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October, November, December 2014

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- Property Transactions in Pakistan
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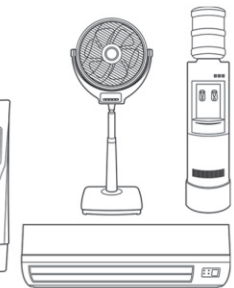
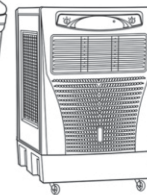
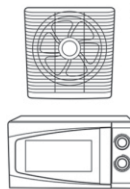


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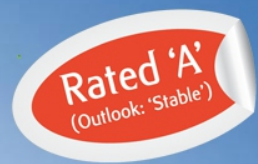
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INSURANCE SECTOR ON KARACHI STOCK EXCHANGE

(Quarter: July, August, September 2014)

Compiled By: Khurram Shahzad

Company	Paid up Capital (Rs. In Million)	Face Value Rs.	Highest Rate Rs.	Lowest Rate Rs.	Turnover of Shares	Announcement During the Quarter
Adamjee Ins. Co. Ltd	3,500	10.00	50.90	44.70	122,695,000	Dividend = 12.5%
Asia Ins. Co. Ltd	300	10.00	-	-	-	
Askari General Ins. Co. Ltd	388	10.00	24.25	17.00	2,108,500	
Atlas Ins. Co. Ltd	702	10.00	68.90	58.91	458,500	
Beema Pakistan Co. Ltd	417	10.00	-	-	-	
Business & Industrial Ins. Co.	86	10.00	-	-	-	
Century Ins. Co. Ltd	457	10.00	20.85	14.41	1,256,000	
Crescent Star Ins. Co. Ltd	620	10.00	5.99	3.80	1,321,000	
Cyan Insurance Co. Ltd	586	10.00	138.50	71.79	3,384,500	Dividend = 250%
EFU General Ins. Co. Ltd	1,600	10.00	125.00	94.35	4,806,400	Dividend = 10%
East West Ins. Co. Ltd	402	10.00	-	-	-	Dividend = 10%, Bonus Issue = 10%
East West Life Assurance Co. Ltd	594	10.00	6.78	4.01	162,500	
EFU Life Assurance Ltd	1,000	10.00	142.68	99.00	916,400	Dividend = 15%
Habib Ins. Co. Ltd	495	5.00	18.65	14.20	1,257,500	
Hallmark Ins. Co. Ltd	5	10.00	-	-	-	
IGI Ins. Ltd	1,227	10.00	239.90	180.00	6,176,000	
IGI Life Ins. Ltd	500	10.00	123.65	50.35	384,500	
Jubilee Life Ins. Co. Ltd	721	10.00	304.00	268.00	157,400	Dividend = 25%
Jubilee General Ins. Co. Ltd	1,569	10.00	97.00	80.00	262,500	
Pakistan General Ins. Co. Ltd	375	10.00	10.65	7.70	84,000	
Pakistan Guarantee Ins. Co. Ltd	25	10.00	-	-	-	
Pakistan ReIns. Co. Ltd	3,000	10.00	27.30	22.69	9,927,500	
PICIC Ins. Co. Ltd	350	10.00	12.80	10.25	52,000	
Platinum Ins. Co. Ltd	120	10.00	-	-	-	
Premier Ins. Co. Ltd	303	5.00	21.11	16.17	128,500	
Progressive Ins. Co. Ltd	85	10.00	-	-	-	
Reliance Ins. Co. Ltd	403	10.00	10.60	8.12	782,500	
Shaheen Ins. Co. Ltd	450	10.00	6.29	4.06	317,000	
Silver Star Ins. Co. Ltd	306	10.00	12.70	5.90	1,848,000	
Standard Ins. Co. Ltd	8	10.00	-	-	-	
TPL Direct Ins. Co. Ltd	460	10.00	25.75	11.80	3,163,000	
United Ins. Co. Ltd	920	10.00	23.65	15.00	1,490,000	
Universal Ins. Co. Ltd	370	10.00	5.49	2.70	273,000	

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Important Statistics

From 01-Jan-2014 to 30-Sep-2014

Companies	Gross Premium	Net Premium	Underwriting Result	Profit before Tax	Earning Per Share
<i>Rupees in Million</i>					<i>Rupees</i>
<u>General Insurance</u>					
Adamjee Insurance Co. Ltd	9,253.879	4,613.013	64.061	1,513.475	3.97
Asia Insurance Co. Ltd	224.266	133.445	49.312	43.007	1.07
Askari General Insurance Co. Ltd	1,238.514	707.609	163.697	153.074	3.17
Atlas Insurance Co. Ltd	1,212.786	644.642	271.312	479.518	5.45
Century Insurance Co. Ltd	640.519	303.786	76.794	100.727	2.11
Crescent Star Insurance Co. Ltd	200.051	81.912	(28.101)	(20.604)	(0.45)
East West Insurance Co. Ltd	1,002.218	656.989	95.538	118.500	2.11
EFU General Insurance Co. Ltd	11,852.594	4,822.590	988.468	1,478.998	7.22
Habib Insurance Co. Ltd	777.974	344.593	53.421	234.734	1.71
IGI Insurance Co. Ltd	1,798.061	789.393	124.238	585.759	4.16
Jubilee General Insurance Co. Ltd	6,071.367	2,706.916	98.429	863.811	4.89
PICIC Insurance Co. Ltd	399.891	241.661	(9.742)	(61.815)	(1.77)
Premier Insurance Co. Ltd	1,159.926	517.751	(41.087)	42.787	1.05
Reliance Insurance Co. Ltd	703.471	204.578	22.741	72.255	1.66
Shaheen Insurance Co. Ltd	239.778	173.656	16.204	11.396	0.31
TPL Direct Insurance Co. Ltd	904.658	769.768	60.575	36.044	0.55
United Insurance Co. Ltd	1,806.638	1,236.172	519.590	428.988	4.13
Universal Insurance Co. Ltd	68.171	39.738	4.445	(24.195)	(0.92)
<u>Life Insurance</u>					
East West Life Assurance Co. Ltd	160.734	103.692	16.039	3.243	0.05
EFU Life Assurance Co. Ltd	12,457.776	11,992.943	954.488	869.405	5.75



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Fida Hussain Samoo New Insurance Commissioner



Mr. Fida Hussain Samoo has joined Securities & Exchange Commission of Pakistan as Commissioner Insurance. He will look after portfolios of the Insurance Division and the Shariah Advisory Board. He has over three decades of professional experience, spanning over the insurance and reinsurance industry,

making him ideally-placed to address the industry's issues. He holds the degrees of Bachelors in Law as well as the Masters in Commerce from the Sindh University, Pakistan. He has also completed MBA from the Indiana University of Pennsylvania, USA. Apart from the academic qualifications, he has received various local and international trainings. Some of the notable ones include:

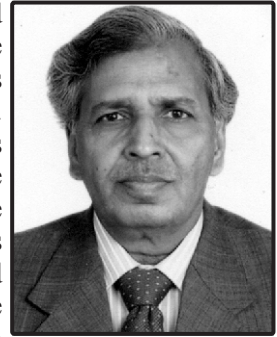
- i. Training in Insurance & Reinsurance at J H Minet Centre, UK
- ii. Seminar on Principles & Practice of Reinsurance at Asian Reinsurance Corporation, Thailand
- iii. Reinsurance Basics & Technical Accounting Program, Singapore
- iv. Seminar on Management by Swiss Re, Switzerland
- v. Bi-Annual Hazards Conference, Australia
- vi. Asia Pacific Agricultural Reinsurance and Insurance Conference, China
- vii. 26th East Asian Insurance Congress, Malaysia
- viii. 12th International Reinsurance Conference, Singapore

Mr. Samoo has also represented on various technical committees, working groups and task forces formed by the Government of Pakistan and PRCL, from time to time. He served in positions such as:

- a. Member of the Executive Committee of the Insurance Association of Pakistan (IAP)
- b. Member of the Council of the Pakistan Insurance Institute (PII)
- c. Member of the E-Commerce Task Force, Ministry of Science & Technology
- d. Secretary to the Steering Committee of ISO-9000.
- e. Secretary to the Claims Committee of PRCL
- f. Secretary to the Management Review Committee
- g. Director on the Board of Crescent Star Insurance Company Limited
- h. Director on the Board of Union Insurance Company Limited
- i. Director on the Board of National Investment Trust

He started his insurance career with the Pakistan Reinsurance Company Limited (PRCL), the then Pakistan Insurance Corporation, as the Manager and worked in departments including Planning & Development, Marine, Aviation, Fire, Accident, Investment, Engineering and Foreign Treaty. While working hard, he made his way through the underwriting and reinsurance divisions as the Chief Manager and the General Manager, and was finally elevated to the position of the Executive Director in PRCL in 2001, heading the overall portfolio of Reinsurance. His persistent efforts transformed the financial results of PRCL from an underwriting loss of Rs.102 million in 1997 to the underwriting profit of Rs.509 million in 2012.

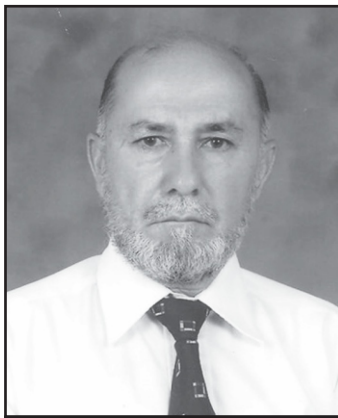
Ghauri joins SECP as Advisor Insurance



Mr. M.S.I Ghauri has joined Securities & Exchange Commission of Pakistan as Advisor, Insurance Division. He has been working as Additional Secretary to the Government of Pakistan in the Ministry of Commerce. His responsibilities included supervisor of the work of the Insurance Wing dealing with

the Insurance Ordinance, Insurance Rules and administrative matters of insurance related public sector entities viz. State Life Insurance Corporation (SLIC), National Insurance Company Limited (NICL) and Pakistan Reinsurance Company Limited (PRCL). He has also been member of the Board of Directors of SLIC, NICL and PRCL.

Mr. Ghauri with three Master degrees in Commerce, Economics and Defence & Strategic Studies and a Fellow Member of the Institute of Cost & Management Accountants of Pakistan (FCMA), enjoys rich experience of trade, commerce and industry. By hiring the services of Mr. Ghauri, the SECP has made an effort to strengthen the human resource of its Insurance Division.



Majid Khan Jadoon
A.C.I.I. (U.K), MD/CEO
M/s. Pakistan Inspection Co. (Pvt.) Ltd.

Who is an Insurance Surveyor?

The Words **SURVEYS / SURVEYORS** have assorted applications. For example, Land Surveys/Surveyors, Commercial Markets Surveys/Surveyors, Population Surveys/Surveyors (Census), Opinion Surveys/Surveyors et al.

However, being a Professional Insurance Surveyor, I would confine my expressions to the Professional Insurance Surveyors fraternity.

Under Sub-Section No.1(xiii) of the Definitions Section of the Insurance Ordinance-2000, an Insurance Surveyor has been defined as under:-

“Surveyor means a person (by whatever name called), who examines the goods, property or any interests Insured under a Contract of Non-Life Insurance, to express an independent opinion as to the Cause, Extent, Location and amount of any Loss incurred or Claimed to be incurred under that Contract.”

The wording of the afore-mentioned definition of an Insurance Surveyor would imply that his/her duty is confined to examine the goods, property or any interests which have been Insured under a Contract of Non-Life Insurance and to express an independent opinion vis-à-vis the Cause, Extent, Location and Amount

of any Loss incurred or Claimed to have been incurred by the Insured under that Contract.

In my opinion, through the aforementioned Wording of the Insurance Ordinance-2000, the mandate of an Insurance Surveyor has been confined to his duties as follows:-

- 1) To carefully examine the goods, Property or any other Interests, Claimed DAMAGED or LOST under a Non-Life Insurance Contract.
- 2) To express an independent opinion, in respect of the Proximate Cause of the DAMAGE / LOSS sustained by the same Insured Goods, Property or any other Interests.
- 3) To determine the Extent/Quantum of the DAMAGE / LOSS sustained by the same Goods, Property or Interests.
- 4) To exactly pin-point the Location where-upon the DAMAGE / LOSS has taken place.

Here, the Words “under a Contract of Non-Life Insurance” have been mentioned which, in my opinion, would imply that the mandate of an Insurance Surveyor has been



restricted to the examination of all those Interests which would have been Insured under a Non-Life Insurance Policy only.

Now, to become an Authorized Surveying Officer (ASO) or a Surveyors Company, the duration of practical experience of the Filed Survey Work, as well as Educational Qualifications of a person desirous of being an ASO or Insurance Surveyor have been described within Rule-19, Rule-20 and Rule-21, as well as Sub-Rules there-under of the Insurance Rules-2002.

More-over, **“TO EXPRESS AN INDEPENDENT OPINION”** by an Insurance Surveyor would imply that the Surveyor, after taking into account the Circumstantial, Physical, as well as Documentary evidences of the

Occurrence, would express his/her independent opinion, vis-à-vis the CAUSE of the DAMAGE / LOSS, EXTENT of the DAMAGE / LOSS, LOCATION where-upon the DAMAGE / LOSS has taken place and the Amount of the Loss sustained by the Insured Goods, Property or Interests.

In my opinion, through the aforementioned Wording of the Insurance Ordinance-2000, the Surveyor has also been mandated to study the Coverage of the relative Insurance Policy and express his/her independent opinion whether or not the Damage/Loss would fall within the purview of the Underwriters' relevant Policy of Insurance.

However, it is pertinent as well to mention here that the Surveyors' opinion would be his / her OWN INDEPENDENT VIEW-POINT and NOT BINDING on the Insureds / Insurers who may not agree therewith.

In my opinion, the Underwriters would carefully study the Surveyor's S/Report, as well as the relative Documents and take the decision whether or not they are liable to indemnify the Insureds, in the light of the circumstantial, physical, as well as documentary evidences of the Occurrence of Loss or Damage to the Insured Goods, Property or Interests.

More-over, I am of the opinion that by dint of his/her vast knowledge and practical experience of the Insurance Profession, Insurance Surveyors can carry-out Pre & Post-Shipments Examination / Inspection of Import /

Export Cargoes, Machineries/Plants, which would determine whether or not the terms / conditions of the Sale / Purchase Agreement

have been observed and if there would have been any Breach of the same, the aggrieved Party shall be well-placed to Claim damages from the defaulting Party.

Similarly Pre-Insurance Inspections of Cargoes, Properties and other Interests, vis-à-vis the Nature and Extent of the Risks thereof, besides Valuation of the same shall be of great help to the Underwriters whether or not to accept the Risk and if so, on what terms and conditions

However, in the U.K. which is the mother-country of the Insurance Profession, the Profession of Surveyors has been divided into different fields of activities.

In the U.K., an Insurance Surveyor is known as LOSS ADJUSTER, whose job it is to conduct the Survey of the Claimed Loss, look into the Pros & Cons of the matter and adjust the Loss within the parameters of the relevant Insurance Policy.

In the United Kingdom, the Insureds have the Right to depute their own



Surveyors, called as Loss Assessors, who would join the Loss Adjusters, appointed by the Insurers, and they would thus jointly assess/adjust the Loss within the ambit of the Underwriters' relative Insurance Policy.

Since both the Loss Assessors, representing the Interest of Policyholders and Loss Adjusters, representing the Insurers, are experts of the Profession and well understand the Parameters of the pertinent Insurance Policy, therefore, Claims are justifiably assessed and adjusted to the satisfaction of the Underwriters as well as the Insureds.

Apart from the above, Specialized or Chartered Property Surveyors, regulated by the Royal Institution of Chartered Surveyors (RICS) do have an important role in the Claims of Insured / Claimed Properties (Buildings). As and when the situation would so warrant, Chartered Surveyors would assist Loss Adjusters in the Assessment of the extent of damage to the building, as well as would over-see the Repairs of the same.

I am of the opinion that some Amendments in the Insurance Ordinance / Rules ought to be necessarily carried-out, so that Insureds would have the Right to depute Loss Assessors at their Own Cost to represent them with Insurers' deputed Loss Adjusters for judicial settlement of their Insurance Claims.





Qayyum Pervez Malik
Insurance Surveyor & Loss Adjuster /
Claims Investigator
Qayyum Pervez Malik & Co. (Pvt) Ltd

Cotton Surveys Related Information

In any ginning and pressing factory the cotton is present in the following forms.

1. Un-ginned cotton which contains cotton seed. It is also termed as “Phutty” or “Kappas”

2. Ginned cotton which is cotton from which cotton seed is removed by ginning process. Approximately 35% (with 10% variation) ginned cotton is separated from un-ginned cotton during ginning process. It is termed as Ruee or ginned cotton in local language and present in the factory in form of cotton bales.

3. Cotton waste. 3-4% cotton is wasted during ginning process which is collected in an adjacent room. It is called ginning process waste.

Large number of varieties of cotton is grown in Pakistan. But since neither the factory record nor the stacking of cotton is maintained on that basis so this aspect has no importance as far as cotton underwriting or survey is

concerned.

Except above 3 forms of cotton, seed is also present. It is separated from un-ginned cotton during ginning process.

The ginning turnover is usually taken in the range of 35% cotton, 4% waste and 61% seed (with 10% variation). The usual standard moisture



percentage in ginned cotton is maintained at 9%.

Ginning turn over keeps on changing throughout the ginning season depending on many factors like temperature, moisture, ginning conditions, quality of ginning machines, variety of cotton & weather conditions etc.

Since the weight of each and every heap of un-ginned cotton is available so weight record is maintained after completing ginning process of every such heap as to how much ginned cotton, seed and waste was recovered on completion of each cotton heap. Seed is weighed when filled in bags for sale or during dispatch for sale or feeding to oil mill for crushing.

Ginned cotton is also weighed initially when it is pressed in cotton bales when each and every cotton bale is weighed.

The un-ginned cotton is stored normally on platforms which are termed as “tharra” in local languages. Platforms are constructed with burnt bricks on the floor higher than the floor level to

store un-ginned cotton. This is done to save the stock from water logging/rain water etc.

Un-ginned cotton is stored on these platforms in form of heaps. These heaps are termed as “Darra” in local language. Un-ginned cotton is received by the cotton ginners in

various forms.

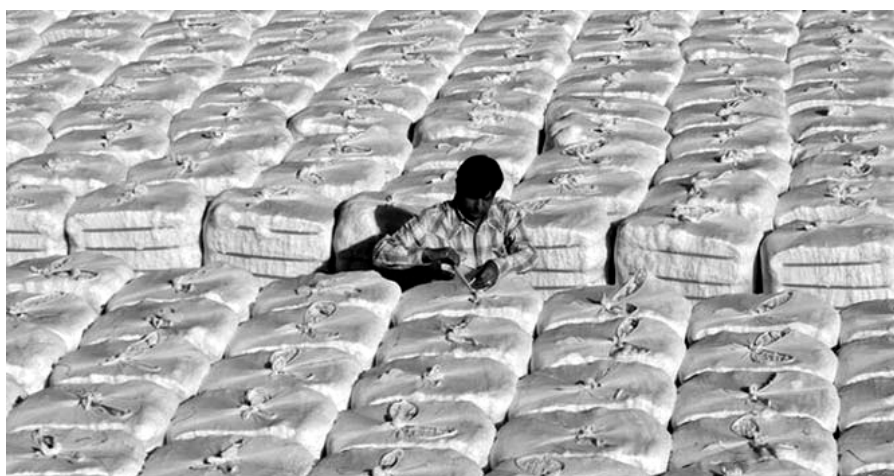
1. In jute bags called bora.
2. In tractor trolleys.
3. In trucks.
4. On camel's back packed in boras.

Either it is purchased through commission agents or directly from the farmers. Weight is taken at every stage by the farmers, by the commission agents on loading & unloading of cotton. On entering in the ginning factory it is weighed again. Currently almost all the ginning factories are equipped with large electronic weighing bridges/scales for that purpose.

A gate register is maintained to record each and every carrier of un-ginned cotton on arrival and ginned cotton/cotton seed on exit. Weight register is maintained to record the gross and net weights. Another register is maintained to record weight after deducting extra moisture and impurities/foreign material as well which is termed as "Katla register". The last and final weight register is termed as "excise or xx register" which is official register to record final weight of un-ginned cotton purchased by the ginning factory against which cotton cess is paid to the Government. It is maintained date-wise.

Two types of stocks of un-ginned cotton are kept in the factories. One consisting of stock which has been purchased by settling all terms of purchase i.e. rate, weight, impurities, moisture & final weight etc. 2nd type of stock is consisting of stock which is lying un-settled with the seller. Both the stocks stand as insured by the standard fire policy.

One more register is maintained which is termed as "darra" register (heap register) in which weight of each heap formed in the open compound on the platforms or floor in case the platforms are short of storage capacity to accommodate more cotton



is recorded.

Surveyors may verify the weight of each heap through this register. Overall weight of un-ginned cotton lying in the factory can however be verified by gate incoming register, weight register, katla register, excise or xx register etc.

Professionally competent and experienced surveyors however may go through the physical verification procedure by measuring the heaps with formulas as established with in the fraternity. These formulas are not scientifically or theoretically established however. The quantum of stock of loose un-ginned cotton in open compound can be assessed by experienced surveyors with very low margin of error. These formulas can never be taught to others but can only be learnt by practice.

Un-ginned cotton heaps are not formed in any geometrical shape so the surveyor has to assign an imaginary geometrical shape of rectangular prism to each heap by cutting down the side edges and peak of heaps. Volume is then determined by multiplication of length, width and height. Then the compactness of each and every heap which is obviously different to others is determined the accuracy of which is also dependent on the experience/expertise of surveyor. On correctly determining the compactness of heap/stock of un-ginned cotton the factor to determine

weight per unit area is determined. Determining this factor can also be learnt through experience and cannot be taught theoretically. This factor varies from 6 to 12 cubic feet per mound. With minor variation in determining density factor the weight of whole stock of un-ginned cotton lying in the factory can be either increased or decreased by thousand of mounds.

Stock of Ginned cotton on the other hand is kept in form of cotton bales. Weight of cotton bales is recorded in pressing register. Weight can also be verified by physically weight of bales randomly. Another record for verification of weight of bales is weight notes and sale bill where net weight is available. Weight of cotton bales are firstly recorded when bale leave the press house for stacking in open compound and 2ndly when it is loaded on vehicle for transportation. It is again weighed when delivered at the premises of purchaser i.e. spinning or textile mills. The standard weight of a bale is however 170 kilograms with variation of 3%. Usually the average weight of a lot consisting of 100 bales is being maintained at 16000 kilograms net currently.

In case of fire origination in un-ginned cotton heap by any accidental / fortuitous means it affect the cotton heap superficially only. The upper layer of the heap is only affected directly by fire/heat. Due to penetration of water used to fight fire

however affect the seed up to some extent. If the affected heap is opened up and dried after removing affected crust the loss by water could be eliminated.

Loss is assessed by dividing the heap in 3 main categories. Category 1 consists of black crust formed by total loss of upper layer of cotton. Category 2 consists of heated cotton which is discolored due to heat etc and category 3 consists of cotton which is affected by water. Remaining stock of heap remains almost sound. Some times when the affected heap is affected severely or it is not opened up for 2-3 days or the temperature is high then the extent of damage aggravates in bottom layers of affected cotton heap. On digging/cutting a lane through the affected heap the inner core of the heap can be examined to assess the extent of loss.

Un-ginned cotton lying in form of big heaps can never be converted to total loss. The so far highest percentage of loss in un-ginned cotton remained with 35% in any one stock of un-ginned cotton lying in form of a heap. However if the stock of un-ginned cotton is kept in very low height like 1-3 feet then the percentage of loss may touch to almost total loss. It occurs when the stock of each and every small carrier like bull cart, camel back, cart, small tractor trolleys etc are stored in open compound separately forming multiple small heaps. These heaps normally do not maintain any distances in between. Percentage of loss would go on decreasing with the increasing height of heap of un-ginned cotton.

Naturally the stock of un-ginned cotton do not aggressively lose its volume after burning so the residue of burnt un-ginned cotton can be measured and volume can be assessed by adding up margin of decreasing in size due to fire/water again by the skill an experienced surveyor attains after lengthy practical experience.

Relevant record as mentioned above may also be taken in to account to assess the quantum of involved/un-involved cotton. The mortgagee's bank record may also be checked for further verification.

So to quantify the stock of un-ginned cotton lying in the factory following record may be checked other than following the procedure of assessment by physical methods as mentioned above.

1. Un-ginned cotton inward gate register.
2. Un-ginned cotton weight register.
3. Katla register.
4. xx or excise register which is duly examined and signed by excise inspector.
5. Commission account against purchase of un-ginned cotton.
6. Excise (cess) payment receipts against purchase of un-ginned cotton.
7. Weighing scale record.
8. Ledger against purchase of un-ginned cotton.
9. Heap register.

It can be assessed by various indirect methods which is advanced stage of assessment and may be discussed later. To assess the value at risk as well as extent of loss in term of amount the

prevailing market value of affected item at the time and place of loss is taken in to account. The prevailing market value of un-ginned cotton can be obtained from the surrounding cotton factories, market committee etc. Relevant record is also available in the factory in form of ledger, purchase bills / receipts etc. People who are involved in cotton ginning / pressing business or surveyors / underwriters keep themselves updated regarding fluctuation in cotton rates. Rate of ginned cotton are also available in the market. Record in form of ledger and sale bills and sales record is available. KCA spot rate for base grade 3 cotton is also available for reference. The authentic website to verify the spot rates of ginned cotton is www.kcapk.org.

G.O.T of different varieties of cotton is also charted down in the same website but it does not reflect the actual values on ground which are quite different.

Assessing loss in ginned/un-ginned cotton is very lengthy subject and cannot be covered in one article. These days the burnt stock of cotton bales are presented before different salvage corps/dealers who examine and offer their value. The highest value is taken provided it is not



contradicting to the value of loss as assessed by the surveyors. Role of an experienced/competent cotton claims surveyor is of prime importance because he is the official and expert to assess the correct extent of loss and to check the fairness of salvage value as being offered by salvage dealers.

In short it can be said that assessing extent of loss in cotton is task to be handled by experienced / skilled / competent cotton claims surveyor only. There is no any existing scientific formula to assess such losses. The loss is assessed by assessing the extent of physical damage to each and every cotton bale and heap. The affected cotton bales are categorized in to different categories on the basis of extent of loss by experienced surveyors. Various factors are taken in to consideration while assessing the extent of damage to cotton bales. Those are bales which damaged from all sides, bales which are damaged from one side, two sides, three sides, four sides etc. and penetration of fire in to the bales. Cotton bales if remain un-opened after fire get damage at very low extent as compared to bales which get opened after fire by breaking the tie hoops.

Similarly assessing the extent of loss in stock of un-ginned cotton is also task to be handled by experienced surveyors and cannot be taught theoretically because there is no scientific procedure or formula to determine the extent of involvement

and loss.

In one of my previous articles I had suggested a practical procedure to modify the transport and stacking of un-ginned cotton which may be gone through in this respect. If that procedure is adopted the assessment of quantum of involved/un-involved cotton and assessing the extent of loss shall become easier and more accurate.

Some mischievous claimants manipulate the record and facts to draw undue benefit out of claim by showing excessive purchased of cotton. And sometimes cotton bales are removed out of factory in order to cover up the under insurance factor.

It can be identified easily by expert / experienced surveyors by checking the complete factory sale / purchase record and investigation conducted at site of loss. Bank record, excise record, 3rd parties record can be verified. For example if cotton bales are removed after fire to avoid under insurance one can inquire from factory labor, outside / surrounding people i.e. shop keepers who would tell if any trailer or truck left the factory after fire. Weighing scale record, bank delivery of orders, record from various truck stands may unveil the facts. There are many other ways to identify this aspect. If quantum of cotton is increased by manipulating record one experienced surveyor may go and assess it by physical methods. Cotton bales

claimed as total loss may also be verified by hundreds of ways. Only experienced surveyor may reach at fair conclusion.

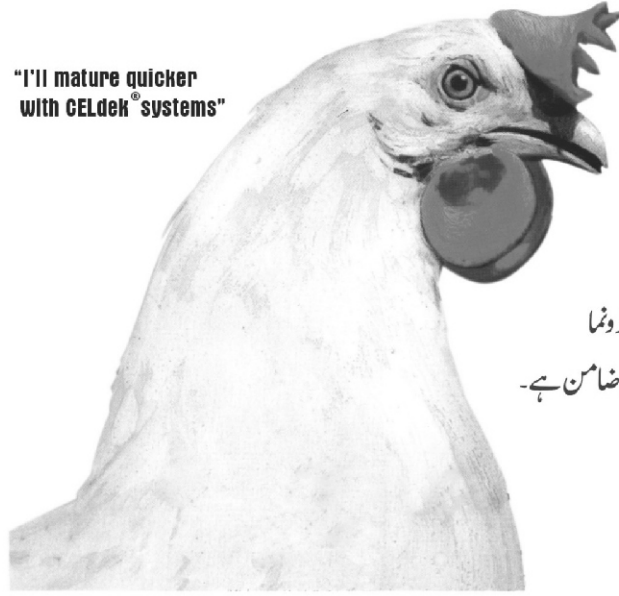
A book of 1000 pages can be written on this topic so it cannot be closed in one article.

As mentioned above other than going through factory record to determine value at risk or to quantify the stock of cotton present or claimed to be present in the factory following bank record may also be examined for reference of comparison.

1. Daily stock report.
2. Pledge letters.
3. Pledge register.
4. Limit sanction advice.
5. Delivery orders of cotton bales.
6. Payment received against sale proceeds.
7. Insurance record.
8. Drawing power detail.
9. Special godown inspection audit reports.
10. Account statement of cash finance.
11. Macadam register.



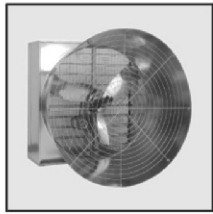
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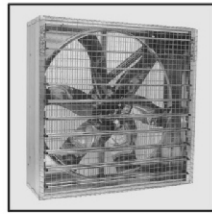
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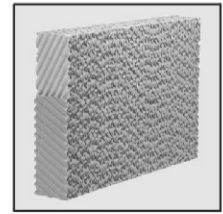
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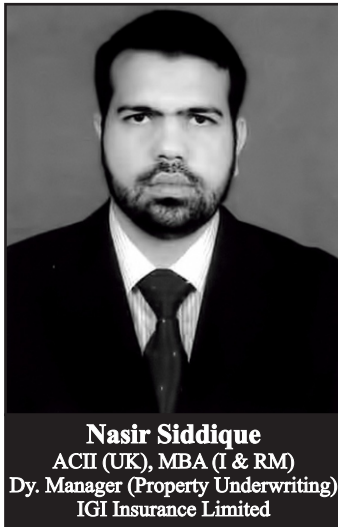


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Risk Management & Its Importance

The Importance of Risk Management to Business Success:

Risk management is an important part of planning for businesses. The process of risk management is designed to reduce or eliminate the risk of certain kinds of events happening or having an impact on the business.

Definition of Risk Management:

Risk management is a process for identifying, assessing, and prioritizing risks of different kinds. Once the risks are identified, the risk manager will create a plan to minimize or eliminate the impact of negative events. A variety of strategies is available, depending on the type of risk and the type of business. There are a number of risk management standards in the world developed by many institutes.

Types of Risk:

There are many different types of risk that risk management plans can mitigate. Common risks include things like accidents in the workplace or fires, tornadoes, earthquakes, and

other natural disasters. It can also include legal risks like fraud, theft. Risks can also relate to business practices, uncertainty in financial markets, failures in projects, credit risks, or the security and storage of data and records.

Goals of Risk Management:

The idea behind using risk



management practices is to protect businesses from being vulnerable. Many business risk management plans may focus on keeping the company viable and reducing financial risks. However, risk management is also designed to protect the employees, customers, and general public from negative events like fires or acts of terrorism that may affect them. Risk management

practices are also about preserving the physical facilities, data, records, and physical assets a company owns or uses.

Process for Identifying and Managing Risk:

While a variety of different strategies can mitigate or eliminate risk, the process for identifying and managing the risk is fairly standard and consists of five basic steps. First, threats or risks are identified. Second, the vulnerability of key assets like information to the identified threats is assessed. Next, the risk manager must determine the expected consequences of specific threats to assets. The last two steps in the process are to figure out ways to reduce risks and then prioritize the risk management procedures based on their importance.

Strategies for Managing Risk:

There are as many different types of strategies for managing risk as there are types of risks. These break down into four main categories. Risk can be managed by accepting the consequences of a risk and budgeting for it. Another strategy is to transfer the risk to another party by insuring

against a particular, like fire or a slip-and-fall accident. Closing down a particular high-risk area of a business can avoid risk. Finally, the manager can reduce the risk's negative effects, for instance, by installing sprinklers for fires or instituting a back-up plan for data.

Having a risk management plan is an important part of maintaining a successful and responsible company. Every company should have one. It will help to protect people as well as physical and financial assets.

Then Risk Management Helps In:

•**Risk Identification-** Risk management outlines various categories of risks faced by new business including operational, financial, strategic, compliance related and environmental, political, safety and health risks.

•**Risk Management-** Clarifies the importance and events for tackling the risks that your new business establishments may face. This includes the information about the evaluation of various risks and four options for managing each risk. This also helps in outlining some preventive ideas to decrease the likelihood of risks immobilizing your business.

•**Business Recovery Planning-** Outlines disaster planning and also minimizes the impact of the disaster on your business and this includes aspects such as data security, employees, insurance policies and equipment.

•**Prevention of Crime-** This outlines crimes disturbing small businesses and derives some simple steps to tackle it.

•**Shop Theft-** Risk management discusses theft problems in a business and the areas to protect, such as adopting simple safety measures and by keeping track of the staff and inventory.

•**Data Security-** This offers a variety of information, which protects the businesses and also secures data. Includes disaster recovery, risk assessment, backups and policies regarding data security.

Why is it important to carry out a Risk Assessment and prepare a Safety Statement?

The main aim is to make sure that no one gets hurt or becomes ill. Accidents and ill health can ruin lives, and can also affect business if output is lost, machinery is damaged, insurance costs increase, or if you have to go to court. Therefore, carrying out risk assessments, preparing and implementing a safety statement and keeping both up to date will not in themselves prevent accidents and ill health but they will play a crucial part in reducing their likelihood.

Employers, managers and supervisors should all ensure that workplace practices reflect the risk assessments and safety statement. Behaviors, the way in which everyone works, must reflect the safe working practices laid down in these documents. Supervisory checks and audits should be carried out to determine how well the aims set down are being achieved. Corrective action should be taken when required. Additionally, if a workplace is provided for use by others, the safety statement must also set out the safe work practices that are relevant to them.

Hence, it is important to carry out a

Risk Assessment and prepare a Safety Statement for:

1. Financial Reasons:

There is considerable evidence, borne out by companies' practical experiences that effective safety and health management in the workplace contributes to business success. Accidents and ill-health inflict significant costs, often hidden and underestimated.

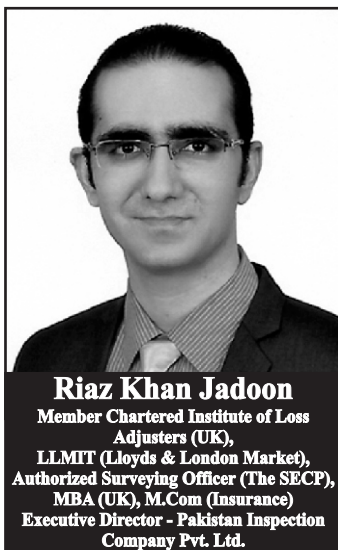
2. Legal Reasons:

Carrying out a risk assessment, preparing a safety statement and implementing what you have written down are not only central to any safety and health management system, they are required by law. Health and Safety Authority inspectors visiting workplaces will want to know how employers are managing safety and health. If they investigate an accident, they will scrutinize the risk assessment and safety statement, and the procedures and work practices in use. It should be ensured that these stand up to examination. If the inspector finds that one of these is inadequate, he or she can ask the employer to revise it. Employers can be prosecuted if they do not have a safety statement.

3. Moral and Ethical Reasons:

The process of carrying out a risk assessment, preparing a safety statement and implementing what you have written down will help employers prevent injuries and ill-health at work. Employers are ethically bound to do all they can to ensure that their employees do not suffer illness, a serious accident or death.





Property Transactions in Pakistan

The Property business in Pakistan has been a fortune turner for majority of people related to this Industry. With increasing shortage of housing units for our ever increasing population, the cost of owning a house has increased exponentially especially in city areas. There are numerous examples of people from our daily lives who have taken advantage of this situation and have turned their fortunes making them substantially prosperous.

Estate Agents working in the Property business have always been considered as the most advantageous party. Generally, they receive cash amount of 1% from both the parties, i.e. the buyer and the seller, when a deal is struck. Since the involved parties only know the actual amount of the Transaction, the real income of a Property from each deal always remains private and confidential.

Most Property Agents operate from makeshift locations with either a signboard or painting on top of the shutter of their Shop (Office). The entire business is usually a one-man show with minimum operating costs with NO registration and approval of any authority whatsoever. Some of them even do not have any bank accounts and works only on cash. All their dealings are based on words of mouth and there is no concept of service agreement with the Agent.

Moreover, Property transactions usually take place on the basis of information mentioned in Official Documents of the Property that are passed from one buyer to another and accordingly accepted by all other buyers when the property is transacted. Any change in them is usually considered to be a next to impossible task due to the bureaucratic culture that prevails in Government departments. Many of us may already know how difficult it gets when you are being tossed from one table to another for processing or any change in your Property documents. Thus, apart from change in the ownership name vis-à-vis CNIC number of new buyer, no other change is usually required making life easy for the Agent.

With all the benefits that come with Property business for Agents, a dark side to it exists for common buyers / sellers that deal with them i.e. unethical market practices that result in uncontrolled exploitation of buyer and sellers alike. One cannot but only imagine what would one go through and how would one proceed when your entire hard earned money is on stake and something goes wrong in-between the transaction and the need arises to complain against an Agent. This too in circumstances when no one but only the parties involved in the transaction know the terms and conditions of the agreement and,

ironically, that too in verbal form.

Property Transactions here are a complicated business due to variety of reasons and listing all of them here would not be possible. However, one that all those who have gone through Property purchasing, on their own money without involving any bank, would have noticed while buying / selling the property in execution of two Deeds.

Almost all Property Transactions involve execution of Two (02) Sale / Purchase Deeds. The first Deed is for Official purposes that contain reduced values, which is declared to the officials of Land and Revenue Dept. The second Deed is executed on Original Value on the basis of which Property transaction actually takes place. This is done for variety of reasons including but not limited to Property Taxations, reduction in Transfer charges, CVTs and other charges.

Being in the Surveying and Valuation Industry, we have observed that Property transactions that involve financing from Banking Sector has been relatively transparent to some extent compared to those that take place without their involvement. This is due to the fact that Bankers have a certain criteria and procedures to complete before they would accept or decline a loan application on the basis

of documents of a certain property.

Since Commercial Banks are commercial entities with little or no involvement of governmental departments, apart from State Bank of Pakistan, they have their own interest to look after and proceed with their own rules. Bank officials ensure that the property against which the loan is being sanctioned is worthy of it. As a result, the systematic way of accepting / rejecting loan applications allows one more party, besides the bank itself, to get involved in the otherwise conventional Triangular relation of Buyer, Seller and Agent.

The inclusion of Independent Valuator is done in those cases only where Buyer does not want to invest in or do not possess the fund required to purchase the desired Property and, as such, the need to prove the actual standing of the property by determination of “**MARKET VALUE**”.

Market Value is internationally recognized and defined by the International Valuation Standards Committee (IVSC) and adopted by the RICS (Royal Institution of

Chartered Surveyors) as “The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”. More simply, an Asset's Market Value is the price it would fetch in the market, if it were sold immediately. All Properties in Pakistan under the guidelines issued by the PBA (Pakistan Banking Association) are currently being Valuated / Evaluated on Market Value basis unless stated otherwise.

The involvement of independent Valuers also allows looking at the property from another's eye and obtaining unbiased opinion about the visual and physical condition of the property. The conventional Agents may never give an impartial opinion of the Property due to the fact that their interest, in the form of commission, is at stake during the transitional phase that becomes payable only if the transaction takes place.

Although in minor capacity but the

inclusion of Bankers and Valuers in property transactions in recent days has positively influenced and, to some extent, have streamlined the transactional process of property. However, this is far from even the normal standards in comparable developing countries let alone the developed nations.

In recent days, the property prices have increased manifold and it is estimated that soon a time would come when buying a property without involving the Bank would become extremely difficult, if not impossible. It is high time that our government should seriously consider regularization of the real estate market by taking into confident all stakeholders including Agents, Land and Property Developers, Surveyors & Valuers and Financial Institutions. Conversely, a complete chaos is certain to prevail in the coming years and the standard of our Property Transactional phases would deteriorate with unethical and uncontrolled exploitations by unscrupulous elements with no accountability in the absence of a Regulatory Authority.

Reliance Insurance Company's Lucky Draw for the performance of UMRAH held at Karachi



Front: Mr. Saleem Ahmed, Mr. Munir Ahmed, Mr. A. Razak Ahmed (C.E.O. & Managing Director) and Mr. Haroon A. Shakoor (C.A. & Company Secretary)
Back: Mr. Zafar A. Pasha (E.V.P.) & Mr. Ishaque Azeem (V.P.)



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Insurance Sports Carnival 2014

Insurance Sports Carnival was held on December 07, 2014 at the Wapda Sports Complex organized by Lahore Insurance Institute. Mr. Muhammad Hisham was the Chairman of the Organizing Committee.



Indoor Sports Festival:

Day started with indoor sports activities where keen competitions were seen in various sports contested by participants from a large number of insurance companies. Indoor Sports Festival was inaugurated by Chairman LII Mr. Nasar Us Samad and past Chairman Mr. M. Ishaque Khan. Past Chairman Mr. Qamber Hamid along with other members of the LII council were also present. Results of various events are given below:

1) Badminton

Winner: Yahya Farooq of Security Gen.

Runner up: Hafiz Mazhar Iqbal of United

2) Table Tennis

Winner: Tehseen A. Khan of Reliance

Runner up: Moez Karim of IGI

3) Carem

Winner: Iftikhar Ali of EFU Gen.

Runner up: Situl ul Hassan of Alfalah

4) Chess

Winner: Jawad of EFU Gen.

Runner up: Manzoor Hussain of United

With the completion of Indoor sports - all participants headed to open stadium for out door activities which were moderated by the Advisor Mr Satwat Butt. A number of stalls including Fun and Game stall, Ludoo Pethianwala , Nestle Coffee and tea stalls were arranged. A colourful atmosphere could be seen by looking at the banners, balloons and the back drop.



Qirat: Beautiful qirat was recited by a small boy Muhamamd Zain Khurshid aged around 8 years.

National Anthem: National anthem was played .

March Past: March past was held whereby representatives of all participating companies marched through the arena by holding flags of their companies - under the cover of Pakistan and LII flag.

Flat Races: Races of various groups including girls under 10 years, boys under 10 years, seniors over 50 years, adults up to 50 years ,Ladies of all ages and open races were held. Participation in these races was huge and unprecedented. Mr M. Ishaque khan (age 88) also took part in the senior race. Winners were appreciated with gorgeous prizes.

Musical Chair: An interesting event was held where a number of ladies participated in the Musical Chairs competition. Anam Khan was the lucky winner.

Tug of War: Four teams from four companies participated in this competition. Security General defeated EFU General after hard competition. IGI defeated United Insurance. Final was played between IGI and Security General which was won by SGI

Shot Put: Representatives from a number of companies took part. Winner was Jabbar Javed Khan of EFU Gen.

Formal Program: Chair S&SAC Mr Muhammad Hisham welcomed all participants. He also appreciated companies for their generous contributions. He also lauded efforts of organizing team Salman Hameed, Asad Malik, Munir Khan, Arif Bashir, Tehseen Khan, Moeen, Jehanzeb, Daood Shah along with IAP staff members, out going Chair Satwat Butt and M. Imran Israr (education officer LII).

Chairman LII Mr Nasar Us Samad in his address highly appreciated the efforts of organizing committee under the new leader who did a fantastic job in bringing about a great show. He also highlighted various activities of the Institute and urged all participants to take advantage of these programs by participating with enthusiasm.

Prize Distribution Ceremony:

Winners from various indoor games were awarded prizes including trophies and cash vouchers. In appreciation of their generous contributions various companies were presented with souvenirs:

Diamond Sponsors: 1- United, 2- EFU General, 3- Adamjee, 4- Jubilee Life

Gold Sponsors: 1- IGI, 2- Alfalah, 3- Saudi Pak, 4- Asia

All Silver sponsor companies including Jubilee General and Askari and Bronz Sponsor companies including Reliance, Ali Murtaza & Co., Century, Atlas, Takaful Pakistan, Security General and Joseph Lobo were highly appreciated for their generous sponsorships.

In recognition of their support and encouragement souvenirs were also presented to Mr. Nasar Us Samad, Mr. M. Ishaque Khan and Mr Satwat Butt.

Nestle, Coke and Mitchelles were also recognized for their wonderful participation as generous sponsors. Gratitude was also extended to Media including Samaa TV, City 42 and ATV for covering the event for almost the entire day.

Closing Remarks:

In his closing remarks living legend of insurance industry Past Chairman LII Mr. M. Ishaque Khan appreciated the organizing committee for organizing such an emphatic event. Taking advantage of the presence of huge number of participants from various companies -he emphasized the importance of professional qualifications and skills. He encouraged all members to keep studying and keep growing. With their growth the industry will also grow and will become more professional.

Vote of Thanks:

A vote of thanks was offered to all participants by Mr Qamber Hamid on behalf of the LII Council who believes that events like this are instrumental in creating cordial environment and in preventing unhealthy competition.

After adjournment of formal program group photograph session was held followed by sitting lunch under the shamiyanas. A variety program was also held moderated by Mr. M. Aslam Sabir. A number of volunteers also displayed their talents.





Dr. Shaheryar Ahmed
Health Department
East West Insurance Co. Ltd

Pakistan Healthcare Reforms?

A Realty Perspective for each Province

Health, in Pakistan, is an expensive idea. Here, health care is not a right but a privilege, afforded only by those who have wealth.

Healthcare in Pakistan is administered mainly in the private sector which accounts for approximately 80% of all outpatient visits. The public sector was until recently led by the Ministry of Health, however the Ministry was abolished in June 2011 and all health responsibilities (mainly planning and fund allocation) were devolved to provincial Health Departments which had until now been the main implementers of public sector health programs. Like other South Asian countries, health and sanitation infrastructure is adequate in urban areas but is generally poor in rural areas.

Recent changes in the implementation of rules in constitution under 18th Amendment meant that the health sector has been returned to its original constitutional roots i-e to the provinces. This was a bold step in undoing the centralized service delivery that, over the years, had fragmented local and general health system all over the country.

Now the provinces have an opportunity to shape, test and implement innovations for improving health in line with local demand and resources. Service delivery needs vary greatly from the remoter districts of Baluchistan calling for aggressive outreach services to the growing urban settlements of Punjab requiring private-sector harnessing towards the

courts, recurring floods, terror attacks and the upcoming shift of vaccines from the federal to provincial domain in 2015 will strain fiscal space.

The provincial governments must free up funds by re-examining existing allocations. All is not right, here. In Pakistan, health moguls are obsessed with building more specialty centres, medical colleges and expanding an already under-utilized health facility infrastructure. But, we have enough infrastructure; it is the softer areas such as drug supplies, the repair of rundown equipment, primary outreach services, availability of staff and doctor's and supervision that are overlooked in budget-making.

Less is also spent on preventive care. Pakistan has one of the highest levels of under-nutrition population with more than 40pc children stunted, it is one of the last reservoirs of polio, and unlike its South Asian neighbors, is off-track on mother and child health targets. Chronic adult diseases are also growing but more cardiac centres will not help unless money is allocated for cost-effective early detection and managing hypertension and diabetes.



MDGs. The NFC award of provides fiscal space for funding such innovations.

To give credit where it's due, health allocations have gone up in the provinces, both in nominal and real terms. However, the general rise in public-sector salaries, the doubling of Lady Health Workers' salary by the

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AFFORDABLE."



KP (Khyber Pakhtunkhwa) was the first province to kick-start health reforms, with a Minimum Health Service Package for the poor, commissioning NGOs' services in hard-to-reach districts, and replacing fossilized polio control campaigns with the Sehat ka Insaf scheme.

Punjab soon followed, setting up the Punjab Health Commission for introducing quality standards, programming for 24/7 Basic Health Units and planning an ambitious health insurance scheme for affordable access to hospital care.

Sindh and Baluchistan, while announcing an eight-year 2020 health strategy, have lagged behind in implementation. Sindh has seen a buzz of activity in recent months with the initiation of a public-private partnership scheme and international aided BISP programmes to boost under-performing facilities in remoter districts, the maternal-health monitoring pilot of health facilities, a healthcare regulation act, and several governance measures to revitalize the health department.

However Sindh needs a committed operational plan and visible change in curative and infrastructure-tilted spending priorities for the measures to materialize.

Baluchistan faces challenges of access to health services in rural areas due to lack of roads, inadequate water,

food insecurity and illiteracy. It recently started a health and nutrition programme to work out these problems but security issues may keep trained manpower away from remote areas.

So the provinces have indeed started out, but will they be able to deliver? Reform requires the stability of a seasoned team to carry it through across the health department as well as line departments such as finance and planning. So far, the constant transfer and postings of the senior civil service leadership has held the provinces back.

Recent prioritized interest of Government in setting of Federal and Provincial Government administered Health insurance schemes is also showing some commitment of Government to boost the quality of health services and to some extent also the introduction of PPP (Public private partnership) insurance services is also reaching to rural masses which is mostly less provisioned for.

Further, reforms need a defined political face, a political vision tied to a party manifesto. In Colombia, the health minister actively lobbied groups of senators to mobilize support for primary care. And President Obama while passing the Affordable Care Act had to face stiff resistance from private insurance companies and private medical providers.

A test of devolution will also be whether it can achieve grounded agendas on health. HIV control was pushed by nine international agencies but will non-championed causes such as hypertension, diabetes, cancer, depression etc find their way to the health agenda? A culture of accountability is needed to move in the right direction. Health indicators can deteriorate even as provincial health budgets grow.

Some updated statistics as per 2013-2014 report on health shows in the whole country, there are:

Total Population 180 million and health budget at 0.40% of GDP.

- 1: 1,096 hospitals
- 2: 5,310 dispensaries
- 3: 5,527 basic health units and 687 maternity and child health centre's.
- 4: 167,759 Doctors
- 5: 13,716 Dentists
- 6: 86,183 Nurses
- 7: Hospital beds 111.953

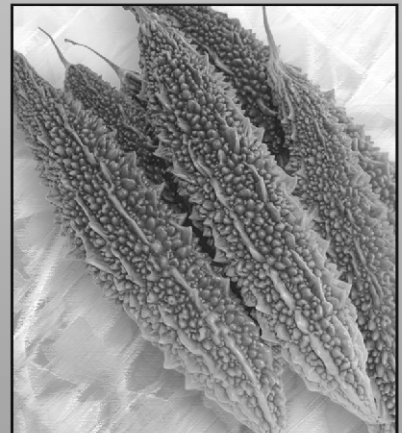
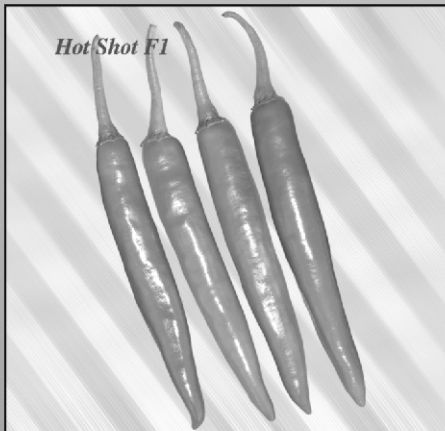
The Pakistan Demographic Health Survey provides a credible baseline of health targets. The provinces need time to bed down reforms and two years is not a test of devolution's impact. However, the 60 years given to the federal health ministry cannot be given again. Let us see which provinces are able to get it right in coming years.



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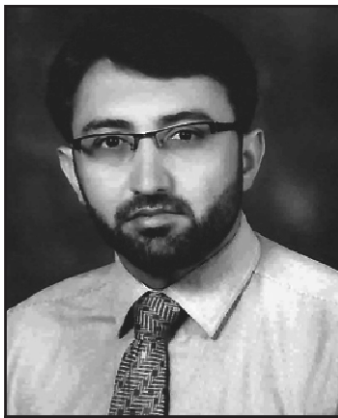
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RACHNA AGRI BUSINESS

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Depreciation on Auto-Vehicles' Parts

In the Insurance Concepts, the Law of Indemnity is of fundamental importance which, broadly, would mean that the Insured ought to be financially placed in the same status in which he was just before the Loss, i.e. he/she must neither gain or lose by Insurance.

Whenever, there is an Accident to an Auto Vehicle, certain Parts might be damaged and rendered beyond economical Repairs or Un-Repairable altogether. Alike Parts shall have to be replaced which, however, would not be available in accordingly old/used form.

Therefore, instead, New Parts shall have to be supplied and fitted in the Vehicle, whereby the Insured would gain by Insurance in the form of getting New Parts in replacement of his/her Vehicle's old damaged Parts which would go against the Law of Indemnity of Insurance.

As such, to equate the situation, the Surveyor would apply depreciation on the Cost of the New Replaceable Parts of the Insured Vehicle and the criteria thereof is usually @10% per year since the year of the manufacture of the Vehicle to the maximum limit of

60% only.

However, the criteria of 10% per year, in my opinion, would not be always correct because certain Vehicles would be very well-maintained by the Insureds while others, of the same year of Mfg; would not be so well-maintained by other Insureds. I am, therefore, of the opinion that the quantum of the application of depreciation should be the Surveyor's judgment in accordance with the



maintenance condition of an Insured Vehicle.

In case of Knock for Knock Accidental situation, the Insurers of the Defaulting Insured Vehicle may be called upon to indemnify the aggrieved Insured Vehicle's depreciation and D/Excess, if any.

At times, it has also been detected by me that the 3rd Party Vehicle's Owner would conceal his/her Vehicle's

Comprehensive Insurance Policy and would arrange to take-out a 3rd Party Insurance Policy, so as to derive benefit from the 3rd Party Claim and make good his Loss through his/her own Comprehensive Insurance Policy.

As such, the Surveyor must endeavor to verify the authenticity of the 3rd Party's Insurance Policy and take action in accordance with the genuineness or otherwise of the same.

It will not be out of place to mention here that to conduct detailed Survey/Inquiries in the context of Auto Vehicle, at times, it would certainly involve considerable time and expenditure but, usually, the Motor Survey/Inquiries Fee would be very meagerly paid by the Insurers which would hardly Cover the Surveyor Company's Expenditure.

In my opinion, Auto Vehicle Surveys are the most Technical/Time-consuming and Expenditure-involving assignments and to retrieve best services from the Surveyors, the Underwriters ought to look into well-paying the Surveyors which would ultimately result in the reduction of their Motor Claims Ratio.



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Dengue Fever Prevention & Cure

Although, I am not a doctor but based of my experience in the field of medical health insurance, some literature review and interaction with some patients, I feel to highlight some useful information for the public awareness about Dengue Fever. Dengue Fever is a disease caused by viruses that are transmitted to people by mosquitoes. Dengue Fever causes high grade fever (about 104 F-105 F), skin rashes, severe headache, muscle and joint pains. Unfortunately, the disease occurrence seems to be increasing due to several factors:

- Due to increased urban crowding with more sites for mosquitoes to develop
- Travelers who carry the disease to areas where mosquitoes have not been previously infected
- Local and world environmental changes that allow mosquitoes to survive in the winter months

History & Statistics:

It is one of the leading causes of death in Pakistan as well as in the world. Dengue fever is estimated by the WHO (World Health Organization) to cause about 50-100 million infections per year worldwide. Dengue is common in Pakistan with its usual peak occurrence in the post monsoon season. In children under 16 years of age it was reported for the first time in Pakistan as an undifferentiated fever

in year 1985. During 1995 in Hubb, Baluchistan 75 cases and 57 deaths were reported. In 2003, Dengue occurred in Haripur in which 1000 patients were infected and 7 deaths registered. The same year in Khushab, Nowshera 2500 cases reported and 11 died. In 2004 only 25 cases were reported from Islamabad and Karachi. In 2005, Karachi witnessed death of 13 patients out of 500 cases. In 2006, dengue was reported from Karachi, Sukkar, Nawabshah, Rawalpindi and Islamabad with about 5400 cases and 55 deaths. In 2007, Karachi, Hyderabad, Mirpurkhas, Lahore, Haripur, Rawalpindi and Islamabad were affected resulting in 24 deaths out of 2700 reported cases. In 2008, Lahore got 1800 positive cases. In 2009, overall 570 cases were reported. In 2010, 5000 positive cases were documented. Study conducted in Lahore, Sheikhpura and Gujranwala on 320 patients while in federal capital Islamabad 35 cases with one death reported. In Khyber Pakhtunkhwa 25 cases and 3 deaths and in Azad Jammu Kashmir 5 cases were reported. In 2011, Pakistan had the worst strike of dengue in which more than 20,000 cases and 300 deaths were reported officially which according to experts reflect under reporting. Lahore was the epicenter with maximum number of cases followed by Faisalabad, Rawalpindi and Sargodha. In Karachi, Sindh 196 cases were reported. (Ref: *Journal of the*

Dow University of Health Sciences Karachi 2011, Vol. 5)

Symptoms of Dengue Fever:

The symptoms of dengue begin about three to 15 days after a mosquito bite. It transfers a virus to a person earlier unexposed to the viruses. Fever, pain in muscles and joint aches can occur during the first few hours of symptoms when headache, chills, rash, and swollen lymph nodes first appear. Pain behind the eyes is also a common symptom. These symptoms usually last about two to four days and then reduced, only to reappear again with a rash that covers the body and spares the face. The rash also may occur on the palms of the hands and the bottom of the feet. The symptoms may last about one to two weeks with complete recovery. However, some people can develop more severe symptoms and complications, such as hemorrhagic areas in the skin, gums, and the gastrointestinal tract. This clinical problem is called dengue hemorrhagic fever (DHF). The majority of DHF is seen in children under the age of 15 years, but it can occur in adults. Another clinical variation of dengue fever is termed dengue shock syndrome (DSS); DHF usually precedes DSS. The patients eventually develop severe abdominal pain, heavy bleeding, and blood pressure drops; this syndrome, if not treated quickly, may cause death.

Causes of Dengue Fever:

Four closely related viruses cause dengue fever. The viruses are transmitted from *Aedes aegypti* and *Aedes albopictus* mosquitoes to humans in a viral cycle that requires both humans and these mosquitoes. There is no human-to-human dengue fever transmission. Once a mosquito is infected, it remains infected for its life span. A human can infect mosquitoes when the human has a high number of viruses in the blood (right before symptoms develop).

Diagnosis of Dengue Fever:

Dengue Fever is diagnosed by a medical practitioner by the relatively specific sequence of high fever, rash appearance, and other symptoms in a person who has a history of recent travel to dengue endemic areas and recalls mosquito bites while in the endemic area. However, if not all of the symptoms or history is complete; the medical practitioner is likely to take a number of tests to obtain a definitive diagnosis. Other diseases may yield similar symptoms (i.e. typhoid fever, yellow fever, scarlet fever, meningococemia and several others) if the patient has severe symptoms; or if the medical practitioner does not have enough information to make a presumptive diagnosis, the patient is likely to undergo a number of other tests (i.e. CBC, Dengue IgM Antibody, Dengue IgG Antibody and PCR etc.) to definitively distinguish dengue fever from other diseases. In general, the more serious the symptoms such as fevers at or above 104 F, hemorrhages or shock syndrome, the more tests are likely to be done.

Treatment of Dengue Fever:

This viral disease is usually self-limited and usually adequate hydration and pain control will help the person through the infection. However, for dengue fever, a caution is given by most doctors in home

treatment. Nonsteroidal anti-inflammatory agents (i.e. Aspirin, Ibuprofen and other NSAIDs) should be avoided because of the tendency of the dengue viruses to cause hemorrhages. The NSAIDs may add to the hemorrhage symptoms. Other medications such as Acetaminophen (Tylenol), codeine or other medicines that are not NSAIDs may be used. More severe conditions of dengue fever (hemorrhagic and shock syndrome) usually require hospitalization. IV hydration, Isolation, blood transfusions, platelet transfusions, blood pressure support, and other intensive-care measures may need to be utilized in these patients.

Prevention of Dengue Fever:

Dengue fever can be prevented by stopping mosquitoes from biting because they are the vectors the dengue viruses require for transfer to humans.

- We can minimize areas of exposed skin by wearing long-sleeved shirts, long pants, boots, and hats. Tucking in shirts and wearing socks and closed shoes instead of sandals may reduce dengue fever's risk. Mosquito repellents (i.e. Mospel, Mortien, Mosquit etc.) can be used for added protection.
- When accommodations are not adequately screened or air conditioned, bed nets are essential to provide protection and to reduce discomfort caused by biting insects. Bed nets are most effective when they are treated with an insecticide or repellent.
- Aerosol insecticides, vaporizing mats, and mosquito coils can help to clear rooms or areas of mosquitoes. Insecticides should always be used with caution, avoiding direct inhalation of spray or smoke.
- Cover all water tanks, barrels and storage container with tightly fitted

covers or with wire mesh. Flower pots saucers and vases should be emptied and scrubbed at least once a week to destroy mosquito eggs. Eggs can hatch into larvae in 3-6 days. Cut down all bushes and clear overgrown lots that can hinder mosquitoes.

- *Aedes* mosquitoes typically live indoors and are often found in dark, cool places such as in closets, under beds, behind curtains and in bathrooms. The risk of being bitten is highest during early morning, several hours after daybreak and in the late afternoon before sunset. However, mosquitoes may feed at any time during the day.

Conclusion:

As per my findings, the awareness among general public about Dengue Fever is insufficient and people should be given awareness about Dengue Fever prevention, risk factors, importance of medical checkup for early detection of Dengue Fever and availability of treatment in Pakistan. Dengue Fever awareness programs are needed especially for rural population through electronic and print media (TV, Newspapers, Literatures and Social Media), health/ medical insurers and hospitals. Ministry of Health must play its active role in prevention of Dengue Fever from Pakistan. Although, Department of Health, Government of Punjab has made SOPs for Prevention and Control of Dengue but proper implementation is required because Punjab Province is mostly affected by Dengue Fever in past years. Tests for Dengue Fever should be available free of cost nearer in the urban and rural basic health centers and it should be compulsory for the people to undergo those tests on regular bases.



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Is Change Good or Bad???

In today's ever-changing world, the only thing that doesn't change is 'change' itself. One cannot escape change. Change is inevitable. We all know that we cannot escape to cloud nine whenever we are faced with change. Some people will say that change is always good others will contradict them. So, the question here is what do you think about change? Is it good or is it bad? There is no straight answer to the question as nothing is always good or bad. For instance, if I have to type my article on typewriter rather than on my laptop where I can easily amend it then I will prefer change from typewriter to laptops. But if I cut my hair and it doesn't suit me then I will say change is bad. So, the change varies from situation to situation. In order to improve our daily lives we are forgetting the importance of things. The evolution of social media has deprived us from our true social lives. Now we have time for our 1000 facebook friends but we cannot spare a single moment to listen to our parents and friends in real life. "Life is a series of natural and spontaneous changes. Don't resist them; that only creates sorrow. Let reality be reality.

Let things flow naturally forward in whatever way they like (Lao Tzu)."

Is Change Bad?

Apple was always a fruit which was supposed to keep doctors away. Reading a book was once one of the happiest moments of my life, the smell of new pages was so fascinating for me and I used to read the whole

of love and joy and after several years we enjoyed flipping through these albums with our loved ones but now we just capture every moment of our life and shared it with people who are least bothered. Kids were innocent. Laughing was a feeling not a word (LOL). Gaming was an outdoor sport. We used to enjoy TV time when we had only one channel and limited shows to watch. On events of Eid,



C h r i s t m a s , Graduation etc real cards were sent which showed the gratification of the sender. The death of our loved ones is not a change we want. "Things change. And friends leave. Life doesn't stop for anybody (Stephen Chbosky)". Divorce is not a positive change. There are so many comparisons between pre and post change

but the purpose was not to debate on that changes and what these changes has changed in our lives. We are just trying to understand is change good or bad? I was discussing the changes which I have seen but there will be people who had seen times when there was not even a TV and camera. Therefore, the comparison for them might be different.

book in one night but now when books are away from one click, I have lost my love for them. Assignments and homework was meant to teach us new things but now with copy paste we have mastered the skill of fooling our teachers and ourselves. Watching TV was supposed to be a family time. With limited photos options we always used to capture the moments



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The Nature & Meaning of Management

The simplest definition on management states that '*management is getting things done through other people*'. It sounds very simple. According to this definition, managers do not do things, rather they get other people to do. If managing is an individual ability to get things done, then it is no problem. We can plan and perform things according to our own convenience and interests. When somebody else is involved and we want things done through them, there is difficulty and all sorts of problems arise. Personalities come into contact and conflict and interpersonal problems crop up. We have to understand the behaviour of other people and must have knowledge on how to motivate them in order to get things done through them. We have to consider the conveniences and interests of others also in planning and implementing things.

In order to get things done through other people, have to be coaxed, shown, inspired and motivated, this is what management means. It brings a new dimension into the picture and these activities are not performed only by the people at the top. Managers are people at all levels in the organization from top to bottom, from the Chairman of the board to the front line supervisors etc. All these people are engaged in similar kind of activities. They use the above mentioned methods to get things done through



other people.

'A manager is someone who works with and through other people by coordinating their work activities in order to accomplish organizational goals.'

Now let us discuss the comprehensive definition of Management and its meanings.

Management is guiding human and Physical resources into dynamic organization units that attain their objective to the satisfaction of those rendering the service.

Let us also analyse the meaning of this definition. Management involves guiding human and physical resources

by keeping a balance and at the same time a Manager cannot emphasize on physical resource and ignore human resource and vice versa. This definition brings out the dynamic nature of the organization. Organizations operate in an ever changing environment and the businesses that have failed are those that have ignored the changes in the environment. This is because technology changes, markets change, products and services change, people change therefore organization must change. These organizations which readily adapt to change are said to be dynamic.

Attainment of objectives is the next part of the definition. Without objectives there is no meaning to an

organizations existence. A manager must know and set his/her objectives and goals. Objectives are like an estimate of end result expected in future. Out of objectives or goals that are developed, goals are more specific than objectives. A performance measure for attaining these goals is the level of satisfaction of those served and the public or customers are those served by the organization. The last part of the definition speaks of the high degree of morale and satisfaction on part of those rendering the services. The kind of satisfaction the members of the organization derive from their work has an impact on the achievement of goals and the satisfaction of customers.

A question arises, IS MANAGEMENT A SCIENCE, ART OR A PROFESSION?

Those who view management as an art feel that one gains expertise in the field of management only by practise. Practise gives an intuitive knowledge to solve various organizational and managerial problems. Only by experience and practice can one gain such knowledge. Those who view management as a science feel that organizational and managerial problem-solving requires the knowledge and application of scientific methods and techniques rather than relying on intuition. A more rational approach to this issue is to view management both as a science



and an art.

professionals:

'Knowledge (science) without skill (art) is useless. Skill (art) without knowledge (science) means the inability to pass on learning.'

-Professional decisions are based on the principles and the ones that are independently valid for a particular case.

Now let us focus our attention on the characteristics that are often used to differentiate a professional and a non-professional. These characteristics are:

- Professional decisions imply a specialized type of expertise, not general knowledge.

(a) A formal body of knowledge together with the skills necessary for application.

-Professionals derive their status from their success in their work, not on the basis of social class or political knowledge.

(b) Conforming to officially sanctioned ethical norms governing professional and personal behaviour.

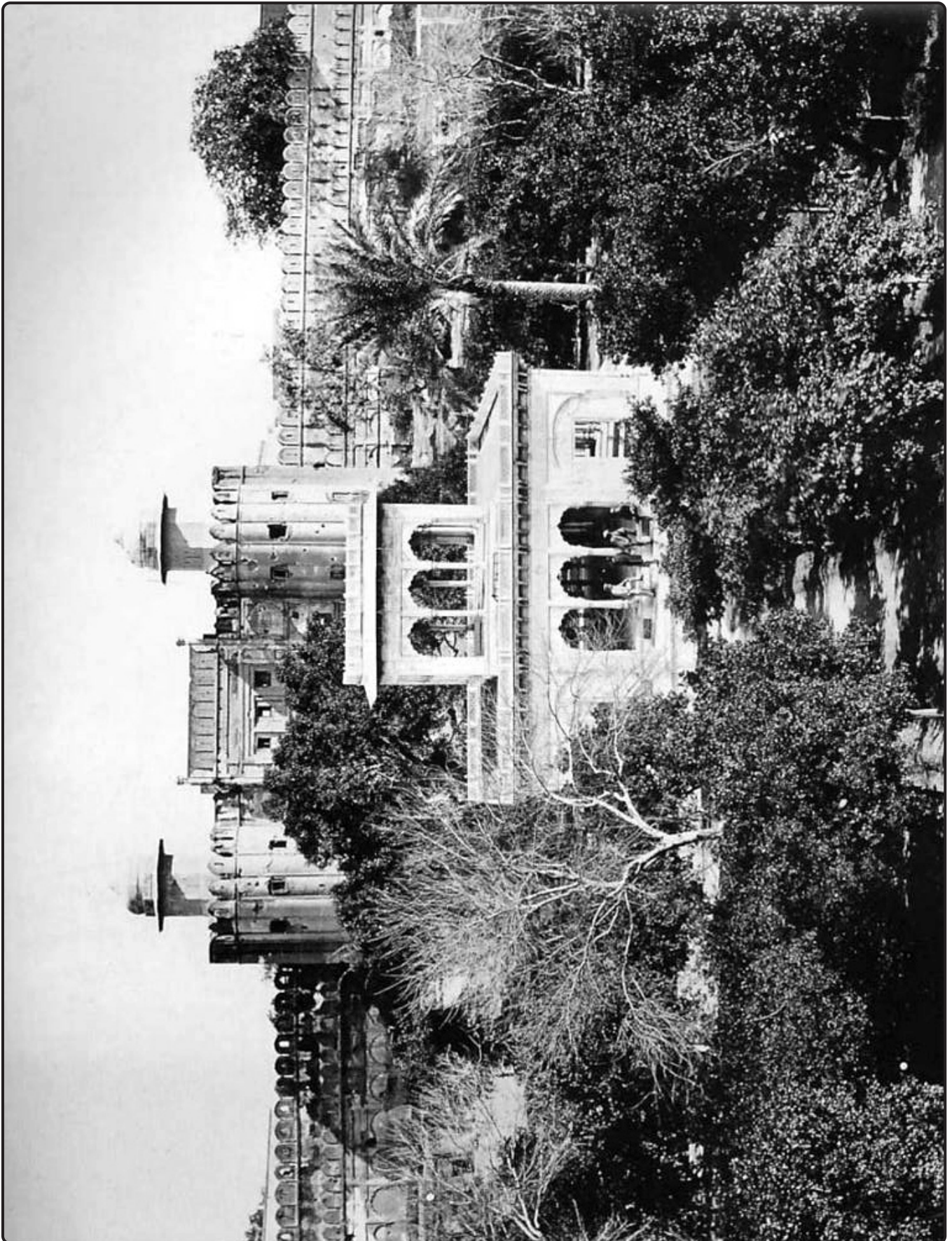
-Professionals usually know what is best for the client.

Edger Scheim points out the following characteristics about

We can come to a conclusion that a management as a field of study and practice meets these criteria and hence can be considered a profession.



Lahore Fort - 1864



**Shahi Textiles v. Askari Bank Limited
(Munib Akhtar, J)**

2011 C L D 995

[Karachi]

Before Muhammad Athar Saeed and Munib Akhtar, JJ

Messrs SHAHI TEXTILES and 3 others---Appellants

Versus

ASKARI BANK LIMITED through President---Respondent

Spl. HCA No. 167 and C.M.A No. 1598 of 2010, decided on 13th December, 2010

Financial Institutions (Recovery of Finances) Ordinance (XLVII of 2001)---

---Ss. 9 & 10(2) ---Banking Companies (Recovery of Loans, Advances, Credits and Finances) Act (XV of 1997), S.10 (1) --- Banking Companies (Recovery of Loans) Ordinance (XIX of 1979), S.7(2)---General Clauses Act (X of 1897), S.9---Suit for recovery ---Single Judge of High Court dismissed defendant's application for leave to defend for being time-barred and subsequently decreed the suit---Contention of defendant was that the day on which summons was served had to be excluded while computing the period of limitation---Plaintiff contended that word 'of' and not word 'from' having been used in S.10(2) of the Financial Institutions (Recovery of Finances) Ordinance, 2001, S.9 of the General Clauses Act, 1897 was not applicable, therefore, the day of service of summons could not be excluded while computing the period of Limitation---Validity---Under Banking Companies (Recovery of Loans) Ordinance, 1979 and the Banking Companies (Recovery of Loans, Advances, Credits and Finances) Act, 1997, day of service of summons was excluded from consideration---Form No.4 of Appendix 'B' of the C.P.C. as adapted for use under Financial Institutions

(Recovery of Finances) Ordinance, 2001 required defendant to obtain leave from the court within 30 days from the service of summons---Section 9 of the General Clauses Act, 1897 provided for exclusion of the first day in a series of days or any other period of time---Absence of word 'from' would not mean that the first day would be included---General Clauses Act, 1897 did not provide for inclusion of the first day where word 'of' had been used---Inclusion or exclusion of the first day would be determined by the contents of statutory provision---Under S.10(2) of the Financial Institutions (Recovery of Finances) Ordinance, 2001, the day on which summons was served would be excluded---Section (9)5 of the Financial Institutions (Recovery of Finances) Ordinance, 2001 provided for specific form of summons which used the word 'from'---Sections 10(2) of Financial Institutions (Recovery of Finances) Ordinance, 2001 was applicable where service was effected by a summons in the form prescribed by S.9(5) of Financial Institutions (Recovery of Finances) Ordinance, 2001---Inclusion of day of service on the basis of a summons which allowed defendant to file leave to defend within 30 days 'from' service would be most inequitable---conjoint reading of the provision of Ss.9(5) and 10(2) of the Financial Institutions (Recovery

of Finances) Ordinance, 2001 suggested that day of the service of summons had to be excluded from consideration---Section 10(2) did not expressly provide for exclusion of the day of service while computing the period of limitation---Where such inclusion could have a penalizing effect of debarring the defendant from appearing in the suit, interpretation which excluded the day of service should be preferred---Provisions relating to Limitation should be construed to preserve the rights of parties unless relevant statutory language was clear and connoted only one meaning---Leave to defend was held to have been filed within time---Appeal was allowed and case was remanded to the single Judge to be decided on merit. [pp. 1000, 1001, 1002] A, B, E, G, H & I

(B) GENERAL CLAUSES Act (X OF 1897)---

---S. 9---Scope of S.9, General Clauses Act, 1897---Section 9 of the General Clauses Act, 1897 provided for exclusion of the first day in a series of days or any other period of time---Absence of word 'from' would not mean that the first day would be included---General Clauses Act, 1897 did not provide for inclusion of the first day where word 'of' had been used. [p. 1001] C

(C) Financial Institutions (Recovery of Finances) Ordinance (XLVII of 2001) ---

---S. 10(2)---Scope and application of S.10(2), Financial Institutions (Recovery of Finances) Ordinance, 2001--- Under S.10(2) of the Financial Institutions (Recovery of Finances) Ordinance, 2001 the day on which summons was served would be excluded---Section 10(2) of Financial Institutions (Recovery of Finances) Ordinance, 2001 was applicable where service was effected by a summons in the form prescribed by S.9(5) of Financial Institutions (Recovery of Finances) Ordinance, 2001. [p. 1002] D & F

Qureshi Salt and Spice Industries and another v. Muslim Commercial Bank Ltd. 1999 SCMR 2353 ref.

National Bank of Pakistan v. West Pakistan Tank Terminal (Pvt) Ltd. 2000 CLC 896 distinguished.

Makhanlal Roy Pramanick and others v. Pramathanath Basu and others AIR 1953 Cal. 50, 52 rel.

Asghar Bangush for Appellants.
Waleed Khanzada for Respondent.

ORDER

MUNIB AKHTAR, J---The present appeal was filed against the judgment and decree dated 7-7-2010 in Suit B-41/2010, which had been instituted by the respondent Bank in this Court under the Financial Institutions (Recovery of Finances) Ordinance, 2001 ("the 2001 Ordinance"). On 19-10-2010, the appeal was fixed for final disposal at the katcha peshi stage. Learned counsel for the parties were heard on 13-12-2010, and at the conclusion of the hearing, the appeal was disposed of as follows:--

"Both the learned counsel have concluded their arguments. For reasons to follow the appeal is allowed and the impugned order and the order

dismissing the leave to defend applications on the question of merits is set aside and the matter is remanded back to the learned Single Judge to first hear the leave to defend application on merits and after decision on merits on the leave to defend application the suit may be disposed of in accordance with law. This exercise should preferably be completed within a period of 60 days from today."

The following are our reasons for having disposed of the appeal in the foregoing terms.

2. The relevant facts necessary for the disposal of this appeal are as follows. After the suit was instituted, the summons was issued to the appellants (who were defendants therein) as required in terms of section 9 of the 2001 Ordinance. It is common ground between the parties that the summons was first served by means of publication in the newspaper on 27-1-2010. The appellants filed their leave to defend application on 1-3-2010. When the application came up for hearing, the first point raised before the learned single Judge was whether it had been filed within time. The appellants contended that the day on which the summons was served (i.e. 27-1-2010) was to be excluded and thus the last day for filing the application was 26-2-2010. However, that day (and the next following day as well) were holidays and the first working day thereafter was 1-3-2010, when the leave to defend application was filed. It was contended that therefor the application was within time. In reply, learned counsel for the respondent bank (i.e. the plaintiff) submitted that under the 2001 Ordinance, the day of service of summons was also to be included in the computation of the period of limitation, since section 10(2) required that the leave to defend application "shall" be filed "within thirty days of the date of the first service". The learned single Judge, relying on Qureshi Salt and Spice

Industries and another v. Muslim Commercial Bank Ltd. 1999 SCMR 2353 and National Bank of Pakistan v. West Pakistan Tank terminal (Pvt) Ltd. 2000 CLC 896 (a decision of a single Judge of this Court) concluded as follows:-

"The other cases referred to by the counsel are distinguishable and not specifically dilating on the point of determination of the first day for purpose of calculation of statutory period of 30 days. The words 'shall', 'within' and; of; are significant and the bare reading of subsection (2) of section 10 of the Ordinance 2001, leaves no doubt in my mind that the defendants under the aforesaid law were required to file the application to leave to defend within 30 days of service or of the day of the publication in the newspapers and the 30 days would commence from the date of publication" (emphasis in original)

On the foregoing basis, the learned single Judge concluded that the last day of limitation was 25-2-2010. Since the application for leave to defend was filed after that date, it was dismissed as time-barred. The suit was thereafter fixed for final disposal and judgment and decree followed in favour of the respondent bank by means of the impugned decision dated 7-7-2010.

3. Before us, learned counsel for the appellants renewed his contention that the leave to defend application had been filed within time and had therefore been wrongly dismissed by the learned single Judge. His case was that since the leave to defend application had not been considered on the merits, the appeal ought to be allowed and the matter remanded to the learned single Judge for such consideration. Learned counsel for the respondent bank on the other hand contended that the learned single Judge had correctly applied the law with regard to limitation and the leave to defend application had been properly dismissed. Quite obviously, the question of how the period of

limitation was to be computed went to the root of the matter and we accordingly directed learned counsel to first make submissions on this point. Learned counsel for the appellants submitted that on a proper interpretation, the day on which the summons was served had to be excluded while computing the period of limitation. He placed reliance on section 9 of the General Clauses Act. He submitted that the learned single Judge had misconstrued the two decisions relied upon by him and there was no finding therein that supported the conclusion that the day of service had to be included while computing the period of limitation. Learned counsel for the respondent bank on the other hand submitted that the learned single Judge had correctly applied the law. He pointed out that the word used in the 2001 Ordinance was “of” and not “from”. Section 9 of the General Clauses Act applied only if the latter word was used and it was only in that situation that the day of service stood excluded. He submitted that in the previous law on the subject, i.e. the Banking Companies (Recovery of Loans, Advances, Credits and Finances) Act, 1997 (“the 1997 Act”) neither the word “of” nor the word “from” was used, while in the statutory provisions prior thereto, i.e. the Banking Companies (Recovery of Loans) Ordinance, 1979 (“the 1979 Ordinance”), the word “from” had been applied. His case therefore was that the learned single Judge had properly appreciated the changed statutory language of the 2001 Ordinance. In reply, learned counsel for the appellants contended that section 9(5) of the 2001 Ordinance required the summons to be issued in a specific form, and the summons so issued required the defendant to file his leave to defend application within 30 days “from” the date of service. He submitted that it was mandatory requirement that summons be in the prescribed form and thus the day in which the summons was served had to be excluded from the computation of limitation.

4. We heard learned counsel for the parties, examined the record with their assistance, and considered the case-law and statutory provisions relied upon by them. Qureshi Salt and Spice Industries and another v. Muslim Commercial Bank Ltd. 1999 SCMR 2353 was a decision under the 1979 Ordinance. Section 7(2) of the 1979 Ordinance stated that the procedure to be applied was that prescribed under Order XXXVII of the Code of Civil Procedure, and in terms of that procedure, the leave to defend application had to be filed within 10 days “from” the date of service. Thus, in relation to the 1979 Ordinance, there could be no doubt that the day of service of summons was to be excluded while computing the period of limitation. In fact, all that the Supreme Court confirmed in the Qureshi Salt case (supra) was that if the summons was served through more than one mode, then the period of limitation would be reckoned from the earliest day of service. In the case before it, the summons was first served through publication, and the Supreme Court held that limitation was to be computed from the day of publication. This decision therefore does not shed any light on the question before us. Insofar as the decision of this Court in National Bank of Pakistan v. West Pakistan Tank Terminal (Pvt) Ltd. 2000 CLC 896 is concerned, that was a case under the 1997 Act. Section 10(1) of that Act had simply required that a leave to defend application be filed “within 21 days”. In that case, the summons was served through publication in two newspapers, one on 18-9-1999 and the second on 20-9-1999. The learned single Judge gave the defendants the benefit of doubt and computed limitation from the second publication. He concluded that the period of limitation ended on 11-10-1999, whereas the leave to defend application was filed on 16-11-1999. It will be seen that the application was hopelessly beyond time regardless of whether the date of publication was taken into accounts or not. However, it

is also pertinent to note that the period of limitation, as computed by the learned single Judge himself, excluded the day of publication. It would therefore appear that both under the 1979 Ordinance and the 1997 Act, the day of service of summons (whether by publication or otherwise) was to be excluded from consideration. The cases referred to by the learned single Judge do not therefore, with respect, support the conclusion that he derived from them.

5. The question of how limitation is to be computed under the 2001 Ordinance has to be examined on the basis of the relevant statutory provisions. Section 10(2) of the 2001 Ordinance provides in material part as follows:-

“The defendant shall file the application for leave to defend within thirty days of the date of first service by any one of the modes laid down in subsection (5) of section 9...”

Section 9(5), insofar as is presently relevant, is as follows:

“On a plaint being presented to the Banking Court, a summons in Form No.4 in Appendix 'B' to the Code of Civil Procedure, 1908 (Act V of 1908) or in such other form as may, from time to time, be prescribed by rules, shall be served on the defendant ...by publication in one English language and one Urdu language daily newspaper, and service duly effected in anyone of the aforesaid modes shall be deemed to be valid service for purposes of this Ordinance. The Banking Court shall ensure that the publication of summons takes place in newspaper with a wide circulation within its territorial limits.”

It is common ground that the summons had to be as Form No. 4 of Appendix “B” of the C.P.C. That form, as adapted for use under the 2001 Ordinance, requires the defendant “to obtain leave from the Court within 30 days from the service

hereof to appear and defend the suit” (Emphasis supplied).

6. In our view, reference should also be made to section 9 of the General Clauses Act, which provides in material part as follows:--

“In any Central Act or Regulation made after the commencement of this Ac, it shall be sufficient, for the purpose of excluding the first in a series of days or any other period of time, to use the word “from”...”

As is clear from the foregoing, whenever the word “from” is used, the first day has to be excluded. This does not however mean that if the word “from” is not used, the first day as to be included. It is to be noted that there is not requirement under the General Clauses Act that the use of the word “of” would cause the first day to be included. Whether or not the first day is to be included or excluded would therefore depend on the statutory provisions and the context in which they appeal. On a consideration of the 2001 Ordinance, we are of the view that the correct interpretation of section 10(2) is that the day in which the summons is served is to be excluded. As correctly pointed out by learned counsel for the appellants, the summons must be in a specific form, and that form uses the word “from”. The requirement that the summons be in the form specific is expressly stated in section 9(5). Thus, section 10(2) becomes applicable if and only if,

service is affected by a summons in the form prescribed by section 9(5), and in one of the modes specified in that provision. It would in our view, be most inequitable to serve a summons on the defendant which inform him that he may file his leave to defend application within 30 days “from” service, and then compute the period of limitation on a basis that includes the day of service. A conjoint reading of these provisions therefore leads to the conclusion that the day of service of summons should be excluded from consideration. Secondly, and more generally “a court ought not to put such an interpretation upon a statute of limitation by implication and inference as may have a penalizing effect unless the court is forced to do so by irresistible force of the language used”; *Makhanlal Roy Pramanick and others v Pramathanath Basu and others* AIR 1953 Cal 50, 52. In our view, this principle can be usefully applied to the present situation. There is nothing expressly stated in section 10(2) that would require the inclusion of the day of service while computing the period of limitation, and inasmuch as such inclusion can have a penalizing effect by debarring the defendant from appearing in the suit, the preferable interpretation would be that the day of service should be excluded. Unless the relevant statutory language is clear, and admits to only on meaning, provisions relating to limitation should be construed in favour of preserving the rights of parties, whether that be the

right of a plaintiff to sue or the right of a defendant to appear in the suit and defend direction alone. Accordingly, the proper interpretation of this provision is as noted above.

7. We therefore conclude, with respect, that even under the 2001 Ordinance, the day of service of summons (through whichever mode is first effective) is to be excluded from consideration. On that basis, since summons in the present case was served through publication on 27-1-2010, the last day of limitation was 26-2-2010. That day was admittedly a holiday, and the first working day thereafter was 1-3-2010 on which date the leave to defend application was filed. Accordingly, it was within time, and the learned single Judge, with respect, erred materially in coming to the contrary conclusion. The leave to defend application ought therefore to have been heard and decided on its merits. Since this had not been done, the appeal had to be allowed and the matter remanded to the learned single Judge in terms as stated in our short order.

8. The foregoing are the reasons for which we had passed the short order noted above.

A.R.K./S-13/K

Appeal allowed.





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