

61ST MEETING OF THE BOARD OF DIRECTORS

HELD AT	ON	TIME
Karachi	Tuesday 14th April, 1981	10.30 A.M.

The 61st Meeting of the Board of Directors called pursuant to notices dated 8th April, 1981 and 13th April, 1981 was held at the Principal Office at Karachi on Tuesday the 14th April 1981 at 10.30 a.m.

The following were present:-

1. Mr. N.A. Jafarey - Chairman
2. Mr. S.S.A. Bukhari - Director
3. Mr. Nisar-un-Nabi - Director
4. Mr. S.A. Walajahi - Director
5. Mr. Samee-ul-Hasan - Director

Mr. Alauddin Khan, Acting Secretary to the Board was also present.

The following business was transacted:-

ITEM 1: CONFIRMATION OF MINUTES.

The Board confirmed the minutes of the 60th meeting of the Board of Directors held on 29th January, 1981.

ITEM 2: RECORDING OF THE MINUTES.

The Board recorded the minutes of -

- (i) the 44th Meeting of the Executive Committee held on 23rd December, 1980;
- (ii) the 45th Meeting of the Executive Committee held on 20th January, 1981;
- (iii) the 46th Meeting of the Executive Committee held on 26th January, 1981;
- (iv) the 47th Meeting of the Executive Committee held on 23rd February, 1981;

The Chairman directed that "Action on minutes of the previous meeting of the Board of Directors" should be incorporated as item 2 of agenda of all future meetings.

ITEM 3: INCENTIVES AND AWARD TO EMPLOYEES IN GRADE 8 AND ABOVE.

The Executive Director B&A's Memorandum 48/81 proposing revision of allowances payable to employees in grade 8 and above was placed before the Board. The Executive Director B&A explained to the Board that the factors as mentioned in the Memorandum have made it necessary to revise the existing allowances for technical qualifications.

The Board approved the following monthly allowances w.e.f. 1-4-1981 for Technical Qualifications for employees in grade 8 and above.

61ST MEETING OF THE BOARD OF DIRECTORS

DIRECTORS
MINUTE BOOK

HELD AT

ON

TIME

Karachi

Tuesday 14th April, 1981

10.30
A.M.

<u>Qualification.</u>	<u>Less than 1 year.</u>	<u>Atleast 1 less than 2 years.</u>	<u>Atleast 2 less than 3 years.</u>	<u>Atleast 3 less than 4 years.</u>	<u>Atleast 4 years</u>
1. F.I.A., F.S.A., F.F.A.	1,100	1,200	1,300	1,400	1,500
2. A.C.A., F.C.A., C.P.A., F.C.M.A., I.C.W.A., A.C.M.A., F.C.M.A.	750	850	950	1,050	1,200
3. System Analyst, Computer Programmer.	-	150	250	350	500
4. M.B.A., C.L.U., F.L.M.I.	375	450	525	600	750
5. F.C.I.I.	500	600	700	800	1,000
6. A.C.I.I., Graduate Engineer.	300	400	500	600	700
7. Diploma Engineers.	200	300	400	500	600
8. Computer Librarian.	-	50	50	75	100
9. Computer Operator	-	100	100	150	200

The Board further approved the following incentives to actuarial students on passing each subject of the Institute of Actuaries examinations.

<u>On passing a subject of</u>	<u>Amount per month.</u>
Part A	Rs. 80/-
Part B	Rs. 110/-

Director S.A. Walajahi pointed out that increased technical allowance had been proposed for every category except computer personnel at Serial No.3, 8 and 9. He felt that the market rates for computer personnel had increased even after the grant of cash perquisites on 1-4-1977. Furthermore cash perquisites were not being given to all technical people. The Board asked the Executive Director (CD) to undertake a study of increase in emoluments of computer personnel since 1-4-1977 and submit his recommendations at the next meeting.

CHAIRMAN'S
INITIALS

ITEM 4: APPEAL OF MR. IKRAM MIRZA, EX.DEPUTY MANAGER, LAHORE.

61ST MEETING OF THE BOARD OF DIRECTORS

HELD AT

ON

TIME

Karachi

Tuesday 14th April, 1981

10.30 A.M.

ITEM 6: APPEAL - MR. RAJA HAQ NAWAZ, FORMERLY DEPUTY MANAGER, RAWALPINDI.

ITEM 7: APPEAL - MR. M.A. SIDDIQUI, AREA MANAGER.

The Executive Director B&A's Memoranda 49/81, 51/81 and 52/81 regarding appeals of the above three officers, and proposing the setting up of "Standing Committee for considering these appeals, were placed before the Board.

The Board approved the proposal and constituted a Standing Committee comprising of -

- (i) Mr. N.A. Jafarey - Chairman
- (ii) Mr. S.A. Walajahi - Executive Director (S&D)
- (iii) Mr. Samee-ul-Hasan - Director & Consulting Actuary

The Board further decided that all appeals under Service Regulation 33 should be referred to the Standing Committee hereabove constituted and that this Committee shall remain effective until the Board, in view of exigencies, constitutes a new Standing Committee.

ITEM 5: PAYMENT OF GRATUITY TO MR. MAJEEDUDDIN KHAN.

The Executive Director B&A's Memorandum 50/81 regarding request of Mr. Majeeduddin Khan, formerly D.G.M.(IA&E), for payment of Gratuity was placed before the Board.

As Mr. Majeeduddin Khan had not completed the minimum prescribed period of service on date of resignation, the Board did not approve payment of Gratuity to him.

ITEM 8: REIMBURSEMENT OF ENTERTAINMENT AND NEWSPAPERS COSTS.

Memorandum 53/81 from the Executive Director B&A regarding reimbursement of entertainment and newspapers costs to Managers and Deputy Managers was placed before the Board. Reimbursements of the following expenses were approved by the Board w.e.f. 1-4-1981.

- (a) Entertainment and Tea Expenses subject to production of Certificate.

Managers Rs.200/- p.m.

Dy. Managers Rs.150/- p.m.

- (b) Maximum Rs.50/- p.m. to Managers and Deputy Managers for one daily morning Newspaper and one evening Newspaper against production of vouchers.

61ST MEETING OF THE BOARD OF DIRECTORS

HELD AT

ON

Karachi

Tuesday 14th April, 1981

TIME

10.30
A.M.ITEM 9: SPECIAL PAY TO MR. M. HAFIZ MALIK,
A.G.M.(G&P), RAWALPINDI.

The Executive Director B&A's Memorandum 54/81 proposing payment of Rs.350/- p.m. as special pay to Mr. M. Hafiz Malik was placed before the Board. Considering the implications involved in allowing special pay the Board decided that Mr. M. Hafiz Malik be instead sanctioned cash perquisite of Rs.500/- p.m. w.e.f. 1st January, 1981 for the period he continues to discharge the duties of Resident Representative and looks after the work of Real Estate at Islamabad.

ITEM 10: 2ND WAGE COMMISSION AWARD.

The Executive Director B&A's Memorandum 55/81 regarding the four memoranda concerning implementation of 2nd Wage Commission Award, submitted for consideration by the Board in its 60th Meeting was placed before the Board. The said four Memoranda bearing numbers 12/81, 13/81, 14/81 and 15/81 were considered and following decisions taken by the Board.

(a) Memorandum 12/81 - Pension Scheme for the employees.

Mr. Safdar Sethi, Manager (G&P), P.O. was called in to explain the pension scheme prepared by him. The Board was of the opinion that the draft pension scheme went beyond the recommendations of the 2nd Wage Commission Award. The Board therefore decided that the pension scheme be recast so that it conforms strictly to the recommendations made by the 2nd Wage Commission. The Board further decided that referendum suggested in the Award should be held after the recast pension scheme has been examined by the Executive Director B&A and the Director and Consulting Actuary.

(b) Memorandum 13/81 - State Life Employees (Gratuity Order).

In view of the Government directives and suggestion of the 2nd Wage Commission the Board agreed to amend Clause 4 of the Gratuity Order, 1977 as follows:-

"4. Entitlement

1. To the employees in pay scale 1-7, Gratuity shall be paid at one month's pay last drawn for each completed year of service.
2. To the employees in other pay scales the Gratuity shall be paid at one month's pay last drawn for each completed year of service or 20 months pay last drawn or Rs.50,000/- whichever of the three amounts is the less."

(c) Memorandum 14/81 - Amendments to Insurance Act/Rules.

In order to implement recommendations/suggestions contained in Paras 58, 60 and 61 of the 2nd Wage Commission Award,

CHAIRMAN'S
INITIALS


61ST MEETING OF THE BOARD OF DIRECTORS.

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the Board decided to recommend to the Government that following amendments be made in the Insurance Act, 1938 and rules thereunder:-

- (i) "In Section 29, in sub-section 8, in clause (b) for sub-clause (vi), the following shall be substituted, namely:-

(vi) the loan is of such amount that the instalment of capital and interest or the share of rent, as the case may be, alongwith the instalments for repayment of any other loans does not exceed one-fourth of the gross salary of the employee or one-fourth of the renewal commission or over-riding commission of an agent or an employer of agents, as the case may be, during a year."

- (ii) "In Section 29, in sub-section (8), in clause (e):

(a) in sub-clause (ii) for the word "three", the word "six" shall be substituted;

(b) after sub-clause (iv), the following new proviso shall be inserted, namely:-

"Provided further that the total of the amount of instalments of various advances recoverable from an employee shall not exceed one-fourth of the gross salary of that employee".

- (iii) "In Rule 63-E for sub-rule (2) the following shall be substituted;

"The loan under this Rule shall not, if it is for the purchase of Bicycle, exceed Rs.600/- or, if it is for the purchase of a Motor Cycle, exceed 80% of the actual value of Motorcycle or Scooter, subject to the condition that the loan shall not exceed in any case 80% of the value of a brand new Motor Cycle or Scooter with an engine of a horse power of 1.5".

- (d) Memorandum 15/81 - Amendment of Article 31 of Life Insurance Nationalisation Order.

The Board decided that the suggestion of amending Article 31 of LINO, contained in Para 57 of the 2nd Wage Commission Award be referred to the Government alongwith the view of the Board that such an amendment will not be in public interest.

61ST MEETING OF THE BOARD OF DIRECTORS

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ON

Karachi

Tuesday 14th April, 1981

TIME

10.30
A.M.

ITEM 11: OUT OF TURN PROMOTIONS.

Memorandum No.56/81 from Executive Director (B&A) proposing filling upto 50% of posts in any officer's grade by out of turn promotions was placed before the Board. The Board decided to defer consideration of the proposal till its next meeting.

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


(N.A. Jafarey)
Chairman