like salary of A.G.M., rental expenses of Lahore Office, Telephone bills, TA/DA expense of Executive Director (Sales & Development), etc. had not been included. It was pointed out that only acquisition cost had been shown. However, in order to determine the total cost it was agreed that the Executive Director (Sales & Development) may report to the Board the total expenses, direct or indirect, relating to the scheme.

It was also suggested that a forecast for the scheme for the year 1974 should be prepared.

ITEM XVII: REVIEW OF BUSINESS OPERATIONS 1973.

The Board considered the review of business operations for the year 1973, prepared by the Executive Director (Sales & Development). It was noted that there had been an over all increase in the first year and renewal premium as well as the average sum assured compared to the previous year. However, there had been a decline in the number of policies issued during the year.

2. Mr. S.A. Zahid suggested that the Corporation should take note of the fall in the number of policies and make efforts to increase the number in 1974. It was agreed that the General Managers should pay special attention for increasing the number of policies sold.

3. Mr. Zahid also pointed out that although the first year premium procured in 1973 was higher than that procured in 1972, the increase had been rather small.

4. Mr. Sequeira pointed out that as the average sum assured had increased, it could also mean a reduction in the costs.

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Besides, the results achieved by the Corporation should be viewed in the context of the problems of integration and change over faced by the Corporation and the abnormal conditions including floods etc. obtaining in the country during the period under review. He also stated that the Corporation was in the formative stage in the year 1973. In India, there was all round fall in the Sum Assured, Premium income etc. in the year 1956 - the first year of nationalisation. He accordingly expressed the view that our performance was much better.

5. The Chairman desired that there should be a complete appraisal of the Corporation's operation and the Board should devote a full session only to the review of the operations. In this connection it was agreed that Mr. Zahid would supply statistics regarding the working of the Corporation to the members of the Board for discussion in the review session.

6. It was also desired that in order to enable a financial review of the operations to be made, accounts upto 31st December, 1973 should be prepared by the Units expeditiously and trial balances as on that date should be sent to the Principal Office by 15th March, 1973, as per Accounting time schedule already circulated to them.

ITEM XVIII: TO CONSIDER DEATH CLAIM ON POLICY NO.762076(ALICO) ON THE LIFE OF LATE MR. AHMED NAWAZ KHAN.

The Board carefully considered the facts of this case and decided that claim may be paid if it can be ascertained that the insured exercised utmost good faith at the time of the proposal.

ITEM XIX: TO REVIEW THE MAINTENANCE OF REST HOUSES BY STATE LIFE.

It was decided that before entering into any new venture, a study should be carried out about the economics and usefulness of the existing Rest Houses being maintained by the State Life at Lahore and Rawalpindi. It should be found out as to how much is being spent on their maintenance and how much money is being collected by way of rent etc. and whether we were really making use of these Rest Houses. Executive Director (Investment) was requested to prepare a paper on the subject in consultation with General Manager 'A' Beema Unit for the consideration of the Board.

ITEM XX: TO CONSIDER A JOINT PAPER BY MR.P. SEQUEIRA AND MR. M.S. JANJUA REGARDING PERSONAL BUSINESS BY STAFF

The Board considered the paper and decided that employees of State Life both on the office and field side should not be allowed to procure fresh business in their personal agency/dummy agency/organisation. They may however, be paid commission/Over-riding on renewal earnings.

It was also decided that a circular may be issued to this effect. Mr. P. Sequeira agreed to give the draft of the circular.

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ITEM XXI: TO CONSIDER A NOTE FROM GENERAL MANAGER 'A' BEEMA UNIT SUGGESTING ECONOMY IN EXPENDITURE ETC.

In view of the recent agreement with the State Life Insurance Employees Federation, this item was withdrawn.

ITEM XXII: TO CONSIDER A NOTE BY MR. M.S. JANJUA REGARDING STATE LIFE EMPLOYEES (MEDICAL ATTENDANCE) REGULATIONS 1973.

In view of the recent agreement with the State Life Insurance Employees Federation, this item was withdrawn.

ITEM XXIII: REVISION OF THE TERMS OF APPOINTMENT ETC. OF DR. SAYEED KHAN OF 'C' BEEMA UNIT.

The Board considered the paper submitted by the General Manager, 'C' Beema Unit regarding the terms of appointment etc. of Dr. Sayeed Khan. After due consideration, the Board authorised the General Manager, 'C' Beema Unit to arrive at a settlement with Dr. Khan. In case, however, he was not able to settle the case, he may report the matter for necessary action by the Board.

It was reported that there were similar cases in the Investment Department. The Board authorised the Executive Director (Investment) to take similar action in regard to those cases.

ITEM XXIV: TO CONSIDER AND APPROVE THE PROPOSAL FOR SETTING UP OF A FULL FLEDGED TRAINING INSTITUTE FOR OFFICE TRAINING AT KARACHI AND LAHORE, INCLUDING THE BUDGET OF TRAINING DEPARTMENT.

The above item was deferred for the time being.

ITEM XXV: TO APPROVE CONFIDENTIAL REPORT FORMS.

The Board was informed that the Confidential Report Forms for various categories of staff and officers were being drawn up in consultation with Mr. M.A. Ghani, Training Adviser. The Board authorised Executive Director (Administration) to finalise the Confidential Report Forms in consultation with Mr. D.M. Qurashi and Mr. S.A. Walajahi.

ITEM XXVI: PROVISION OF CARS TO OFFICERS OF STATE LIFE.

(a) Adjustment of maintenance & running expenses to Officers not entitled to official cars.

It was decided that recovery of maintenance and running expenses from officers who have not been allowed the use of official cars, be made with effect from 1st October, 1973.

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(b) Amendment to Board's decision No.IV(2)(a) dated 6th September, 1973 regarding provision of cars to Asstt:General Managers.

In partial modification of the Board's decision taken under Item IV(2)(a) in its meeting held on 6th September, 1973, it was decided that the Officers promoted to the rank of A.G.M. on or after 1.1.74 shall not, as a matter of entitlement, be provided with cars at Corporation's expense. In case where provision is justified in the Corporation's interest, a special case will have to be made out and put up to the Board.

(c) Reconsideration of ceiling on petrol consumption.

The General Manager, 'A' Beema Unit suggested that the existing ceiling on petrol consumption of cars provided to Officers not engaged on development duties, should be reviewed. It was desired that a comprehensive paper should be prepared on the subject for the consideration of the Board.

In the meantime the Board approved, as a special case, the action already taken by the General Manager, 'A' Beema Unit to increase the ceiling of petrol consumption in the case of car provided to his A.G.M. (Policyholders Service) from 50 to 65 gallons with effect from 1.1.74. It was, however, made clear that this would not be treated as a precedent for other cases.

ITEM XXVII: PAYMENT OF SUBSIDY TO DISPLACED FIELD WORKERS FROM EAST PAKISTAN.

The Board observed that no subsidy could be given to the displaced field workers from East Pakistan under the Regulations. However, the Board had every sympathy for these displaced persons and it was desired that a paper should be prepared with a view to instituting a benevolent fund from which financial assistance could be given to deserving field and office staff.

ITEM XXVIII: ABSORPTION AND PLACEMENT OF EMPLOYEES OF FORMER LIFE INSURANCE COMPANIES WHO WERE POSTED OR EMPLOYED IN EAST PAKISTAN.

The Board confirmed that Government instructions on the subject, should be followed in respect of the absorption of all regular employees of the former life insurance companies who were employed in East Pakistan prior to enemy action.

ITEM XXIX: TO CONSIDER A NOTE BY MR. M.S. JANJUA, GENERAL MANAGER 'A' BEEMA UNIT TITLED "A RATIONALIZED APPROACH TO INSURANCE BUSINESS PLANNING".

The suggestion of Mr. M.S. Janjua, General Manager, 'A' Beema Unit to change the financial year to "April to March" was considered.

The Chairman observed that the change of financial year was a major issue and should not be dealt with in a hurry.

CHAIRMAN'S INITIALS

24TH MEETING OF THE BOARD OF DIRECTORS

HELD AT	ON	TIME
Karachi	Saturday, the 16th February 1974	10 A.M.

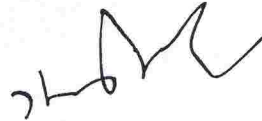
He desired that the matter should be examined in detail and a research paper be prepared on the subject giving all implications of the change. In preparing this paper, the Controller of Insurance should also be consulted with a view, inter-alia, to ascertaining the legal position as regards the Insurance Act and to find reasons if any for the existing financial year being on calendar year basis. Mr. S.A. Zahid was requested to prepare the paper.

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The meeting then ended with a vote of thanks to the Chair.

*Confirmed subject
to Reservations made
in to-day's meeting*

*JM
3/4/74*



Chairman

CHAIRMAN'S INITIALS

