

55TH MEETING OF THE BOARD OF DIRECTORS

| DIRECTORS | HELD AT | ON | TIME |
|-------------|---------|-----------------------------|------------|
| MINUTE BOOK | Karachi | Monday 26th February, 1979 | 10.00 A.M. |
| | | Tuesday 27th February, 1979 | 9.00 A.M. |

The 55th Meeting of the Board of Directors of the Corporation called pursuant to notices dated 17th February 1979 and 20th February, 1979 was held at the Principal Office at Karachi on 26th February, 1979 at 10.00 A.M. and 27th February, 1979 at 9.00 A.M.

The following were present :-

- Mr. P. Sequeira, Acting Chairman
- Mr. K.N. Cheema, Director
- Mr. Samee-ul-Hasan, Director
- Mr. Nisar-un-Nabi, Director
- Mr. S.A. Walajahi, Director
- Mr. A. Mateen, (Offg.) Secretary.

ITEM 1: Confirmation of Minutes:

The minutes of the 54th meeting of the Board of Directors held on 23rd December 1978 were placed before the Board. The Board confirmed the minutes.

ITEM 2: Report regarding implementation of Board's decisions.

The (Offg.) Secretary's report on implementation of Board's Decisions was placed before the Board. The Board noted with satisfaction that the decisions taken in its 54th meeting had been implemented.

ITEM 3: Appeal of Mr.S.U.Khan, an officer of Grade 12.

The Board considered Acting Chairman's memorandum NO.6/79 regarding the appeal made by Mr.S.U.Khan under Regulation 33 of the State Life Employees (Service) Regulations, against the Order dated 3rd December 1978 passed by the Acting Chairman awarding the following punishment to him on account of various charges of misconduct therein mentioned :-

- (a) Censure under Regulation 30(g)(i)-
- (b) With-holding of increment due on 1-1-1979 for a period of one year until 1.1.1980 which will now be due on 1.1.1980 under Regulation 30(g)(ii), and
- (c) Reduction to the lower stage in the pay scale i.e. from Rs.3,125/- to Rs.2,875/- under Regulation 30(g)(iii).

The Board confirmed constitution of the Standing Committee consisting of the (1) Acting Chairman, (2) Executive Director, Mr. Nisar-un-Nabi, and (3) Director, Mr. Samee-ul-Hasan to examine the points raised in the appeal and to submit its recommendations to the Board for final orders.

ITEM 4: Annual Budget of the Corporation for the year 1979.

The Board considered Executive Director B&A's memorandum No.7/79 regarding Corporation's Revenue and Capital Budget

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for the year 1979. The Executive Director B&A explained the significant features of the proposed budget and the assumptions on which the proposed budget was based. He explained that the figures for the actual expenses for the year 1978 were not available and that actual expenses for the year 1977 could not be taken as basis for 1979 budget as, firstly, it would not reflect the full impact of the Wage Commission Award and the Government directives with regard to revision of officers pay and allowances and, secondly, because the said year was not a normal year from the business stand-point. In view of the aforesaid factors, in preparing the budget for the year 1979 the figures for the budget approved for 1978 were relied upon as guidelines in addition to the report of the Economic Committee as approved by the Board, past experience and certain established relationships.

The proposals were discussed at some length and the following points were raised :-

Mid-Year Review: Director, Mr. K.N. Cheema desired that the possibility of conducting mid-year review of the annual budget may be considered.

Expenses of Telephone: The Board desired that with a view to reducing expenditure on account of telephones, T&T Department may be requested to replace the existing telephone lines by non-STD lines and, if necessary, the Ministry of Commerce may be approached for assistance.

Revenue Budget for 1979:

The Board approved revenue budget estimates as mentioned below and expressed the view that additional provisions, if necessary, in consequence of the proposed appointment of Area Managers to cater to the high production targets projected for the year 1979 as well as the establishment of new overseas offices may be considered while presenting the six monthly review of the budget. The Board authorised the Acting Chairman and E.D. B&A, to make allocations to various cost centres under different heads out of the provision of Rs.25 lacs under the head 'contingency' as and when any need arose. The Board also authorised the Acting Chairman and E.D. B&A to re-allocate the funds within the overall sanctioned limits between the various cost centres and any re-allocation between different heads within the overall sanctioned budget.

| A : INCOME | Amount in Crores |
|-----------------------------|------------------|
| First Year Premium | 9.03 |
| Second Year Premium | 4.61 |
| Renewal Premium | 27.08 |
| Annuity Premium | 0.02 |
| Group & Pension | 11.00 |
| TOTAL PREMIUM INCOME | 51.74 |

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| Interest on APL/ANF/Loan | 2.69 |
| Other Income | 0.02 |
| Interest & Dividend (Gross) | 21.10 |
| Rental Income (Gross) | 2.50 |

TOTAL OTHER INCOME 26.31

TOTAL GROSS INCOME 78.05

| B : <u>POLICY PAYMENTS</u> | <u>Total</u> |
|----------------------------|--------------|
| Death Claims | 2.97 |
| Maturity Claims | 14.00 |
| Surrender | 4.97 |
| Cash Bonus | 0.33 |
| Group Claims | 7.18 |
| Profit Commission | 0.70 |
| Annuities | 0.02 |

TOTAL POLICY PAYMENTS 30.17

| C : <u>COMMISSION EXPENSES</u> | <u>Total</u> |
|--|--------------|
| First Year Commission including Group | 3.37 |
| First Year Overriding Commission including Group. | 2.75 |
| Renewal Commission | 1.27 |
| Renewal Overriding Commission | 0.32 |
| Allied Facilities | 0.25 |

TOTAL COMMISSION EXPENSES 7.96

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9.00D : ADMINISTRATIVE EXPENSES

| Head of Account | (Amount in lacs |
|------------------------------------|------------------|
| Salaries & Allowances | 461.61 |
| Corpn. Cont. to P.F. | 23.09 |
| R & R Allowance | 11.66 |
| Bonus 'A' & 'B' | 30.20 |
| Overtime | 14.62 |
| Travelling | 11.46 |
| Conveyance | 1.87 |
| Motor Car Exp. | 18.56 |
| Audit Fee | 3.92 |
| Medical Fee | 11.15 |
| Law Exp. | 14.80 |
| Actuarial Retainer | 2.70 |
| Advertisement | 27.81 |
| Printing & Stationery | 27.18 |
| Policy/Revenue Stamps | 9.86 |
| Medical Exp. | 46.78 |
| Staff Welfare | 28.67 |
| Communication | 33.02 |
| Utilities | 20.62 |
| Entertainment | 3.58 |
| Bank Charges | 1.71 |
| Conferences & Meetings | 3.01 |
| Prizes & Awards. | 10.85 |
| Training Exp. | 5.53 |
| Data Processing Exp. | 18.50 |
| Miscellaneous Exp. | 2.25 |
| Rates & Local Taxes. | 55.45 |
| Insurance | 5.41 |
| Office Maintenance & Repairs | 28.76 |
| Rent Exp. | 75.18 |
| Gratuity Exp. | 38.25 |
| Depreciation (other than computer) | 100.94 |
| Depreciation Computer. | 23.00 |
| Contingencies | 25.00 |

GRAND TOTAL

1197.00

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Capital Budget: The Board approved the following items proposed for capital expenditure:

| | |
|--|------------------------|
| 1. Zones: | Rs. 9,00,000 |
| 2. Principal Office (including Group & Pensions Deptt.) | Rs. 5,00,000 |
| 3. Cost of replacement of old staff cars and Zonal Head Cars: | Rs. 7,00,000 |
| 4. Computer Unit: | Rs. 1,72,00,000 |
| 5. Overseas Division (Existing U.K. & Dubai offices and proposed Kuwait and Jeddah offices): | Rs. 3,00,000 |
| | <u>Rs. 1,96,00,000</u> |

✓ It was agreed that if as a result of establishment of new Area Offices certain additional capital expenditures was required the matter would be brought up at the six monthly review of the budget.

ITEM 5: Incentives to certain categories of employees.

The Board considered Executive Director B&A's Memorandum No.8/79 regarding

- (i) sanction of professional allowance to Cost and Management Accountants at the rate at which the Board in its 43rd meeting approved for ACAs, FCAs and CPAs, and
- (ii) inclusion of Australian Insurance Institute for the payment of professional allowance.

E.D. B&A explained that the courses for studies for the examinations conducted by the Institute of Cost and Management Accountants and the Institute of Chartered Accountants were more or less identical and that the

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Government of Pakistan had from time to time issued instructions desiring that members of FPIA and APIA (now FCMA and ACMA) should be treated at par with the members of the Institute of Chartered Accountants.

Regarding the inclusion of the Australian Insurance Institute in the list of the professional qualifications, the Executive Director B&A explained that a reference was made to the Mercantile and General Reinsurance Co. Ltd., who replied that in their view an Associate of Australian Insurance Institute should be recompensed on exactly the same basis as an ACII as the standard of examination in Australia was high.

The Board discussed the matter and approved that :-

- (a) Members of the Pakistan Institute of Industrial Accountants (FPIA & APIA now FCMA and ACMA) be treated at par with the members of the Institute of Chartered Accountants for the purpose of professional allowance as already sanctioned by it to ACAs, FCAs and CPAs in its 43rd meeting held on 17-19th March 1977; and
- (b) the Australian Insurance Institute be included in the list of professional qualifications for the purpose of payment of professional allowance to the employees.

The Board also resolved that the above decisions shall be effective from 1st April 1977, that is, the date on which the scheme of payment of professional allowance was originally sanctioned by it.

ITEM 6: Amendment in State Life Employees (Service) Regulations.

The Executive Director B&A placed before the Board a letter dated 31st January 1979 from the Joint Secretary, Ministry of Commerce, containing a direction under Article 25 of the Life Insurance (Nationalisation) Order 1972, together

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with a draft amendment of Regulation 33 of the State Life Employees (Service) Regulations for adoption by the Corporation.

2. The Board discussed the matter in all its aspects and in great depth. It was felt that the proposed amendment in its existing form could have serious legal, financial and administrative implications. It could also open the door for representations from all 89 ex-employees whose services had been terminated in 1974 and 1975 under Regulation 22 and who had availed themselves of the opportunity of filing petitions before the Review Board set-up under Martial Law. The Review Board had presumably in most cases conducted hearings and made their recommendations which now lie before the President and Chief Martial Law Administrator.

3. The Board were of opinion that it could not obviously be the intention of re-opening such cases where the individuals had had the opportunity of being heard by the Review Board. At best, "special circumstances" would apply only to such cases in which there was no occasion for any reason for the merits and facts of the case to be adjudicated upon by the Competent Authority. Furthermore, the question of the applicability retroactively of the amendment in the case of terminated employee under Regulation 22 was open to legal debate and perhaps may be clarified with the Law Division. It was also not considered desirable to extend all the three concessions of revision, review and appeal to the terminated employees. The Board were of the view that in the case of terminated employees under Regulation 22 there should be only one remedy of review by the Board.

4. In view, inter alia, of the above considerations the Board decided to suggest with respect to the Ministry of Commerce a revised Draft Amendment to Regulation 33 which, while not eliminating entirely the difficulties anticipated, would perhaps better meet the situation in view. Accordingly, the Board passed the following resolution :-

"RESOLVED that in Regulation 33 of the State Life Employees (Service) Regulations 1973

(a) Sub-regulation (1) shall be substituted by the following, namely:-

"(1) An employee shall have the right of appeal or making an application for revision or review against any of the punishments imposed under Regulation 30, and a right of review against any order under sub-regulations (1) and (2) of Regulation 22, as provided hereunder."

(b) In sub-regulation (2) the opening words from "an application for review" to "shall lie" shall be substituted by the following:-

"(2) An application for review of any order under sub-regulations (1) and (2) of Regulation 22

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shall lie only to the Board. In the case of any punishment imposed under Regulation 30, 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."

(c) In sub-regulation (3) the following proviso shall be added to clause (c) thereto

"(c) Provided that the Board may, at its discretion, in special circumstances, entertain an application for review against an order passed under sub-regulations (1) and (2) of Regulation 22 made beyond the period of 30 days if no order has been passed nor is in the process of being passed nor has any recommendation being made on the application of the terminated employee, after considering the merits of the case, by any Court, Tribunal or other Competent Authority, as the case may be, constituted under law; and in deciding any such application beyond the period of 30 days the Board may impose any conditions it deems fit including the non-payment of dues for the period of termination in case the impugned order is changed as a result of the review."

5. Mr. Samee-ul-Hasan, Director stated that he would dissent from the decision of the Board and requested the permission of the Chairman to record his observations which was allowed. These observations are reproduced hereunder:-

"Mr. Samee-ul-Hasan submitted with respect that judging by the Ministry's letter dated 31st January 1979, the purpose of the amendment was two-fold:-

- (a) To provide an opportunity to those terminated under Regulation 22 in 1974 and 1975.
- (b) To provide an opportunity to those who may be terminated in future under Regulation 22.

With regard to (a), Government had already set-up a Review Board No.2 under Martial Law which afforded a perfectly adequate forum. He was unable to see why State Life should attempt to provide a second forum.

With regard to (b), he felt that:-

- i) It is not desirable to tamper with Regulation 22 as it stands. Every commercial institution has some such regulation, the validity of which has been upheld by Courts. The amendments proposed by the Government, or approved above, would considerably weaken the Regulation 22;

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- ii) Even if such relief is desired in principle, it is quite unnecessary to extend the period of 30 days;
- iii) In any case, this is not an opportune time for considering this change having regard to the fact that the Martial Law Second Review Board will result in financial burden in so far as some persons are bound to be reinstated.

For the above reasons he submitted with respect that the amendment proposed by Government or made above is not in the business interest of the Corporation.

He further observed that termination under Article 22 is no barrier to re-employment should there be any vacancy and should the terminated person apply for it and he found suitable out of the candidates. He felt that the Government should have been requested to review and withdraw the direction altogether.

He also observed that the Life Insurance (Nationalisation) Order 1972 had given prima facie the Corporation the right to make regulations, subject only to prior approval only by the Government. He felt that the question should be examined legally in depth as to whether Article 25 could be used to direct the Corporation to make or change a Regulation."

ITEM 7: Non-payment of dues by Public Sector Corporations in respect of Government-guaranteed debentures.

The Board considered Consulting Actuary & Director's Memorandum No.10/79 regarding the defaults of some public sector units in paying off debenture loans and where such debenture loans were guaranteed by the Government. The Board noted the position as explained in the memorandum. The Board also noted that the Punjab Road Transport Board had remitted a sum of Rs.5.5 million on 14.1.1979. On an inquiry Director, Mr.K.N.Cheema confirmed that the Economic Coordination Committee had approved in principle payment of the Corporation's dues by the defaulting units. He also mentioned that the decision of the ECC covered the debenture loans guaranteed by the Federal Government as well as the Provincial Governments. The ECC had directed the Ministry of Finance to look into the matter.

ITEM 8: Increase in the maturity terms of bank deposits.

The Board considered Consulting Actuary & Director's Memorandum No.11/79 regarding conversion of the Corporation's short term investments in FDRs and GTDRs carrying an interest of 10.5% into long-term bank deposits ranging from one to five years and carrying interest at 12.75% per annum. The Board considered the matter and decided that :-

- (i) Instructions should be issued to the premium collecting banks that with immediate effect 20% of all the surplus funds be placed in 5-year term deposits carrying interest at 12.75%.

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- ii) One year bank deposits be converted into 5-year term deposits at the time of maturity, or earlier if possible and profitable.
- iii) At the time of maturity of each buy-back arrangement, feasibility of placement of a corresponding amount in 5-year term deposits with banks out of cash resources may be examined.
- iv) Major portion of the cash deposits be maintained in the highest profit earning banks.

ITEM 9: Application of Atlas Autos for a debenture loan of Rs.7.5 million.

The Board considered Consulting Actuary & Director's Memorandum No.12/79 with regard to the application of Atlas Autos Ltd., for a debenture loan of Rs.7.5 million out of the proposed total issue of Rs.10 million alongwith bridging finance of Rs.5 million. The proceeds from the sale of the debentures are proposed to be utilised towards modernisation and balancing of the company's Motor-cycle assembly plant and augmentation of its working capital. The Consulting Actuary & Director, Mr. Samee-ul-Hasan explained that the operating record of the company was quite impressive, the financial position was satisfactory and that the company had been declaring cash dividend and bonus capital at very reasonable rates. The capitalisation contains a small element of debt and the debt/equity ratio is 4/96 and following issue of the proposed debenture loan the ratio would be 41/59. The debenture offered by the company qualify as "approved investment" under the Insurance Act. On an enquiry from Mr.K.N.Cheema, Mr. Samee-ul-Hasan explained that in view of the limited profitable investment avenues available at present and keeping in view the financial position of the company, it was quite attractive for SLIC to pick up 75% of the proposed issue of the debenture loan. The Board accorded its approval to subscribe to proposed debenture issue to the extent of Rs.7.5 million and also to provide bridging finance, pending completion of formalities, to the extent of Rs.5 million on the following terms and conditions :-

1. The company to pay to State Life:
 - a) Project examination and professional assistance fee @ $\frac{1}{2}$ % of the nominal amount of debentures to be taken up by State Life. The fee will be non-refundable.
 - b) Commitment fee @ Rs.1 $\frac{1}{2}$ % per annum payable quarterly on the principal amount of debentures remaining undischursed from time to time, commencing after 30 days from the date of sanction letter.
 - c) A portion of the debenture loan amounting to Rs.1,875 million (to be utilised to finance fixed investment) will carry interest @ 1% above bank rate and the balance portion of Rs.5.625 million (to be utilised to finance working capital) will carry interest @ 4% above bank rate per annum, payable half yearly.



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- d) Additional interest @ 2% over and above the rate of interest specified at 1(c) above, on all sums remaining unpaid on due dates.
2. During the subsistence of the bridging loan of Rs.50 lac the company :
- To provide a bank guarantee from a bank in form and substance acceptable to State Life or to secure the loan against equitable mortgage of assets.
 - Pay interest @ 1% above the bank rate on the debenture loan portion of Rs.1.25 million (to be utilised to finance fixed investment) and @ 4% above the bank rate on the balance portion of Rs.3.75 million (to be utilised to finance working capital). Interest to be payable half yearly.
3. Security to be first charge on all present and future fixed assets of the company and a floating charge on its current assets.
4. Redemption to be in sixteen (16) half yearly instalments after a grace period of two years.
5. Prior to the disbursement of the debenture loan, the company to:
- obtain commitments from other institutions for the balance amount of debentures (Rs.2.5 million).
 - produce consent order of the CCI for the issue of debentures.
 - appoint trustee to the Debenture Trust Deed with the prior approval of State Life.
6. State Life shall have the right to appoint a Director on the company's Board on the basis of its debentures holding during the subsistence of the debenture loan.
7. The company to provide information on its operations as and when required by State Life.
8. The State Life's commitment for the loan to remain valid for one year from the date of sanction by its Board of Directors.
9. Such other terms and conditions that State Life may prescribe.

ITEM 10: Re: Review of Area Managers performance in 1978 and fixation of new performance standard for 1979 and creation of posts of Area Managers to meet business expansion needs etc.

Memorandum No.13/79 of Executive Directors S&D relating to (i) review of Area Managers performance in 1978 and fixation of performance standards for 1979; and (ii) creation of new posts of Area Managers to meet the business

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expansion targets including development of rural areas was placed before the Board.

(a) Recoveries from Area Managers.

The Executive Directors (S&D) in their Memorandum proposed that in view of the overall excellent performance in 1978;

- i) no penal action be taken against those Area Managers whose cost on the basis of formula approved last year did not exceed by more than 1%.
- ii) Recovery of 15% of the excess cost be made from those Area Managers whose cost exceeded by more than 1% but not more than 2%.
- iii) Recovery of 25% of the excess cost be made from those Area Managers whose cost exceeded by more than 2%.
- iv) No recoveries be made from the Area Managers who were appointed in the middle of the year.

The Board approved the above proposals.

(b) Performance Standards for 1979.

The Board considered Executive Directors proposals and while fixing the performance standards took the following decisions:

- i) Quotas be completed to the extent of 15%, 50%, 65% and 100% by end of 1st, 2nd, 3rd and 4th quarter respectively.
- ii) The direct cost of each Area Manager be maintained within 5% of FYP (excluding incentive bonus and additional incentive bonus payable at prescribed rates) and the office expenses within 5% of the FYP. For less developed areas, the direct cost of 5% would be increased in the same proportion as the reduced quota bears to the full quota of Rs.8 lacs for each Area Manager subject to maximum of Rs.35,000 per annum, (excluding incentive bonus and additional incentive bonus).
- iii) For 'A' category Area Manager, the minimum quota would be Rs.8 lacs FYP and for 'B' category Area Manager the minimum quota would be Rs.5 lac FYP.
- iv) The persistency ratio should not be less than 65%, and be determined and communicated to the Area Managers by March, 1980 for application of such "cuts" in emoluments in case of default as may be prescribed by the Executive Director concerned.

(c) Creation of new posts of Area Managers.

The Executive Directors S&D proposed creation of the following posts of Area Managers to achieve the target

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growth for 1979 as described in the memorandum:

| ZONE: | NUMBER OF NEW POSTS | |
|-------------------|---------------------|---|
| | 'A' Category | 'B' Category |
| <u>Karachi.</u> | 3 | 3 |
| <u>Hyderabad.</u> | 1 for Sanghar | 1 for Jacobabad and Shikarpur. 1 for Badin. |
| | | 2 |

(One 'A' category post sanctioned last year which is vacant was proposed to be replaced by 2 'B' category posts, one each for Tandoallahyar District and Tando Mohd Khan District)

| | | |
|----------------|----------------------|--|
| <u>Lahore.</u> | 3 for Lahore proper. | 1 for Lahore proper. 2 for Gujranwala 1 at Sialkot for Pusrur and Shakarganj. 1 for D.G. Khan 1 for Sargodha & Mianwali 1 for Faisalabad. |
| | | 7 |

(It was further proposed that two existing vacancies of 'B' category posts at Sahiwal & Multan be upgraded to 'A' category posts as incumbents of both the posts far exceeded the targets set for them and they were eligible for 'A' category posts.)

| | | |
|--------------------|-------------------|------------|
| <u>Rawalpindi.</u> | 1 for Rawalpindi. | 1 for Wah. |
|--------------------|-------------------|------------|

(It was further proposed that two 'B' category posts sanctioned last year and being vacant be converted into one 'A' category post for Rawalpindi proper.)

| | | |
|------------------|-----|-----|
| <u>Peshawar:</u> | Nil | Nil |
|------------------|-----|-----|

(2 'B' category posts sanctioned last year be upgraded to 'A' category posts as the incumbents of both the posts

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as SMs in the territory of (i) Swat, Malakand Division and Chitral, and (ii) Mardan and Hazara Divisions procured business in the vicinity of Rs.7 lac each).

The Executive Directors S&D also made the following proposals:-

- 1) One clerk and one Naib-Qasid be sanctioned for each Area Office,
- 2) to bring the strength of administrative staff at the existing Area Offices on a uniform pattern and to improve the service to the field and policy-holders, the same be rationalised as under :-
 - a) Area Offices doing FYP upto Rs.15,00,000 - Clerk - One
N.Qasid - One
 - b) Area Offices doing FYP more than Rs.15,00,000 but less than Rs.25,00,000 Clerk - One
N.Qasid - Two
 - c) Area Offices doing more than Rs.25,00,000 and above. Clerk - Two
N.Qasid - Two

Provided the direct cost is within 5% (or such reduced percentage as may be determined by the Executive Directors as a result of implementation of the recent decisions) and the persistency for category (b) and (c) is not less than 70%.

- 3) The staff at present working on daily wages at the Area Offices be absorbed as regular employees if otherwise found fit.

While approving the proposals described above, the Board desired that the potentialities of the existing strength of the Area Managers should be exploited fully.

The Board also observed that the said approvals would call for corresponding budgetary provisions proposals for which may be submitted to the Board at the time of presenting the six monthly review of the budget.

ITEM 11: Re: Reorganisation of U.K. Main Office and expansion of overseas business

✓ The Board considered Executive Director, Overseas Memorandum No.14/79 highlighting the performance of overseas offices during 1978 and proposing:

- (i) upgrading of the post of Deputy Manager in U.K. Main Office to that of a Manager; and
- (ii) creation of two posts of Manager, one each for Dubai office and the proposed Saudi Arabia office.



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The Executive Director Overseas informed the Board that upgrading of the post of Deputy Manager at U.K. Main Office was necessary, as the Chief Manager at U.K. Main Office was expected to remain out-station to oversee the present office and the proposed office in the Middle East and that in his absence an officer with more powers should remain in London to dispose of matters of administrative and routine financial nature. The posts proposed for Dubai office and proposed Saudi Arabia office are production-oriented. The Board approved the proposal for three posts of Managers as described above and decided that all the said posts be filled through usual selection procedures.

The Board agreed with the proposal of Mr.S.Hasan that while the Chief Manager (Overseas) should personally control the offices in the Middle East, U.K. Main Office as such should not be treated as the main office for Overseas operations.

ITEM (Suppl.) Re: Payment of commission on group business of government, semi-government and autonomous bodies.

✓ The Executive Director G&P's Memorandum No.15/79 relating to payment of commission on group business of the government, semi-government and autonomous bodies was considered by the Board. The consensus of opinion was that circumstances for justifying payment of commission on such group business did not exist. The Board took the following decisions :-

- ✓ (i) The decisions of the Board taken earlier regarding non-payment of commission on the group business of Government, Semi-government and Autonomous Bodies would continue unaltered; and
- ✓ (ii) where a company was in private sector and was subsequently nationalised, instances of non-payment of commission on the group business of such company after nationalisation may be referred to the Executive Director concerned for re-consideration, if necessary, and decided by him on the merits of each case.

ITEM 12: ANY OTHER BUSINESS

Relaxation of Age.

✓ The Board approved the proposal contained in Executive Director B&A's Memorandum No.16/79 for condoning the minimum age at entry of the following employees (originally appointed on daily wages) under Regulation 14(2) of the State Life Employees (Service) Regulations:-

CHAIRMAN'S
INITIALS



55TH MEETING OF THE BOARD OF DIRECTORS

HELD AT

ON

TIME

Karachi

Monday 26th February, 1979
Tuesday 27th February, 197910.00
9.00

| <u>N a m e.</u> | <u>Date of appoint- ment on daily wages.</u> | <u>Date of birth.</u> | <u>Age as on 1-12-78</u> |
|--------------------------------|--|---------------------------|------------------------------|
| 1. Mr. S.M. Naeem | 26.10.77 | 15.6.49 | 29-05-17 |
| 2. Mr. Amanullah | 17. 1.78 | 15.2.52 | 26-09-17 |
| 3. Mr.Khalid Rafiq Qureshi. | 31. 3.78 | 26.12.51 | 26.11.05 |
| 4. Mr. Mukhtar Ahmed | 6. 6.78 | 28.10.53 | 25-01-09 |

There being no other business, the meeting ended with a vote of thanks to the Chair.

P. Sequeira 5/8/79
(P. Sequeira)
Acting Chairman.

CHAIRMAN'S
INITIALS