



Rating Action

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PACRA MAINTAINS IFS RATING OF STATE LIFE INSURANCE CORPORATION OF PAKISTAN

The Pakistan Credit Rating Agency (PACRA) has maintained the Insurer Financial Strength (IFS) rating of State Insurance Corporation of Pakistan (SLIC) at "AAA" (Triple A). The rating denotes SLIC's exceptionally strong capacity to meet policyholders and contract obligations. At the same time, risk factors are considered minimal, and the impact of adverse business and economic factors is expected to be extremely small.

The rating reflects SLIC's sound market position in life insurance industry emanating from strong market share, extensive distribution network, experienced management and robust financial profile. The Corporation is pursuing a growth strategy, wherein while focusing on existing business lines, it intends to expand its product offerings. This is expected to help in managing the impact of increasing competition on business volumes. SLIC's policy holders obligations are supported by sound investment portfolio; hence, any drag on its capital base is unlikely. Moreover, liabilities of the Corporation are guaranteed by the Government of Pakistan.

The Corporation: State Life Insurance Corporation of Pakistan (SLIC) was incorporated in March 1972 when the Life Insurance Business in Pakistan was nationalized. Currently, the Corporation operates in life insurance (individual and group) and pension schemes segments. The Corporation's BOD comprises eight members, including the Chairman who is also the Chief Executive Officer. The Federal Government through the Ministry of Commerce (MoC) nominates board members who are independent directors. The Chairman, Mr. Shahid Aziz Siddiqi, holds a master degree from Karachi University and Cambridge University. Mr. Siddiqi has held several key positions in various Government organizations and is associated with SLIC since 2008.

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