

SECOND MEETING OF THE BOARD OF DIRECTORS

MEMBERS	HELD AT	ON	TIME
MEMBER BOOK	Karachi	Thursday, November 2, 1972	

The Second Meeting of the Board of Directors of the State Life Insurance Corporation of Pakistan was held on Thursday, the 2nd November 1972, in the Committee Room of 'B' Beema Unit at Karachi as per Corporation's notice of the same date.

The following were present:

1. Mr. H. U. Beg, SQA., PTS	Chairman
2. Mr. S. F. Alam	Member
3. Mr. Sameeul Hasan	Member
4. Mr. D. M. Quraishi, TQA	Member
5. Mr. A. A. Toor, PA&AS	Member
6. Mr. P. Sequeira	Member
7. Mr. M. Zulqarnain	Member

Mr. S. A. Walajahi could not come from Lahore due to short notice.

Mr. M. Sadiq Khan was in attendance.

The Chairman stated at the outset that the purpose of the Meeting mainly was to review the progress of work since the establishment of the Corporation. He regretted that the meeting had been called at a very short notice. But in the initial stages it would be necessary to hold such meetings rather frequently at short notice. The following business was transacted thereafter.

ITEM NO: 1 Confirmation of the Minutes of the First Meeting of the Board held on 1-11-1972.

The Minutes of the First Meeting of the Board were read out and confirmed.

ITEM NO: 11 Review of progress of work

Mr. S. F. Alam reported on certain items of work that he had undertaken since the establishment of the Corporation. These were as follows:

(i) Printing of forms

Various designs for letter heads and policy forms, etc., were considered, and some of them were approved. It was decided that the short name to be used for the Corporation should be "State Life" which should be printed in bold letters followed by the words, "Insurance Corporation of Pakistan" in small letters.

(ii) Official seal and common seal

It was noted that the Corporation was required to have an official seal vide Article 33(1) and a common seal vide Article (11) (2) of the Life Insurance Nationalisation Order 1972.

A design for the official seal was tentatively approved. The approved design was circular in shape with the words

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<p>“State Life Insurance Corporation of Pakistan” printed all along the inner circumference and the words “State Life” at the Centre.</p>		
<p>Regarding common seal it was decided that it should be on the same pattern as the official seal though somewhat larger in size. It was decided that Mr. D. M. Quraishi would get it prepared from the Mint after consulting the ICP Office where a common seal was also in use.</p>		
(iii)	<p><u>Premium Rates:</u></p>	
<p>The Board was informed that the circular regarding new premium rates had been issued. The rates for certain supplementary accident risks had been omitted as they were not yet ready. It was decided that Mr. Sameeul Hasan would attend to the matter and have a supplementary circular issued.</p>		
(iv)	<p><u>Prospectus</u></p>	
<p>The Board was informed that the prospectus for the Corporation was ready, but required certification by an Actuary before it could be issued. It was decided that the Actuaries be requested to examine and certify the prospectus.</p>		
ITEM NO: 111	<p><u>Further jobs to be undertaken and their allocation.</u></p>	
<p>The Chairman invited the attention of the members to a job list which had been prepared under his instructions by Mr. Sameeul Hasan and Mr. A. A. Toor. The various jobs discussed and the decisions taken under each were as follows:</p>		
(i)	<p><u>Distribution of work and preparation of organizational charts.</u></p>	
<p>The Chairman said that in order to define the duties and responsibilities of various officials clearly as well as to streamline the working of the Corporation, he wanted that organizational charts should be prepared for the Units as well as the Principal Office. It was decided that the organizational charts for the Units would be got prepared by the Unit Heads and those for the Principal Office by a Committee comprising Mr. D. M. Quraishi, Mr. Sameeul Hasan and Mr. A. A. Toor.</p>		
(ii)	<p><u>Selection and grading of Life Insurance Officials.</u></p>	
<p>It was decided that a selection Committee including the Chairman and all Unit Heads be constituted to assess the suitability of senior Life Insurance men for various positions in the nationalised sector and to grade them according to the various levels of responsibility. The following resolution was accordingly passed,</p>		

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(vii) Preparation of Staff Service Regulations

The Chairman desired that the work regarding preparation of staff Service Regulations covering inter alia, appointments, leave, T.A., discipline, etc., of staff should also be taken up soon. It was decided that this work would be taken up by Mr. A. A. Toor and Mr. M. Farid.

(viii) Implementation of revised scheme for field structure and remuneration:

The Chairman said that this had to be introduced by 1st January 1973, and preliminary work connected therewith must be completed by 10th December, 1972. It was decided that Mr. Sameeul Hasan and all the Unit Heads will consider the problem and formulate plans for the timely implementation of the scheme.

(ix) Formulation of systems of reporting within the Units and from Units to the Principal Office.

It was decided that as the work of "Systems and Procedures" was being assigned to Mr. Sameeul Hasan, he will please give thought to the reporting systems also and make adequate recommendations to the Chairman.

(x) Setting of performance standards for 1973:

It was decided that Mr. Sameeul Hasan will coordinate this work and make suitable recommendations to the Board.

(xi) Preparation of Budget for the year 1973

It was decided that this will be coordinated and got prepared by Mr. A. A. Toor who had been assigned the portfolio of Finance and Accounts.

(xii) Rural Business:

It was one of the aims of the nationalisation to extend Life Insurance business into the rural areas. Mr. M Zulqarnain was requested to draw up a scheme for developing rural business and to bring it upto the Board for consideration.

(xiii) Reinsurance:

A question was raised as to whether the reinsurance contracts in force upto the date of establishment of the Corporation would continue and what would be the policy regarding reinsurance of future business keeping in view the increasing potential of the business and the existing ban on placing life reinsurance abroad.

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It was decided that the contract already in force will continue as before for the time being. But the entire position should be reviewed on the basis inter alia of a paper written by Mr. C. M. Anwar by a Committee of Actuaries and a report brought upto the Board for consideration of the future line of action to be adopted.

ITEM NO: IV Constitution of an Executive Committee of the Board

The following resolution constituting an Executive Committee of the Board was passed,

Resolved that in pursuance of Regulation 5 of the State Life Insurance Corporation (General) Regulations 1972, an Executive Committee of the Board of Directors of the Corporation be and is hereby constituted of the following:-

- | | |
|-------------------------|----------|
| 1. Mr. H. U. Beg | Chairman |
| 2. Mr. S. F. Alam | |
| General Manager | |
| Incharge 'B' Beema Unit | Member |
| 3. Mr. Sameeul Hasan | Member |
| 4. Mr. D. M. Quraishi | Member |
| 5. Mr. A. A. Toor | Member |

It was decided that the head of 'A' Beema Unit at Lahore may also be coopted on the Executive Committee whenever available. It was recommended that the number of members of the Executive Committee may be raised to six at the time of revision of the Regulations.

ITEM NO: V Other Matters

(i) Working Hours:

It was pointed out by certain members that there were different working hours in force in different integrating companies. The Board felt that the working hours should be made uniform, after proper study.

(ii) Legal Cell in the Principal Office:

It was felt that there should be a legal cell in the Principal Office to deal with day to day matters requiring legal advice i.e. scrutiny of documents and underwriting agreements in the investment deptt. and labour and other administrative and technical problems. The Board accordingly approved in principle the setting up of a legal cell under a Law Officer in the Principal Office. In addition it was decided that for more complex and intricate cases, the services of a leading firm of Advocates may be engaged on a retainer basis.

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- (iii) Employment of a Chartered Accountant for the Principal Office.

It was felt that it would be necessary to appoint a Chartered Accountant in the Principal Office to assist in the maintenance and consolidation of the Corporation accounts, collection, payments, etc. in regard to investment, and disbursement of salaries and other expenses. The Board approved in principle the appointment of a Chartered Accountant in the Principal Office, subject to clearance by the Selection Committee.

- (iv) Publicity Committee and Development & Sales Committee

The Board decided to constitute a Publicity Committee and a Development and Sales Committee, consisting of the following members.

(1) Publicity Committee

Mr. S. A. Walajahi and all the three Unit Heads.

(2) Development & Sales Committee

Mr. M. Zulqarnain, all the Three Unit Heads and Mr. Sameeul Hasan.


It was further felt that in due course an Expense Committee should also be constituted to keep a watch over the expenses.

- (v) Implementation of revised Scale of Pay and Allowances.

The Chairman said that the recommendations of the Committee for realignment of salaries had been shown by him to the Commerce Secretary. However, since certain items like medical attendance and gratuity etc. remained to be finalised, he felt that instead of introducing the change piecemeal these things should also be finalised quickly and entire revised structure of salaries and other benefits be introduced from 1st January, 1972. Accordingly no request for increase in pay or promotion be considered till that date. It was decided that a circular be issued by the Principal Office to all the Unit Heads advising them not to entertain any request for increase in pay, special increment or promotion.

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

Confidential
6/11/72


Chairman.